Aldi UK



Modern Slavery Statement

This statement is published in accordance with Section 54 of the Modern Slavery Act 2015. It explains the steps taken by Aldi UK and other relevant group companies during the year ending 31st December 2019 to prevent modern slavery in its business and supply chain.

Human trafficking, forced labour and the exploitation of vulnerable workers are abuses of basic human rights that have no place in our business or supply chain. Preventing these abuses from happening is a global, complex issue that Aldi, its partners, and suppliers, are committed to addressing.

INTRODUCTION:

Aldi operates with honesty and integrity wherever it does business around the world. We respect human rights and treat the people in our supply chain who make, grow and supply our products fairly.

Modern slavery is a global problem that continues to impact every economy, industry and sector. The UN's International Labour Organisation estimates that more than 40 million people are trapped in modern slavery, including almost 25 million in forced labour.

Our approach to tackling these problems is to understand how and where modern slavery occurs and to continually improve the process we have in place to prevent it. This involves working in partnership with our suppliers, their business partners and cross-industry with third parties.

2019 KEY PROGRESS:

Since our last Modern Slavery Statement was published in 2019, we have continued to improve our processes and developed new partnerships with third parties to combat this issue. Key developments and initiatives include:

Fairtrade Flowers Gender Empowerment Project



It's important to support the countries around the world where our products are produced, addressing equality challenges and creating fair and supportive working environments. One way we're doing this is through our partnership with Fairtrade, which aims to empower and protect women.

We are investing £200,000 over the next four years to support the Fairtrade Flowers Gender Empowerment Project, an initiative that provides education programmes and mentorship to women working in the Ethiopian flower industry. The programme gives women the tools and support they need to take on leadership roles on farms within their communities.

More than 75% of Aldi's Fairtrade flowers are sourced from Herburg Flowers in Ethiopia, where more than three-quarters of workers in the flower-growing industry are women.

Wilberforce Institute

Partnering with the Wilberforce Institute, we completed a series of desktop and on-site risk assessments in high-risk areas of our produce, logistics and horticulture supply chains. This partnership helped identify the potential exploitation of temporary workers at a logistics service provider and we were able to work with our supplier to remediate this issue.

Ethical Trading Initiative

We have joined the Ethical Trading Initiative as a foundation stage member. The organisation is a global alliance of businesses, trade unions and NGOs that promote and protect workers' rights.

The Sustainable Trade Initiative (IDH)

Along with other members of the Sustainable Trade Initiative, we have created a Living Wage Steering Committee to monitor and measure the living wage gap and look at ways in which this can be closed.

ETI Italian Produce Working Group

We joined the Italian Ethical Trade Forum, a collective which brings together suppliers, retailers, NGOs and unions to discuss challenges in the regions most affected by human rights violations. The aim is to create a 'safe space' where industry peers can openly raise issues and lobby government to implement legislation that protects workers and reduces the influence of gangmasters in the supply of labour.

World Banana Forum

We have continued to support the FAO World Banana Forum's Living Wage Advocacy Initiative (LIWIN), which works towards the establishment of living income and wage benchmarks in several banana-exporting countries and living income/wage advocacy activities with Government and the private sector in major European importing countries.

Responsible Recruitment Toolkit

We became a founding sponsor of Responsible Recruitment Tool Kit – an innovative resource that provides our suppliers with a one-stop solution across all areas of responsible recruitment. Using the toolkit, suppliers can assess their recruitment practices, train their employees on how best to embed responsible recruitment practices, and report externally on their progress.

Child Labour Policy

The Aldi South Group has introduced a new child labour policy to prioritise this issue across its global supply chains and provide a framework for suppliers to identify, remediate and prevent child labour in production facilities where Aldi's products are made.

To drive implementation, the policy was accompanied by guidelines, e-learning and a workshop for suppliers and business partners.

Modern Slavery Awareness Campaign

In 2019, we were able to support the Home Office and its Modern Slavery awareness campaign. We posted the Modern Slavery Helpline poster on our internal intranet, which was seen by more than 33,000 colleagues across the UK and Ireland. The communication was designed to raise the awareness of modern slavery, how to spot the signs and how to report it.

OUR BUSINESS

Aldi UK is part of the Aldi South Group, an international supermarket chain that operates more than 6,540 stores across nine countries. We opened our first UK store in Birmingham in 1990 and have rapidly grown to become Britain's fifth-largest grocer by market share, with more than 875 stores in the UK.

Our ethos today is exactly the same as it was when our first UK store opened more than a quarter of a century ago; we treat all customers, suppliers and employees fairly and with respect.

This approach extends to our relationships with more than 1,750 suppliers across 60 countries.

Continent Breakdown



Although we do not own the companies or sites that we source from, we recognise that Aldi UK and our suppliers have a shared responsibility to ensure working conditions in the supply chains from which we source meet our standards.

POLICY & APPROACH

Aldi UK has an integrated strategy for tackling modern slavery based on comprehensive policies and processes, detailed risk assessment, training, and continuous review and dialogue with suppliers.

Our Corporate Responsibility (CR) Department is responsible for the design and implementation of this strategy in the UK and Ireland, and reports to Fritz Walleczek, Managing Director of Corporate Responsibility. It works closely with our Corporate Buying Department, Aldi South Group's international CR Department and our CR offices based in Bangladesh and Hong Kong.

Like many international businesses, we source products from a range of countries. While this can provide an important source of livelihood for many people, we also recognise there is a risk of modern slavery in our supply chains. To mitigate this, we have developed comprehensive policies and processes that all suppliers must contractually agree to before we work with them.

These include Aldi's Social Standards in Production, which form part of our standard terms and conditions and are based on the following international policies:

- UN Universal Declaration of Human Rights
- UN Convention on the Rights of the Child
- UN Convention on the Elimination of All Forms of Discrimination against Women
- UN International Labour Organisation (ILO) conventions
- OECD Guidelines for Multinational Enterprises



In conjunction with our CR Principles and Human Rights Policy Statement, these policies define our commitment to human rights and fair labour. They set out the minimum standards we expect from our suppliers, including:

- No use of forced or bonded labour
- No use of child labour
- Payment of legal minimum wages
- A maximum length for a working week
- Freedom from discrimination in the workplace

All suppliers are required to apply these standards across their own supply chain and to any approved sub-contractors.

Our policy on the responsible use of labour providers states that suppliers must:

- Not use labour providers to avoid paying the level of wages and other benefits given to permanent workers
- Establish a due diligence process and policies to ensure fair treatment of workers
- Offer continuity of service and security of employment
- Move towards the exclusive use of third partycertified labour providers, where available

This policy is based on guidance from Stronger Together and the Association of Labour Providers (ALP) and we will continue to strengthen it in line with best practice.

As forced and bonded labour issues are often hidden from view, we also support the development and implementation of responsible recruitment initiatives, such as: Clearview, a certification scheme specifically designed for labour recruiters and providers; and our own Responsible Recruitment Toolkit.

We expect and trust our suppliers to ensure ethical practices and processes across their supply chains through adherence with these standards. However, with the exception of the textile industry, we do not currently have direct visibility beyond the first tier and recognise the limitations of this.

AUDITING & CERTIFICATION

Modern slavery is a complex and hidden issue which means it is critical that we find the right partners to do business with, and our priority is always to work with suppliers who support our approach.

This means working with partners committed to: actively monitoring and working to improve conditions at all sites across the supply chain used to produce our products; and an approach to ethical trade that goes beyond compliance.

We have a number of due diligence processes in

place across the full scope of our business and supply chains which help us decide who to partner with. These are designed to ensure standards are improved and maintained during the course of our working relationship.

Our **Ethical Trade Programme** aims to improve working conditions at sites that produce products for us, particularly those in high-risk countries or product categories. This programme includes not only the products we sell, but also goods not for resale, such as the clothing worn by our colleagues in store.

All suppliers in the programme must be a member of a supply chain management platform – either the Supplier Ethical Data Exchange (Sedex) or the amfori Business Social Compliance Initiative (BSCI).

To demonstrate that they can meet our ethical standards and requirements, suppliers must also undergo an independent ethical audit or certification of their production sites via one of the following approved third parties:

- amfori Business Social Compliance Initiative (BSCI)
- Sedex Members Ethical Trade Audit (SMETA)
- International Council of Toy Industries (ICTI)
- Social Accountability International SA8000 standard
- Responsible Business Alliance (RBA)

As part of the programme, in 2019 we reviewed audits of 99.6% of the production facilities from which we source (located in high-risk countries as defined by amfori BCSI) and have taken remedial action where necessary.

However, we know from experience that third-party audits may not always provide a true picture of working conditions at a supplier site. For this reason, we also carry out our own ethical audits and site visits through the **Aldi Social Assessment** (ASA) programme.

These assessments are carried out by a team of qualified ethical auditors based in our CR offices in Bangladesh and Hong Kong. This local expertise means we can directly monitor and address issues on the ground in high-risk sourcing countries.

Our teams regularly carry out announced, semiannounced and unannounced site visits and assessments of supplier facilities to check they meet our ethical standards and requirements. More than 300 such audits were carried out during 2019.

They also focus on building co-operation and gaining increased transparency from suppliers so that we can work with them to improve conditions for workers in all sites that produce our products.



Supplier case study

"The Aldi ASA identified a serious incident of systematic delayed payment of workers in one of our overseas manufacturing facilities. Workers' payments were delayed by up to 92 days.

As a business committed to ethical trade we knew that this issue was unacceptable. It needed to be remediated with an action plan that identified root cause to prevent it from happening again.

Aldi highlighted the issue to us immediately and provided us with guidance and support to enable us to fix it. This included guiding us through the corrective action plan, resolution and timings each step of the way. This aided us by fixing the matter at hand but also helped us think about our short, medium and long-term ethical strategy.

We and the production facility drew up a full corrective action report to confirm that all outstanding payments were made to workers and that all future payments would be made on time at the end of each month.

To enable this to happen, the production facility reviewed all relevant laws and regulations, provided training for managers, established and implemented a salary and welfare management system for employees. Evidence of this was submitted to Aldi for review and follow up.

During our meetings with Aldi, we drafted and agreed an ethical trade business plan with our commitments and transparency at its heart. This included a review and summary of the status of all our production partners and the way forward in terms of CR management.

Since then, we have improved our ethical systems via industry-leading organisations such as the ETI, Stronger Together, and our Sedex membership. Our journey with Aldi has been one that is supportive, honest and transparent. We couldn't ask for much more as we close the gaps in our systems and our production facilities continue to work even closer with us."

Aldi supplier

MANAGING RISK IN OUR BUSINESS

We source our products from 60 different countries around the world and recognise there is a risk of modern slavery in all parts of the supply chain, from where the product is made or grown through to its journey to our stores.

To mitigate this risk, we have a comprehensive system of checks and controls in place to identify highrisk areas in our supply chain and wider business. These include third-party ethical audits, Aldi Social Assessments and insight gained through collaborative initiatives with stakeholders such as Stronger Together, Sedex, the British Retail Consortium and the Ethical Trading Initiative.

These processes are complemented by in-house ethical trade experts at our CR departments in the UK and the wider Aldi South Group, including our specialist ethical audit teams on the ground in Bangladesh and Hong Kong.

The risk of modern slavery is higher in supply chains for certain product types and geographical territories than others, such as tea from India, seafood from Thailand and produce from Italy and Spain.

As part of the International CR strategy - where 'Respecting Human Rights' is a key pillar - the 'International Responsible Sourcing Strategy' has been launched. Its goal is to mitigate human rights risk and improve working conditions throughout the supply chains of the Aldi South Group. During the last 12 months, we have deepened our understanding of the specific risks that workers face in our supply chains and have identified key areas of focus as a result of our Human Rights Risk Assessment in food.

The aim of the Human Rights Risk Assessment is to identify any adverse impacts our company may have on human rights, gain first hand insights into our actual impacts and understand where our greatest level of influence is throughout the global supply chains used by the Aldi South Group. The risk assessment is based on: internal data, such as buying volumes; the locations of the producers and production facilities; and global industry data. Whilst this enables us to map risks in our supply chains and focus on areas where we have the greatest opportunity to influence, we do understand the limitations of a risk based approach.

The key factors assessed in the Human Rights Risk Assessment were as follows:

Social risks:

- Workers' rights such as breaches of permissible working hours, low wages, health and safety risks, workplace bullying, harassment and abuse, discrimination or restricted freedom of association.
- Gender-based discrimination such as genderbased abuse or discrimination with regard to wages and working conditions.
- Child labour such as the risk that children undertake work that has an adverse impact on their health and development, and the risk of work by children of mandatory school age
- Forced / bonded labour such as undue pressure on workers, withholding wages, or other forms of coercion

Environmental risks:

- Water scarcity the risk that a country's demand for water exceeds its availability. This is accompanied by limited access to a water supply for personal consumption and/or as a source of income
- Climate vulnerability assessment of the current and future risk that a certain country is exposed to extreme weather events. In addition, the willingness of the private and public sectors to invest in the necessary modifications was also assessed



- Deforestation/land conversion the likelihood that products are cultivated on land which was recently a forest area with high conservation value
- Industrial pollution pollution caused by the manufacturing of products, which then leads to air and water contamination, chemical waste and noise pollution

For further information, see Aldi's International CR website, particularly the sections:

- Respecting human rights in Aldi South supply chains
- Identification of adverse impacts (& Human Rights Risk Assessment)
- Measures taken and review of effectiveness

We also have an Aldi Alert Line that can be used by suppliers and colleagues in confidence to raise concerns or report any policy violations. The Alert Line is promoted to colleagues and suppliers. This independent service is staffed by multi-lingual call handlers and is available 24 hours a day, seven days a week. All reports are fully investigated and callers always remain confidential

Aldi Factory Advancement Project

The Aldi Factory Advancement (AFA) Project was introduced to strengthen cooperative working relations between workers and managers at production facilities that produce our textile goods in Bangladesh. We believe that cooperation is key for creating sustainable solutions for dignified working conditions.

The Project brings together the workers, managers and owners of the relevant production facilities. It enables them to identify problems, to examine them critically, to create joint approaches for the future and to address problems in a structured, effective way.

It includes training on effective communication, health and safety, working hours, remuneration and private financial planning, data and quality management, and productivity.

Launched in 2013, the AFA Project has resulted in approximately 85,000 workers and managers experiencing positive changes in their day-to-day working environment. Impact analysis has confirmed that the AFA Project has led to:

- Improved communication and relations between workers and managers
- Improved occupational health and safety
- Better social benefits, such as a canteen for workers

According to factory management teams, training has also helped increase productivity and quality.

AFA Project PLUS:

The AFA Project was extended in February 2018 with the launch of AFA Project PLUS, which aims to tackle the shortage of adequate childcare for working parents and their children in garment factories.

Working in collaboration with NGOs and other thirdparty organisations, Aldi supports factories in improving their existing childcare facilities and the quality of care provided. So far, the AFA Project PLUS has resulted in:

- Professionally-trained caregivers, childcare centre supervisors and nurses
- Improvements in the area of health and safety
- Child-friendly equipment and improved quality and quantity of toys, learning materials and decoration
- Establishment of designated breastfeeding areas
- · Provision of drinking water and nutritious snacks
- Introduction of parent consultation
- Development of child-friendly daily routines
- Monthly health checks of all children undertaken by the medical staff of the production facilities
- · Revision of policies

One of the key areas of the AFA PLUS project was to improve the management of the childcare centres. All factories were requested to develop a formal non-discriminatory childcare centre's admission procedure and an operational policy, including but not limited to operation time of the centre, health, safety, security and good hygiene practices, requirements for staff. We provided these factories with suggestions on how to develop these policies. Our NGO partner reviewed the developed polices and gave tailor-made support to factories to improve further.

Testimonial – Aldi Factory Advancement Project

"I am so happy to see so many achievements through the AFA Project that were only possible because of the teamwork between workers and managers. I don't think of myself as the only owner of this factory, rather we all own it together."

Golam, owner of a factory that participates in the AFA project

"Earlier I was very afraid to talk and did not have a chance to express my opinion. Being part of the AFA Project Team, now I am confident, and I can share my opinions and ideas without fear and the management listens to me and they value my opinion. We have learned the 7-Step solution finding process, through which we can solve any kind of problem in the factory. This learning has also greatly helped me in my family life and I was able to help my family to find solutions in times of need."

Shahnaz, data entry operator from a factory that participates in the AFA project



"I'm glad to have been part of the AFA Project for the past four years. I realised that my opinion and my ideas are important in order to advance my factory. Through the 7-Step solution-finding process, we learned how to use good communication and dialogue to resolve any problems or conflicts in the factory. Earlier there was no dialogue between workers and managers. Now we can take decisions jointly and implement solutions together."

and financial planning. Six impact assessments were conducted to measure the success of the AFA project. Further detail on these assessments, their findings and Phase 2.0 of the project, which launched in the second half of 2019, can be found on the Aldi South Group website, here

Rabeya, quality controller from a factory that participates in the AFA project

"I am so happy to have been part of the AFA Project for the past 3 years. Through the trainings of the AFA Project, I was able to share ideas and problems directly with the management. We have advanced our factory in many different areas by workers and managers jointly discussing problems, deciding on solutions and implementing them. Now we have reduced discrimination and I was promoted from sewing operator to supervisor as one of the first females in my factory. In the future, I want to become a line chief."

Testimonial - Aldi Factory Advancement Project

"My daughter is 4 years old and she has been using this centre for one year. My experience was not good when I enrolled my daughter here, but I had to keep her here as I have no other option. However, for the last few months I have seen some tremendous changes in the activities of this childcare centre. Now my daughter always pushes me to wash my hands before eating at home and she reminds me of the negative consequences if I forget to wash them. When I take her home at the end of a day she starts to recite the rhymes, alphabets, and numbers which she has learnt, my husband, neighbours and I are really enjoying watching her develop. I am very happy to see these changes in her behaviour and I believe she is now getting a better environment to grow up in, which is what I always wanted for her."

Fatema, mother and operator from a factory participating in AFA project PLUS

"Now every child has a personal file containing personal, vaccine and health check-up information. The training has enhanced my knowledge of child diseases. Female workers are getting better advice on reproductive infections, and also they are encouraging pregnant women for regular health check-ups."

Ms Sultana, nurse from a factory participating in the AFA project PLUS

The first phase of the AFA project was successfully completed in the summer of 2019. This phase spanned 450 project activities covering a range of subjects including effective communication in the workplace, health and safety, working hours, quality management



PARTNERSHIPS:

We continue to establish partnerships and collaborate with others to drive improvements in labour standards in supply chains. Our partners include:



Accord on Fire and Building Safety on Bangladesh (Accord)

We were one of the first signatories of both the original Accord in 2013 and the follow-on agreement in 2018. Through this agreement, we support measures to improve health and safety within garment factories in Bangladesh.



amfori Business Social Compliance Initiative (BSCI)

The Aldi South Group joined the BSCI in 2008 and, since then, we have dedicated time and effort to support the organisation in continuously improving and becoming the leading international social and environmental compliance system. In 2019, Aldi South Group's Managing Director for Corporate Responsibility was elected to BSCI's board of directors.



British Retail Consortium (BRC)

Aldi is an active member of the BRC and several working groups, including the Ethical Labour Working Group, which brings the retail industry together to collaboratively tackle unethical practices in supply chains. It developed and published a 'Retailer Protocol for Handling Reported Cases of Modern Slavery' to drive consistent application of good practice in the processes that retailers apply in handling reported cases of forced labour, human trafficking, debt bondage and other forms of modern slavery in their UK supply chain. The Group continues to call on Government to strengthen enforcement of labour practices to safeguard workers in high-risk sectors.

Gangmasters & Labour Abuse Authority (GLAA)

The GLAA operates a licensing scheme that regulates businesses providing workers to the fresh produce supply chain and horticulture industry, to make sure they meet the employment standards required by law. Aldi UK has worked with the GLAA for many years to help identify and protect workers at risk of exploitation in our supply chain.



Seafood Ethics Common Language Group

Participating in this group, which was set up by Seafish, allows us to collaborate with other retailers, food service organisations and suppliers to improve our understanding of the ethical issues impacting the seafood supply chain and contribute to collaborative efforts to improve ethical standards in the sector.

Seafood Task Force

The Seafood Task Force is a multi-stakeholder initiative seeking to address illegal, unreported and unregulated (IUU) fishing; and in turn to tackle human rights issues and marine conservational problems, which are believed to be closely interlinked.



Sedex (Supplier Ethical Data Exchange)

Sedex is one of the world's largest collaborative platforms for sharing responsible sourcing data on supply chains, used by more than 50,000 members in over 150 countries. Sedex is one of the ethical trade organisations that we require our suppliers to be members of, as part of our Ethical Trade Programme requirements. The platform can be used by buyers, suppliers and auditors to quickly identify and share indicators of forced labour and modern slavery. A representative from Aldi UK's CR Department sits on the Sedex Board.



Spain Ethical Trade Forums

These Forums address a range of specific concerns associated with the sourcing of produce from key growing regions in Spain. During 2019, key outputs from the Forums included:

- A guide to good housing practices for workers in Huelva has been created to help growers when providing accommodation for workers.
- An anti-harassment group was created in Huelva to share different protocols in the industry. The broader aim this year is to agree a common set of standards across the industry.
- A guide for the responsible use of temporary employment agencies has been produced for the Murcia region and will be rolled out in 2020.
- A good practices guide for small producers was created for use in Almeria to help address issues such as informal worker recruitment, unregistered workers and using foreign workers without permits.
- A 'Survey for field workers' working group was launched in June 2019 in Almeria to improve conditions for workers in the field.





Sustainable Fisheries Partnership (SFP)

This partnership enables us to improve the responsible sourcing of fish and seafood and to avoid illegal, unregulated and undocumented fishing, contributing to a more transparent seafood supply chain.



Stronger Together

Aldi UK is a project sponsor of Stronger Together, a multi-stakeholder initiative established to support organisations in tackling modern slavery within their businesses and supply chains.

Through www.stronger2gether.org, the initiative provides clear guidance, pragmatic resources and training to support employers and labour providers in high-risk sectors to deter, detect and deal appropriately with forced labour, labour trafficking and other hidden labour exploitation.

Since its launch in October 2013, Stronger Together has achieved significant traction in engaging businesses:

- Over 12,000 industry representatives have registered with www.stronger2gether.org to access the resources for use within their organisations.
- Over 5,000 individuals have attended the 'Tackling Modern Slavery In Businesses' training course and have committed to tackling slavery. Of these, over 1,000 work for businesses supplying Aldi.
- An Independent Impact Assessment measured the impact of the programme from October 2013 September 2017 amongst UK consumer goods suppliers. The key findings were that participating in Stronger Together: (a) increased their knowledge and understanding of what modern slavery is (96%); (b) helped them prepare and understand how to manage potential situations of forced labour (87%); and (c) resulted in their senior management making a commitment to tackle modern slavery in their business and supply chain (72%).

Aldi has also supported the rollout of the Stronger Together South Africa Programme to support the fruitgrowing and wine-producing industries through free training workshops and multi-language resources.

To date, it has delivered 62 workshops across seven provinces, attended by almost 1,000 individuals from 530 South African agri-businesses and stakeholder organisations. Attendees have pledged that an estimated 155,000-plus workers will also receive Stronger Together education messages through subsequent activity.

More than 95% or participants in the programme have said their understanding of modern slavery, the risks to their business and the steps they can take to prevent it have all improved as a result of the training.

The programme has also engaged and delivered specialist training to 65 individuals from the South African provincial Human Trafficking Task Teams and Rapid Response Teams across six provinces.

TRAINING & CAPACITY BUILDING

We build capacity amongst our employees and suppliers to recognise and act on incidents of modern slavery via a range of training programmes.

Training for employees

- All Aldi Buying Directors are trained on how to ensure suppliers uphold the ethical standards that we set. They work closely with our CR department to monitor suppliers' performance and intervene if any issues are found.
- All new employees with buying responsibility receive one-to-one training as part of their induction, to ensure they have a thorough understanding of social monitoring issues, including modern slavery.
- Our CR department runs regular modern slavery and ethical trade refresher training for all employees in our buying department. This includes relevant questions to ask and what to look for during site visits.
- Stronger Together has also provided in-house training sessions for various departments including logistics and buying. These training sessions focus on how to identify signs of modern slavery. We created a buyer's guide on how to spot the signs of modern slavery and labour exploitation while conducting site visits across the high-risk produce sector.

Training for suppliers

- All suppliers are asked to attend Stronger Together workshops which are part-funded by Aldi. These sessions are led by labour rights experts and help suppliers understand what modern slavery is and how to spot warning signs. Since these workshops began in 2013, more than 1,000 delegates from Aldi's supply base have attended.
- As part of our Aldi Social Assessment programme, suppliers whose sites are scheduled to receive announced visits are fully briefed on the approach and objectives of the programme before the assessments take place.
- The Aldi Factory Advancement Project provides training for suppliers in Bangladesh on a range of subjects including health and safety in the workplace and fire safety.
- We launched an online training portal for textile suppliers detailing how to establish social compliance management systems. Almost 150 suppliers around the world have participated in this training.



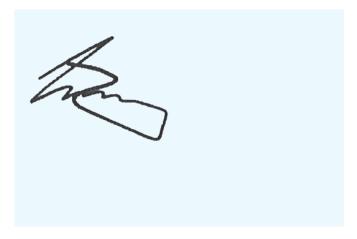
LOOKING AHEAD

We recognise that modern slavery is a reality in global supply chains. It is a complex and global issue and requires retailers, suppliers, NGOs and industry partners to continue to work together. While positive progress is being made in preventing and tackling modern slavery, there is more work to be done. During 2020, we are committed to continuing our proactive approach to modern slavery. The steps that we will take include:

- Implementing our responsible sourcing strategy to address social and environmental risks in high-priority commodity groups as identified in our human rights risk assessment. See here for further details.
- Increasing the number of site visits carried out by Aldi CR and buying colleagues to deepen our knowledge and understanding of our supply chains.
- Continuing to play an active role in the Ethical Trade Initiative's (ETI) Italian Produce Working Group to drive improvements in human rights in the Italian produce sector.
- Expanding our assessments of modern slavery in high-risk areas of our business and supply chain, including produce, horticulture and logistics via desk based and onsite visits, through our partnership with the Wilberforce Institute.
- Assessing risk in our own internal operations in partnership with Slave Free Alliance, part of the Hope for Justice Foundation.
- Supporting remediation projects to help victims of modern slavery and labour exploitation in the UK.
- Ensuring that our suppliers have access to the relevant support, training and resources, such as our Responsible Recruitment Toolkit.
- Strengthening our internal training on modern slavery by running Stronger Together workshops for colleagues working in areas where there may be a higher risk of modern slavery, including buying and logistics.
- Continuing to invest in the Fairtrade Flowers Gender Empowerment Project which supports women working in the Ethiopian flower industry through education and mentorship programmes.
- Increasing our range of certified products, including Rainforest Alliance, UTZ and Fairtrade and Organic. We currently offer more than 350 products that fall into these categories.

There is no place for modern slavery in our business or our supply chain and we remain committed to combatting this criminal activity.

This statement has been approved by the Board on 26 June 2020 and signed on its behalf by:



Giles Hurley Chief Executive

