



ALDI Stores
(A Limited Partnership)

Modern Slavery Statement

2022



Introduction

A word from our CEO

Last year was a year of upheavals in many regards. We saw pressures on the global supply chain, a multitude of natural disasters, extensive labour shortages due to immigration disruptions and ongoing impacts from COVID-19. Unfortunately, these events tend to exacerbate social issues such as wage inequality and poverty, ultimately impacting the most vulnerable.

As a global retailer and Australia's third largest supermarket, we acknowledge the important role we have as a large player in the supply chain. I am confident ALDI Australia's 2022 Modern Slavery Statement demonstrates our commitment to eliminating all forms of modern slavery from our supply chain and shows how seriously we take our responsibility to behave ethically.

In 2022, ALDI Australia undertook the following initiatives:

- Piloted the Corporate Responsibility Supplier Evaluation (CRSE) program for the housewares category.
- Provided training on Responsible Purchasing Practices to our Textiles and Shoes Buying Teams.
- Strengthened grievance mechanisms available to workers within our international food and non-food supply chains.
- Strengthened tendering process for labour providers to further embed compliance to our ALDI Stores Supplier Standards.

More information on these 2022 initiatives can be found in this Statement.

To combat modern slavery in our supply chain, we work closely with business partners to understand their operations and working conditions, improving our sourcing and social monitoring processes.

In 2023, we plan to undertake the following activities:

- Extend the Corporate Responsibility Supplier Evaluation program into seafood categories.
- Increase traceability of supply chain data from our business partners. In addition to supporting the transparency of our supply chain, this will increase the effectiveness of our human and environmental risk assessments.
- Review our risk assessment practices and tools to evaluate their effectiveness and ensure they are fit for purpose.
- Extend the Responsible Purchasing Practices training for our Buying Teams to ensure these practices are further embedded across the business.



Anna McGrath
CEO
ALDI Australia

A handwritten signature in blue ink that reads "Anna".

Our business and supply chains

Business structure

ALDI Australia operations

This Statement was prepared by ALDI Stores (A Limited Partnership) ABN 90 196 565 019 and covers the reporting period of January to December 2022. ALDI is a grocery retailer which offers 1,800 everyday food and household products. We offer additional twice weekly 'Special Buys' which range from home and garden appliances to clothing and outdoor equipment.

ALDI SOUTH Group

ALDI Australia is part of the ALDI SOUTH Group, which allows us to collaborate, support, and align our activities globally. It is with this international approach that ALDI Corporate Responsibility operates with shared purpose as we support and work together to shape and drive ALDI's sustainability goals and outcomes. The ALDI SOUTH Group also has Corporate Responsibility offices in Hong Kong and Bangladesh to be closer to key sourcing countries.

Although part of a global organisation, ALDI Australia operates its business independently in order to cater to local consumer tastes and market expectations.

ALDI Australia



582

stores



15,141

employees

ALDI SOUTH Group



7,162

stores



11

countries

The data is as of 31 December 2022



Australia-first buying approach



Operations powered by 100% renewable electricity



Committed to sending zero waste to landfill by 2025



Reducing plastic packaging by 25% by 2025



Raised and donated more than \$5 million for Camp Quality over the last 3 years



Donated the equivalent of over 8 million meals to food rescue organisations in 2022

Supply chains

Our product range is diverse, from high quality groceries to unique Special Buys in varied product categories. Our supply chain consists of:

- ALDI private label products
- Vendor branded products (food and non-food)
- Goods not for resale (including goods and services needed to support ALDI's operations)

Throughout this Statement you will see the work ALDI Australia is taking to identify, address and mitigate modern slavery risks within these supply chains.

57

sourcing countries

1,000+

suppliers

The following map highlights our sourcing countries along with some examples of the inherent human risks that may occur within these regions:

Côte d'Ivoire

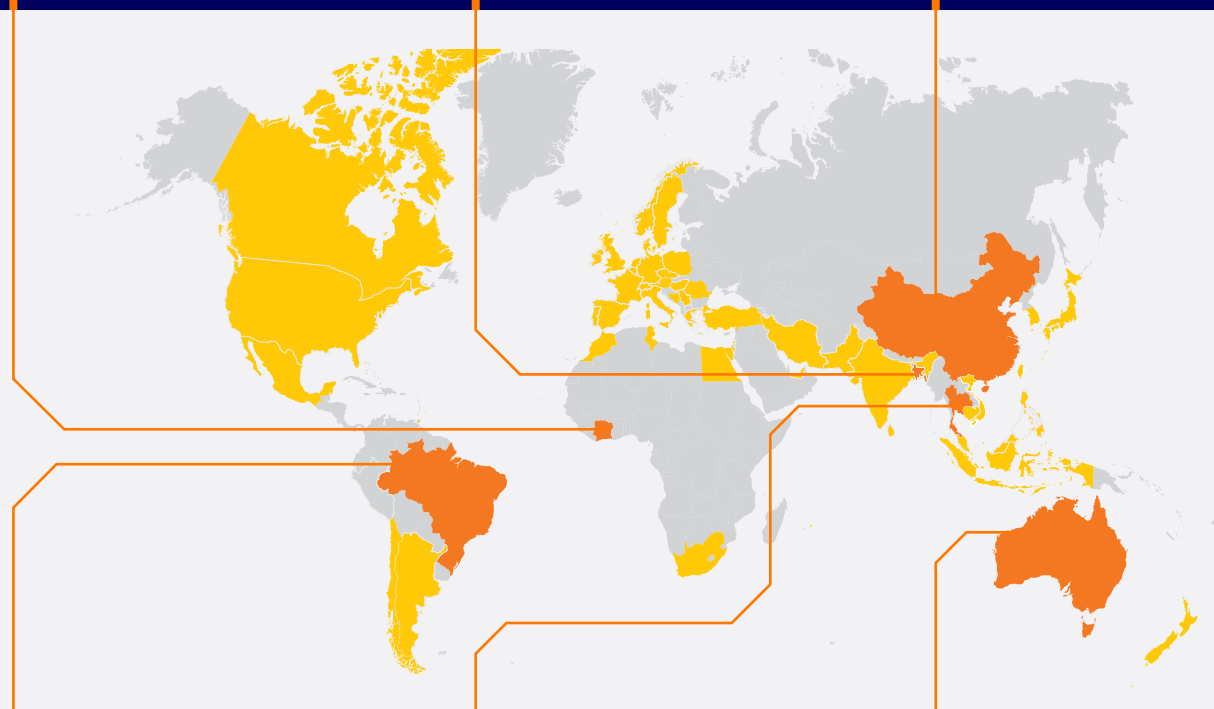
- Supply chain complexities
- Low wages
- Gender inequality
- Discrimination

Bangladesh

- Gender inequality
- Discrimination
- Health & safety

China

- Modern slavery
- Child labour
- Health & safety



Brazil

- Modern slavery
- Child labour
- Vulnerable workers such as migrant labour
- Gender inequality
- Discrimination

Thailand

- Modern slavery
- Deceptive recruitment
- Vulnerable workers such as migrant labour

Australia

- Vulnerable workers such as migrant labour and temporary labour
- Recruitment fees
- Underpayment of wages and illegal deductions

Risks

ALDI is committed to respecting human rights and improving living and working conditions throughout our supply chains. Our commitment encompasses any adverse impact on human rights that we might cause, contribute to or be directly associated with.

We recognise the importance of understanding the risks of modern slavery and ensuring our business partners are aware of these risks within our operations and global supply chains.

We work towards mitigating varied negative human rights impacts with the aim of addressing these vulnerabilities that lead to modern slavery.

According to the global estimates of modern slavery published in 2022 by the International Labour Organization (ILO), Walk Free and the International Organization for Migration (IOM), the number of people living in modern slavery has risen significantly in the last five years. There are currently an [estimated 50 million people](#) living in modern slavery worldwide.

ALDI identifies and assesses potential risk of modern slavery by reviewing country and industry risk indicators. We also draw upon the findings of the third-party and internal audits we review to identify incidents, risks, and trends. We understand there are multiple factors that contribute to the risk of modern slavery. These include employment of vulnerable workers, recruitment practices, type of work, and conditions of employment.

Vulnerability of groups of people is a strong risk factor relating to modern slavery in supply chains. As outlined by the Ethical Trade Initiative (ETI), we have identified the following groups of people as being particularly vulnerable to modern slavery:

- Children
- Women
- Migrant workers, both internal and cross border
- Temporary and seasonal workers
- Contract and agency workers
- Marginalised groups



Some of the issues impacting these groups globally, which contribute to modern slavery are:

- Recruitment fees, deposits for work and deceptive recruitment practices
- Withholding worker documentation
- Cash-in-hand, withheld, or delayed payment of wages
- Restriction of movement at work or in accommodation
- Harsh and inhumane treatment
- No access to grievance mechanisms
- Accommodation tied to employment
- Poor working or accommodation conditions
- Forced or excessive overtime

We consider the following merchandise categories to contain potential risks for modern slavery:



Fashion including shoes



Toys



Food such as fish and seafood, frozen fruit and vegetable, canned food, canned meats, oils and condiments



Housewares



Electronics



Fresh produce



Alcohol



Pet food



Fresh meat

In addition to the above merchandise categories, ALDI Australia have also identified the following non-merchandise products and services to be at risk for modern slavery.

These risks were identified from our Human Rights Risk Assessment conducted on our Australian operations and supply chains in partnership with Slave-Free Alliance in 2021.

- Trolley collection
- Cleaning
- Construction

We consider our ALDI Australia employees to be low risk for modern slavery. The ALDI Alert Line is available to our employees and business partners to raise concerns or report policy violations. All reports to the line are confidential and fully investigated.



Actions

Over the years we have developed a deeper understanding of the factors which contribute to risks of modern slavery. Activities and programs have been developed and expanded to continue to address the evolving risks within our supply chains and operations.

Policies and contractual controls

Our policies are underpinned by relevant laws as well as human rights and fair labour standards, including the following:

- The United Nations Universal Declaration of Human Rights,
- The United Nations Convention on the Rights of the Child,
- The United Nations Convention on the Elimination of All Forms of Discrimination against Women,
- The International Labour Organization (ILO) Conventions, and
- The OECD Guidelines for Multinational Enterprises.



The operational responsibility for execution of our policies sits within our Corporate Responsibility Department, relevant business units and with our senior management. We are all responsible for upholding our standards and requirements in our business including within the supply chain.

[Corporate Responsibility Principles](#)

[ALDI Social Standards in Production](#)

[ALDI Child Labour Policy](#)

[International Policy on Forced Labour](#)

[International Policy Statement for Human Rights](#)

[International Position Statement on Living Wages and Living Incomes](#)

[International Policy on Gender Equality in ALDI's Supply Chains](#)

[International Position Statement on Mandatory Human Rights Due Diligence Legislation](#)

Vision 2030

Through the ALDI SOUTH Group Vision 2030 we continue to work towards our ambitious goals making sustainability affordable for our customers whilst continuing to offer our customers access to great quality products.

Our global strategy consists of four key international focus areas; human rights, resource efficiency, zero carbon, and employer of choice. This approach is complemented by our additional national focus areas, which include providing customers access to healthy products and supporting local communities.

Detailed below you will find more information on actions we are taking towards our human rights commitments.



Achieving supply chain transparency

We are continuing to prioritise increased transparency in the following supply chains:

Textiles and shoes

We publish our textiles and shoes production facilities on our website and the Open Apparel Registry, and update these lists annually.

ALDI exclusive garments and household textiles

By 2025, our goal is to have all cotton used in these garments and textiles products from either recycled origin, or sourced or certified according to internationally recognised sustainability standards. We are working on improving the traceability of the fibres used in these products. This involved collecting the fibre data for 98% of our Australian products in scope of this requirement in 2022.

Nuts

In 2022, the ALDI SOUTH Group successfully completed its second nut traceability review. This information helps us to better understand where our nut products are sourced, including where they are grown and how they are processed. In our last traceability enquiry, we retrieved data on almost 85% of our buying volume for our nut snacking products, bringing to light key processes involved in each individual supply chain. Furthermore, we were able to identify Vietnam as the main processing hub for our cashew products, despite 50 per cent of raw cashew nuts are grown in West and East Africa.

Transparency and traceability of supply chains supports our risk assessments and informs future activities to mitigate modern slavery.

Fish and seafood

ALDI is the first Australian retailer to voluntarily disclose seafood sourcing on SFP's [Ocean Disclosure Project](#) (ODP).



Increasing public awareness for human rights

As a global retailer, we are committed to using our voice and influence to increase public awareness of human rights issues.

In 2022, Anke Ehlers, Managing Director Corporate Responsibility International for the ALDI SOUTH Group attended a number of events as a speaker to continue to raise awareness and discussion at an international level. These events included:

- The Sustainable Apparel and Textiles Conference
- amfori's Multi-Stakeholder Dialogue on Risks and Opportunities surrounding the European Corporate Sustainability Due Diligence Legislation
- The panel for the Consumer Goods Forum Impacts on Health: Action, Inspiration and Information on the Ground

As well as communicating our success, we're helping to shine a light on the challenges faced by our business and the industry when it comes to eliminating modern slavery.

Over the years, we have publicly shared our position statements on a number of human rights issues such as living wages and living incomes, gender equality, forced labour, and have also shown our support towards mandatory human rights due diligence legislation.

In 2022, the ALDI SOUTH Group co-signed a petition along with multiple international companies and NGOs to ensure living wages and incomes are included as a human right in the upcoming EU Corporate Sustainability Due Diligence Directive. [You can find more information on this on our website.](#)



Partnering for change

Through our long-term partnerships we are collaborating with expert organisations to drive improvements to worker livelihoods and working conditions within our supply chains.

These partnerships enable ALDI SOUTH Group to actively participate in impact led activities, with each partnership continuously tracked and evaluated.

More information on these partnerships is detailed on page 17.



Upholding human rights for workers

We continue to work to ensure the human rights of workers within our supply chains are respected. We consider worker voice an important aspect of human rights. We are partnering with organisations working on grievance mechanisms, see page 14 within this statement for more information on these programs.

The ALDI SOUTH Group is a member of the Living Wage Lab initiative of the Alliance for Sustainable Textiles. Since 2019, we have been undertaking activities towards analysing and improving our purchasing practices, as these can have an immense impact on working conditions and wage payments in production facilities.

In 2022, we collaborated with the Fair Wage Network to assess wage management systems in selected production facilities in China and Sri Lanka. In addition to this, we also initiated a pilot project looking at open costing in the textile and shoe supply chains. The goal of this pilot is to include labour costs as part of price negotiations.



Integrate Corporate Responsibility into Buying

We are committed to using our buying power to respect and support human rights by making our buying practices more sustainable. Examples of this integration include:

Delivering training on Responsible Purchasing Practices:

We recognise buying models and decisions can lead to adverse human rights impacts throughout our supply chains. We conducted an assessment of our purchasing practices and have developed training to support our Buying Teams to understand their impact and how we can ensure responsible purchasing practices are implemented in our buying models.

Integration of categories into the Corporate Responsibility Supplier Evaluations (CRSE):

The ALDI CRSE program is a comparative and transparent evaluation based on quantitative and qualitative indicators that focus on our business partners' social and environmental compliance management systems as well as the CR performance of their production facilities'.

Business partners are awarded a rating from A to D based off the evaluations. The results are shared with relevant Buying Teams to be considered as part of buying decisions and business partnerships.

The CRSE program currently covers our garment textiles, shoes and some food supply chains. More information on activities of the CRSE in 2022 can be found on page 12.

Goal to source from responsible suppliers:

Within the categories of the CRSE, we are continuing to progress towards our goal of sourcing 80% of buying volume from A and B rated suppliers. Due to CRSE results being increasingly considered during buying decisions, there is incentive for business partners to improve their CR performance. ALDI will continue to source greater buying volume from our business partners who are performing well within the CRSE and will continue to support all business partners in their development and CR performance.

Due diligence

We understand the fundamental importance of due diligence and robust risk management to identify, prevent and mitigate instances of modern slavery in our supply chain and operations.



Our approach to due diligence comprises of the following actions:

- Desk-based research of our supply chains, including conducting risk assessments
- Maintaining, reviewing, and updating our standards and policies as needed
- Cross-functional working groups
- Consideration of data from audit programs, internal assessments, and onsite assessments as part of buying decisions
- Stakeholder engagement including training of employees and business partners
- Discussions and collaboration with expert partners

Through our partnership with Slave-Free Alliance, we carried out a Human Rights Risk Assessment (HRRRA) in 2021 focused on national supply chains and operations. Risks identified through the HRRRA have been prioritised into actions that will be rolled out across our business. You can find more information on the HRRRA in our [Modern Slavery Statement 2021](#).

Further, the ALDI SOUTH Group completed a Sustainability Risk Analysis for our global business that was based on both human rights and environmental risks. The information from the risk analysis will be taken into consideration in future activities and strategies.

Activities

Social Monitoring Program

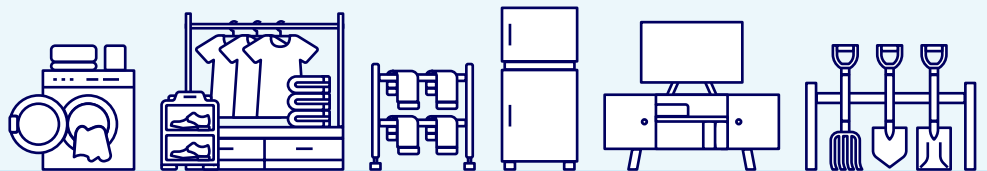
Our Social Monitoring Program continues to promote the improvement of working conditions within main production facilities monitored as part of this program.

We recognise third party audits and certificates from the following standards:

- amfori BSCI
- Sedex Members Ethical Trade Audit (SMETA)
- ICTI Ethical Toy Program
- SA8000
- Fair Wear
- Responsible Business Alliance (RBA)
- Best Aquaculture Practices (BAP) Enhanced Social Accountability
- Fair Farms

Scope includes main production facilities located in risk countries for the following categories:

All non-food products



Food products sourced internationally in the categories fish and seafood, processed produce and canned meats, and oils and condiments



ALDI Australia also operates a Thailand Social Monitoring Program which assess main production facilities located in Thailand supplying the following product categories:

- Alcohol
- Rice
- Chips, snacks and nuts
- Dried fruits
- Nut spreads
- Coffee and cocoa beverage products
- Pet food

In 2022, we continued to improve the efficiency of our monitoring activities through collaboration within our international business. New IT systems and tools have been introduced to support effective monitoring and enable us to continue to work in more areas of our business.

Australian Fresh Produce Social Monitoring Program

We have an 'Australia First' sourcing approach for all our fresh produce. We acknowledge there is an increased risk of modern slavery in the fresh produce sector in Australia due to use of labour hire providers and increased vulnerability of temporary, seasonal and migrant workers.

We work with our business partners to monitor compliance and have a continuous improvement approach to social standards.



ALDI Sustainability Assessments

An ALDI Sustainability Assessment (ASA) is an assessment of main production facilities that are conducted by our qualified ALDI employees together with external auditors. They are carried out mostly in risk countries and allow ALDI to further assess the situation in production facilities in addition to third party audits. The ASA also assesses and collects information on our business partners who are working with the production facility. In most cases, our business partner representatives are also invited to attend the ASA.

Our ASAs are conducted on an announced, semi announced, or unannounced basis.

157 ASAs were conducted in 2022.

Corporate Responsibility Supplier Evaluation (CRSE) Program

The Corporate Responsibility Supplier Evaluation (CRSE) Program continues to focus on working with business partners to strive towards improvements on set up, policy, monitoring and remediation.

Categories integrated into the CRSE program are apparel, store employee uniforms, and shoes, with pilot programs running in the tuna and housewares categories. The program is based on self-assessment, followed by on site verifications with training and capacity building activities provided to relevant business partners. On site activities are undertaken by qualified ALDI employees and third-party experts.

In 2022, we finalised the pilot of CRSE in the housewares category. Throughout this pilot, there were some challenges faced due to the diverse product range, materials, and production processes. However, we were able to identify opportunities to develop knowledge and understanding of social compliance with the business partners within this category.

We have since rolled out recommendations for e-learning on ALDI's requirements and monitoring. Our teams are providing recommendations to business partners to encourage implementation of strong relationships within their supply chain, dedicated personnel and establishing strong, clear policies to maintain communication throughout the supply chain.



Slave-Free Alliance Partnership and Human Rights Risk Assessment (HRRR)

In 2022, we continued our partnership with Slave-Free Alliance to drive human rights improvements in our business and supply chains.

Through the results of the HRRR conducted by Slave-Free Alliance in 2021, we have made improvements to our tendering and contracting with labour providers. Further risks identified through the HRRR have been prioritised into actions that will be rolled out across our global business.



Petits Pas Program

Our step into sustainable and ethical nut programs in the cashew industry of Côte d'Ivoire began in 2021. The project, Petits Pas, meaning 'little steps' in French, was designed to tackle challenges that cashew farmers and their communities face. Through this program ALDI, together with our business partner ofi, assisted in supporting the livelihoods of farmers in Côte d'Ivoire. Activities of the program included:

- Farmer training in good agricultural practices to help support their cooperative and in turn help to increase their yields and incomes.
- Championing the empowerment of women in supply chains.
- Supporting access to education and healthcare for children.

Fairtrade certification of our Forrester's Fairtrade Cashews means that farmers receive a guaranteed minimum price, as well as added funds disbursed to support local community development projects. Thanks to Fairtrade community funds and the Petits Pas program, the number of community initiatives are increasing in the towns of these cooperatives.

ALDI's Forrester's Fairtrade Cashews were on sale throughout Australia in August 2022.



Access to remedy

Grievance mechanisms

Access to effective remedy is a core component of the United Nations Guiding Principles on Business and Human Rights (UNGPs). As a global retailer, we identify the importance of establishing and participating in effective operational-level grievance mechanisms for vulnerable individuals and communities who could be adversely impacted in global supply chains.

Over the past year, we have been conducting pilots of grievance mechanisms for supply chain workers to voice their concerns.

These programs include amfori BSCI Speak 4Change program for non-food categories and Issara Institute's Worker Voice Program for food categories.

The ALDI South Group has now committed to expanding the scope of these mechanisms throughout further supply chains.

Issara Institute Worker Voice Program

ALDI SOUTH Group became a strategic partner of the Issara Institute in 2021 to provide workers in Thailand with a channel to have their concerns voiced, acted upon and remediated.

During the first year, the focus has been on food supply chains, especially at production sites for fish and seafood commodity groups. We have now started to roll-out the Worker Voice Program to further production facilities within Thailand, regardless of commodity group. We aim to roll-out the Worker Voice Program to as many production facilities as possible.

Thanks to Issara Institute's experience, presence on the ground and trust by workers, we have deepened our knowledge on issues such as recruitment fees and complexities around the recruitment of migrant workers. This knowledge is contributing to the refinement of our internal processes and handling approaches.

Furthermore, we have been able to identify and address barriers to accessing grievance mechanisms, especially for women. Initial learnings on this topic have been published and are available [here](#).

Our partnership with Issara Institute will further develop to also offer capacity building for production facilities on the grievance mechanism and the ethical recruitment of workers, especially for migrant workers. As Issara Institute and their Worker Voice Program extends to other countries, we will also assess the relevance of the project to further countries in Southeast Asia.



amfori BSCI Speak 4Change Program

The amfori BSCI Speak 4Change Program is a supply chain grievance mechanism which supports amfori members in providing access for workers to raise their concerns and facilitate avenues for remedy.

After an initial pilot phase in Vietnam, the Speak 4Change Program has now become a fully-fledged project. All amfori BSCI certified production facilities within Vietnam have been onboarded and the grievance mechanism rolled out.

Together with other brands and retailers, amfori have consolidated lessons learned and feedback provided, and is now planning to expand the Speak 4Change Program to further countries. In 2023 the roll-out will take place in Turkey, followed by plans to then extend to Bangladesh and then India, where all amfori certified production facilities will enable workers to report any grievances into the amfori channel and have their concerns remediated.



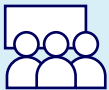
ALDI Alert Line

The ALDI Alert Line can be used by business partners and employees to raise concerns or report policy violations. It is an independent service staffed by multi-lingual call handlers and is available 24 hours a day, seven days a week in Australia. The Alert Line is promoted to our employees and suppliers and all reports to the line are confidential and fully investigated.



Raising awareness and training

We are constantly looking for ways to raise awareness about the importance of human rights and the issue of modern slavery. Activities of raising awareness and training throughout 2022 include:



All our newly onboarded employees and business partners complete our Modern Slavery e-learning module



Training provided to our textiles and shoes Buying Teams on the topic of Responsible Recruitment Practices



Our e-learning modules include human rights topics and our Social Monitoring Program requirements. All ALDI business partners complete this training via our new learning portal, allowing centralised access and governance of training materials



Collaboration & partnerships



Partnerships and collaborations with NGOs and government bodies are vital in tackling human rights and modern slavery issues as well as improving the traceability of our supply chains. No one organisation can tackle these issues alone.



Partner since 2008

The ALDI SOUTH Group joined amfori in 2008. As part of this membership, ALDI utilise BSCI audits through the amfori platform, as well as engage actively in a number of amfori projects focusing on various different areas of global supply chains.

In 2019, our Managing Director for Corporate Responsibility International of the ALDI SOUTH Group was elected as a member of the amfori Board of Directors to represent ALDI internationally. This shows our continuing dedication to enhance sustainable development within our global supply chains.



Partner since 2019

The Centre for Child Rights and Business (The Centre) has been our expert partner for child labour for ALDI SOUTH Group since 2019. As part of this partnership, we have jointly defined a remediation process with clear roles and responsibilities for all stakeholders. We always put the child's interest first. The Centre can be called upon to support remediation of child labour found within our supply chains.



Foundation stage member

Partner since 2019

Ethical Trade Initiative (ETI) is a global alliance of companies, trade unions and NGOs that promote respect for workers' rights. Our Social Standards in Production are aligned with the ETI Base Code.

In July 2022, ALDI SOUTH Group became the first global discount retailer to become a full member of the ETI. By graduating to full membership, we commit ourselves to adopt and implement the ETI Base Code of labour practice and to strengthen activities intended to promote workers' rights as well as achieve real improvements in working conditions within our business operations and supply chains.



Partner since 2019

The Fair Farms initiative works towards improving workplace compliance on Australian farms. The program consists of training and auditing of sites within Australia.

We accept Fair Farms as part of our Social Monitoring Program for fresh produce.



Partner since 2009

Fairtrade has been partnering with farmers and workers, industry and governments to reduce and eradicate child labour and forced labour. This is done through full traceability to farm level, verifying a Fairtrade Minimum Price is paid for raw materials, whilst ensuring the Fairtrade Premium goes toward the needs of the businesses and communities as decided by the producer.

We are proud to support by sourcing Fairtrade products and continue a commitment to ensure fair pay and decent working conditions for workers.



Partner since 2021

The Global Tuna Alliance is an independent group of retailers and industry who are committed to improving traceability and environmental sustainability, as well as progressing work on human rights in tuna fisheries.

Through this partnership, we continue to support the sustainable development of our supply chains and ensure that our tuna meets high standards of environmental performance and social responsibility.



Partner since 2021 (Previously under the Accord on Fire and Building Safety in Bangladesh since 2014)

ALDI South Group was one of the first signatories of the Accord on Fire and Building Safety in Bangladesh.

Our support and commitment to the Accord can be seen by our signing of the new International Accord for Health and Safety in the Garment and Textile Industry in 2021. With the new International Accord, we have seen the continued work in Bangladesh as well as an expansion of the Accord to Pakistan covering not only ready-made garments but also home textiles and fabric mills.



Partner since 2021

Issara Institute is an independent NGO based in Thailand tackling issues of human trafficking and forced labour through worker voice, partnership, and innovation.

We are working together with the Issara Institute to empower workers to speak up if they have concerns about their working environment. Issara Institute's worker voice channels include a 24 hour multilingual helpline, social media messaging, and the "Golden Dreams" smartphone application.



Partner since 2016

Leather Working Group (LWG) is a not for profit membership organisation across the leather supply chain. The LWG has developed audit protocols designed to certify leather manufacturers according to their environmental compliance and performance capabilities.

We continue to support the LWG and require certification within our textile and shoes leather supply chains. As part of this membership, we are working to increase the transparency and traceability of our supply chains as well as supporting the focus on improvements to environmental compliance across the leather industry.



Partner since 2020

Through our partnership with Mekong Club, we are able to raise awareness of modern slavery and make modern slavery resources and tools available to our business partners.

Mekong Club provides us with valuable insight from other businesses, often in other sectors and the opportunity to share good practice on tackling forced labour and exploitation challenges specific to the region.



Partner since 2017

Rainforest Alliance Certified products contribute to livelihoods and lifting rural people out of poverty and addressing human rights abuses like child and forced labour, low wages, poor working conditions and general inequality. We proudly show our support by sourcing Rainforest Alliance products.



Partner since 2017

The Seafood Task Force is a multi-stakeholder initiative seeking to address illegal, unreported, and unregulated (IUU) fishing in an effort to address human rights issues and marine conservation problems. The task force uses combined knowledge and experience from its members to address complex supply chain issues that can't be solved individually with the aim to drive improvements.



Partner since 2014

We were the first Australian supermarket to join Sedex.

Sedex is one of the world's leading supply chain sustainability service providers, striving to improve working conditions in global supply chains. Sedex provides practical tools, services, and a community network to help companies improve their responsible and sustainable business practices, and source sustainably.



Partner since 2020

In 2020, we became the first Australian member of Slave-Free Alliance, a global social enterprise that supports businesses to protect their supply chains and operations from modern slavery.

Through this partnership we have developed Modern Slavery Training modules, conducted a Human Rights Risk Assessment, and we continue to collaborate to mitigate human rights risks within our Australian supply chains and operations.



Partner since 2020

The ALDI SOUTH Group is an active member of the Sustainable Nut Initiative which is a collaboration platform that brings together key players of global nut supply chains, from processors to roasters to retailers. Through this partnership and active involvement, we have developed a risk-based approach to tackle current and future sustainability issues on a sector level, as well as to develop scalable approaches for improving traceability and sustainable farming practices.



Partner since 2012

The Sustainable Fisheries Partnership (SFP) is a leading non-governmental organisation with a focus on improving the sustainability of wild fisheries, as well as aquaculture. Through this partnership, we gain better insight into how to source more sustainable seafood products.



For more information relating to the international activities of the ALDI SOUTH Group, please visit our [website](#).

Effectiveness

ALDI understands that measuring effectiveness is imperative to ensuring we continue to reduce risk, as well as prevent and remediate instances of modern slavery. We are committed to improving our effectiveness by continuously improving our systems to identify, prevent, and mitigate instances of modern slavery in our supply chains and operations.



In our previous Modern Slavery Statements, we have identified the ways in which we measure effectiveness has been through our governance structures, awareness raising and training, capacity building activities, consultation with external partners, and taking learnings from instances of cases found through the monitoring of our supply chains.

We recognise that strong governance is essential for driving improvements and managing the risk of modern slavery. In 2023, we plan to undertake a review of our governance structure to identify how we can further strengthen oversight and hold accountability of Corporate Responsibility aspects across our wider business.

Case studies

We believe an indication of the effectiveness of our monitoring systems is by the identification of indicators of modern slavery being found. Once identified, our goal is to support effective remediation.

Deduction of wages

In 2022, we identified a number of instances of deductions being written into worker's contracts, but not applied in practice. Although there was no evidence that these deductions were applied to workers, we identified this as an area of risk. In identifying this issue, we took the opportunity to work with our business partners in updating these contracts to remove these clauses, providing valuable learning and understanding of this risk with involved business partners.

Unethical recruitment practices

In 2022, our review of third-party audits and our ALDI Sustainability Assessments (ASAs) identified cases of unethical recruitment practices and payments of recruitment fees taking place.

These issues are often complex and can lead to unethical business practices and indicators of modern slavery. We are deepening our knowledge and awareness of these issues in identifying and understanding these cases and further developing our own internal processes for handling the remediation of each situation.

External assessments



ALDI received an overall score of 43 in the [2022 Baptist World Aid Ethical Fashion Report](#), 5 points up from 2021.



ALDI was named a 'Leader' in the [State of the Children's Rights and Business Global Benchmark 2022 - Food, Beverage & Personal Care](#). More information on this award is available [here](#).

2023 planned activities

ALDI Australia remains committed to tackling modern slavery and we will continue to develop and extend our approach to human rights across our operations and supply chains.

We understand to effectively monitor and address risks, there is an ongoing need to reflect and review our approaches to further evolve and develop in effectively tackling modern slavery.

Our activities planned for the next year and ongoing include:



Extending our Corporate Responsibility Supplier Evaluation (CRSE) program into seafood categories



Increasing traceability of supply chain data from business partners. As well as supporting transparency of our supply chain this will increase the effectiveness of our risk assessments



Reviewing our risk assessment activities and tools to evaluate their effectiveness and to ensure they are fit for purpose



Extending the Responsible Purchasing Practices training for our Buying Teams to ensure these practices are embedded

Consultation



Throughout the development of this Modern Slavery Statement, the senior leadership of relevant business units from entities we own and/or control were consulted. ALDI's ongoing actions and commitment to address modern slavery are tabled and presented at the Managing Director's Meeting each June.

In addition, information is shared as relevant to the responsible business units throughout the year. Our Managing Director Buying oversees the implementation of our commitments and policies to identify and mitigate human rights risks, including modern slavery within our supply chains.

Further to the above, we continue to provide training on modern slavery to new colleagues within our business. This training is to help employees understand risks, identify signs of modern slavery, and take actions to address them. This includes relevant case studies and assessment.



Statement annexure

Principle governing body approval

This Modern Slavery Statement was approved by the principal governing body of ALDI Stores (A Limited Partnership) ABN 90 196 565 019 as defined by the Modern Slavery Act 2018 (Cth) on 13 June 2023.



Mandatory Criteria

The following table indicates the page numbers of the statement that addresses each of the mandatory criteria in section 16 of the Modern Slavery Act.

a. Identify the reporting entity.	3
b. Describe the reporting entity's structure, operations and supply chains.	3-4
c. Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls.	5-6
d. Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes.	7-13
e. Describe how the reporting entity assesses the effectiveness of these actions.	21
f. Describe the process of consultation on the development of the statement with any entities the reporting entity owns or controls.	23
g. Any other information that the reporting entity, or the entity giving the statement, considers relevant.	24



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