

Objectives, Actions  
and Performance

**HUMAN**

**RIGHTS**

**FACTSHEET**

**2024**



ALDI SOUTH Group

# CONTENTS

<b>1   INTRODUCTION .....</b>	<b>3</b>
1.1   Key Standards.....	3
1.1.1   Child Labour .....	3
1.1.2   Forced Labour .....	3
1.1.3   Gender Equality .....	3
1.1.4   Living Wages & Living Incomes .....	3
<b>2   HUMAN RIGHTS DUE DILIGENCE PROCESS .....</b>	<b>4</b>
2.1   Supply Chain Transparency .....	4
2.2   Identification and Prioritisation .....	5
2.2.1   Risk Identification .....	5
2.2.2   Human Rights Impact Assessments .....	5
2.3   Integration and Action .....	6
2.3.1   Prevention and Mitigation of Negative Impacts .....	6
2.3.2   Grievance Mechanisms .....	7
2.3.3   Remediation of Negative Impacts .....	7
<b>3   STAKEHOLDER DIALOGUE .....</b>	<b>8</b>
3.1   Memberships and Partnerships.....	8
3.1.1   Ethical Trading Initiative (ETI) (since 2019).....	8
3.1.2   Amfori (since 2008) .....	8
3.1.3   Sedex (since 2017) .....	8
3.1.4   UN Women’s Empowerment Principles (WEPs) (Since 2021) .....	8
3.1.5   The Centre for Child Rights and Business (since 2018).....	9
3.1.6   Issara Institute (since 2021) .....	9
3.1.7   The Mekong Club (since 2020).....	9
<b>Contact Info.....</b>	<b>10</b>

# 1 | INTRODUCTION

Human rights are inalienable and universal. As an international business with global supply chains, the ALDI SOUTH Group is committed to respecting human rights in its own activities and throughout its supply chains, as laid out in our [“Human Rights and Environmental Due Diligence Policy”](#).

Beyond our own commitments, we published our [“International Position Statement on Mandatory Human Rights Due Diligence Legislation”](#) to support the establishment of a legally binding level playing field within the industry.

## 1.1 | KEY STANDARDS

Since 2010, the [“ALDI Business Partner Sustainability Standards”](#) represent our minimum requirements for all procured products and services. They cover topics such as non-tolerance for forced labour, child labour, and discrimination. In addition, they include requirements for environmental stewardship, freedom of association, and occupational health and safety.

We also have specific policies and position statements on topics of high priority to our business, which apply to both our own operations and our supply chains.

### 1.1.1 | Child Labour

Our [“Child Labour Policy”](#) outlines our commitment and requirements concerning the prevention of child labour, as well as the remediation of any findings.

### 1.1.2 | Forced Labour

Our [“International Policy on Forced Labour”](#) underlines ALDI’s stance that any forms of servitude or slavery, or forced, bonded, indentured, trafficked, or non-voluntary labour are unacceptable.

### 1.1.3 | Gender Equality

Our [“International Policy on Gender Equality”](#) sets out ALDI’s commitment to gender equality. Our [“Action Plan”](#) launched in 2021, describes our actions to address key issues, including gender-based violence and harassment, workplace health and safety, and women’s representation.

### 1.1.4 | Living Wages & Living Incomes

Our [“International Position Statement on Living Wages and Living Incomes”](#) outlines our approach to support a decent standard of living for all people.

## 2 | HUMAN RIGHTS DUE DILIGENCE PROCESS

To implement our commitments, ALDI follows a due diligence approach that governs all policies, requirements, and processes related to human rights. This approach aligns with the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, and relevant International Labour Organization (ILO) standards, and is described in our [Human Rights and Environmental Due Diligence Policy](#).

For information about our human rights activities at a national level, please refer to the relevant national sustainability websites of the ALDI SOUTH Group:

- [ALDI SOUTH Germany](#)
- [ALDI UK](#)
- [ALDI Ireland](#)
- [ALDI Australia](#)
- [ALDI US](#)
- [ALDI China](#)
- [HOFER Austria](#)
- [HOFER Slovenia](#)
- [ALDI Suisse](#)
- [ALDI Italy](#)
- [ALDI Hungary](#)

### 2.1 | SUPPLY CHAIN TRANSPARENCY

Ensuring transparency in our supply chain is the foundation of our sustainability measures. We cannot ensure compliance with our requirements, analyse risks, monitor, or implement projects without knowledge of the origin of our products. We collaborate with our business partners to increase the transparency of our supply chains so that we can better understand the origin of each product we sell, and the raw materials used.

You can find ALDI's supply chain reporting on our website's [Supply Chain Transparency](#) page.

## 2.2 | IDENTIFICATION AND PRIORITISATION

### 2.2.1 | Risk Identification

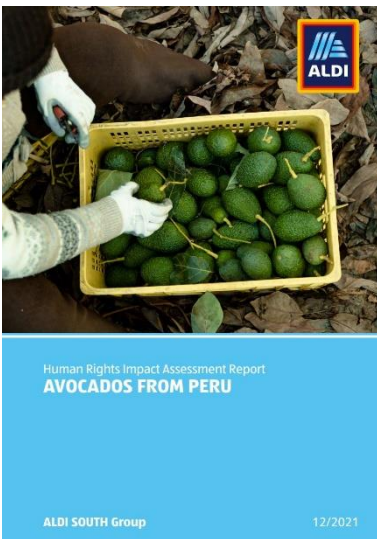
The ALDI SOUTH Group strives to address adverse impacts on human rights which our business operations might cause, contribute to, and to which they might be directly linked. We conduct risk analyses and human rights impact assessments to identify the actual and potential risks in our supply chains. Based on the results of our risk analyses, we identify key salient risk topics, product types, and sourcing countries that require prioritisation.

### 2.2.2 | Human Rights Impact Assessments

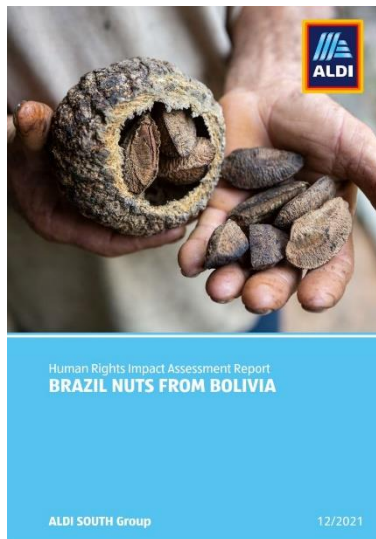
ALDI has committed to conducting twelve comprehensive human rights impact assessments (HRIAs) by 2025. These assessments will follow a stringent methodological approach that includes extensive background research and engagement with rightsholders. HRIAs help us identify, understand, and evaluate the potential and actual adverse impacts of our business activities on workers and other affected rightsholders, such as community members, smallholder farmers, and women. So far, we have published the results of three HRIAs in selected high-priority supply chains: Avocados from Peru, Brazil nuts from Bolivia, and Coffee from Brazil.

[Read more about our HRIAs here](#)

For more information, read our Human Rights Impact Assessment Reports on:



[Avocados from Peru](#)



[Brazil Nuts from Bolivia](#)



[Coffee from Brazil](#)

## 2.3 | INTEGRATION AND ACTION

We prioritise actions to prevent, mitigate and remedy potential negative human rights impacts in our supply chain based on our risk analyses and impact assessments. We prioritise the most salient risks and focus on our highest risk supply chains.

### 2.3.1 | Prevention and Mitigation of Negative Impacts

Measures to prevent and mitigate identified risks include, among other things, the following:

- Implementation of contractual requirements and capacity building on sustainability topics for ALDI's Buying departments and business partners
- Adjusting our purchasing practices to address adverse impacts on human rights and the environment
- Audit and certification requirements for supply chains based on identified risk
- Verification and review of third-party social audits at production facilities through our Global Social Monitoring Programme (SMP). Accepted standards include amfori BSCI, Sedex/SMETA, SA8000, and other industry-specific standards
- Evaluation of human rights and environmental compliance of our suppliers of high-priority products, as identified in our risk assessments, through the Corporate Responsibility Supplier Evaluation (CRSE)
- Conducting on-site audits for high-priority products through our ALDI Sustainability Assessments (ASAs)

#### Corporate Responsibility Supplier Evaluation (CRSE)

To ensure long-term relationships with business partners who have good sustainability performance, and to support continuous improvement, we conduct an annual Corporate Responsibility Supplier Evaluation. This approach goes beyond audits and uses indicators to assess our business partners' social and environmental compliance management systems, as well as the performance of their farms or production facilities. The results are verified through ASAs and based on our contractual sustainability requirements.

Our sustainability requirements rate business partners from A to D. We prioritise sourcing from A and B rated suppliers, while D rated suppliers are delisted if they consistently fail to improve.



#### Our Goals:

1. All suppliers of in-scope products must undergo an annual review process to evaluate their compliance with ALDI's sustainability requirements
2. Improve our business partners' knowledge of sustainability and their ability to monitor it, empowering them to comply with our sustainability requirements throughout the supply chain
3. Establish long-term relationships with strategic business partners who perform well regarding sustainability and increasingly source more from A and B rated business partners

### 2.3.2 | Grievance Mechanisms

Each ALDI country has an AlertLine or Council of Trust to which internal and external parties can address complaints and grievances regarding human rights and environmental issues. Please refer to the links below to access to the respective grievance channels:

- [ALDI SÜD Holding](#)
- [ALDI SÜD Germany](#)
- [HOFER Austria](#)
- [ALDI Suisse](#)
- [ALDI Italy](#)
- [ALDI US](#)
- [ALDI UK](#)
- [ALDI Australia](#)
- [ALDI Ireland](#)
- [ALDI Hungary](#)
- [HOFER Slovenia](#)
- [ALDI Hong Kong SAR, China](#)

In addition, we partner with civil society and industry stakeholders to support the creation and implementation of multi-stakeholder grievance mechanisms in producer countries, through projects such as the [amfori SPEAK FOR CHANGE Programme](#), the [Impartial Worker Occupational Safety and Health Complaints Mechanism](#) (RMG Sustainability Council; RSC), the [Complaints System](#) of the Roundtable on Sustainable Palm Oil (RSPO), and the [Issara Worker Voice Programme](#).

Affected rightsholders can submit complaints through these channels, including grievances related to human rights violations caused by, contributed to, or directly linked to any action of ALDI or ALDI's direct and indirect business partners.

### 2.3.3 | Remediation of Negative Impacts

We take all allegations and instances of adverse impacts seriously. If we identify that our business activities cause or contribute to adverse impacts related to human rights, we will take appropriate remedial action. Where ALDI is indirectly linked to risks and adverse impacts, we will seek to engage with our business partners to address identified adverse impacts.

Remediation measures include:

- Developing of Corrective Action Plans (CAP) with specific timelines to address findings and remediate actual adverse impacts
- Working with remediation partners, multi-stakeholder initiatives and local organisations to mitigate adverse impacts and to implement long-term remediation
- Adjustments to internal processes, such as changes to purchasing practices, additional training and audits, and other measures proportionate to the risk or impact identified
- A rapid response system, in collaboration with “The Centre for Child Rights and Business”, to respond immediately and appropriately when child labour is identified in our supply chains
- Temporary suspension of direct and indirect business partners from doing business with ALDI

## 3 | STAKEHOLDER DIALOGUE

To make significant impact, we have established a wide range of partnerships with organisations such as suppliers, manufacturers, retailers, governments, and NGOs to increase our leverage and align our approaches to human rights due diligence. Additionally, we acknowledge the crucial role of trade unions in protecting workers' rights. We understand the potential negative impact of restricted or eliminating trade union activity.

This section highlights important partnerships for addressing human rights issues across the group. For details on projects and partnerships related to specific supply chains, please refer to the relevant Supply Chain Factsheets.

### 3.1 | MEMBERSHIPS AND PARTNERSHIPS

#### 3.1.1 | [Ethical Trading Initiative \(ETI\)](#) (since 2019)

ETI is a global alliance of companies, trade unions, and NGOs that promotes respect for workers' rights. The ALDI SOUTH Group joined as a full member in July 2022, recognising ALDI's efforts to trade ethically and to make a positive difference in workers' lives. Our "[Business Partner Sustainability Standards](#)" align with the ETI Base Code.

#### 3.1.2 | [Amfori](#) (since 2008)

amfori is a global business association driving sustainable trade and supporting our ESG due diligence efforts to improve the Environmental, Social, and Governance performance of our supply chain.

amfori [BSCI](#) (Business Social Compliance Initiative) enables us to exercise ESG due diligence, enhance transparency, and address significant violations of working conditions within international labour rights frameworks. amfori [Speak for Change](#) is a supply chain grievance mechanism set up to receive and address complaints to help workers, communities, rightsholders and their representatives access remedy if they have been negatively impacted in our supply chain.

#### 3.1.3 | [Sedex](#) (since 2017)

Sedex is a global leader in supply chain sustainability solutions, dedicated to making global supply chains more socially and environmentally sustainable. Sedex provides an integrated data platform, practical tools, services and a community network to help companies improve their responsible and sustainable business practices and source sustainably. ALDI became a member in 2017 and adheres to the Sedex Members Ethical Trade Audit (SMETA) as a standard for auditing production facilities in our Social Monitoring Programme.

#### 3.1.4 | [UN Women's Empowerment Principles \(WEPs\)](#) (Since 2021)

The ALDI SOUTH Group and ALDI Nord Group have partnered with [UN Women](#), [amfori](#), and other leading European companies to enhance gender diversity and inclusion through the "[Women's Empowerment Principles \(WEPs\) Activator Programme](#)". The programme aims to help reduce the gender gap in the private sector while creating business value by securing business leadership buy-in for gender equality as a foundation for companies and their global supply chains.



### 3.1.5 | **The Centre for Child Rights and Business (since 2018)**

The Centre for Child Rights and Business helps companies understand their impact on children and provides practical solutions to mitigate risks while fostering positive, lasting change for children, parents, youth, and businesses. Their services include preventing and remediating child labour, assessing child rights and human rights risks, connecting youth and other vulnerable groups with decent work and skill-building opportunities, and creating family-friendly workplaces in supply chains. This includes establishing child-friendly spaces and offering training for migrant parents.

ALDI has partnered with The Centre to develop and evaluate strategies to combat child labour, remediate cases of child labour found in its supply chains, and implement on-the-ground projects to prevent child labour from occurring.

### 3.1.6 | **Issara Institute (since 2021)**

Issara Institute is an independent non-governmental organisation based in Asia and the United States. It tackles issues related to human trafficking and forced labour through worker voice, partnership, and innovation. Since April 2021, the ALDI SOUTH Group has been working as a strategic partner with the Issara Institute to develop and implement a [grievance mechanism project in Thailand](#) called the “Worker Voice Program”. This programme serves as a grievance mechanism to support workers and improve working conditions in our supply chains by addressing employee issues. It empowers workers to speak up when they have concerns about their working environment and to have their grievances addressed.

### 3.1.7 | **The Mekong Club (since 2020)**

The Mekong Club collaborates with the private sector to promote sustainable practices and address modern slavery across the globe. As a member, ALDI works with the Mekong Club to develop strategies for preventing, mitigating, and remedying forced labour in supply chains. ALDI also participates in working groups with other members to share best practices and provide resources and tools to business partners to combat forced labour.



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