ALDI GREAT BRITAIN AND IRELAND FOOD WASTE REPORTING PUBLIC METHODOLOGY STATEMENT

The methodology outlined below is used to calculate the total tonnage of food wasted as a percentage of food handled in our GREAT BRITAIN (GB) & IRELAND (IE) operations for the full calendar year of 2024. The baseline year for Aldi's food waste reporting is 2017. Aldi signed up to the UK Food and Drink Pact, previously named Courtauld 2030 agreement, to reduce absolute food waste by 50% by 2030, and 2017 was the first full year of reported food waste. Aldi GB achieved this target in 2022, and have increased their reduction target to 90% by 2030, with Aldi IE remaining at a 50% reduction target by 2030.

The information provided is in conformance with the <u>Food Loss and Waste Accounting Standard (FLW</u> <u>Standard</u>) and the <u>IGD WRAP Food Waste reduction Roadmap reporting guidelines</u>.

<u>Scope</u>

- 'Food' refers to all food intended for human consumption (i.e. excluding pet food). As a rule, non-food products and secondary packaging contamination are excluded. A full list of commodity groups included in our food waste figures can be found in Appendix One.
- Packaging weight is excluded from our food waste, sales, Too Good to Go (TGTG) sales and donation figures.
- The scope of the food waste intensity calculation covers food waste arising from our direct operations (Stores and Regional Distribution Centres) in GB and IE.
- Food waste arising at our suppliers' sites and from third party logistics providers is not included.
- Food that is rejected during the Quality Control process due to it being outside of Aldi's agreed specification with the supplier, are also excluded.
- Regional Distribution Centre (RDC) food donations are excluded from food donations figures because the system used in RDC's is different to the Stores and the figures are based on estimated weights. The impact on total tonnage is immaterial for our reporting purpose.
- Emergency Withdrawals are excluded from Aldi's food waste figures, as these are treated as supplier waste.
- Food waste that has not been redistributed via our food surplus partners are sent to Anaerobic Digestion.

Data Sources:

- **Food Waste data (GB):** This data contains the sum of food waste weight collected from Stores and RDCs, recorded by the waste service provider. Weights are recorded through weighbridge tickets, where containers collected are weighed upon arrival at the anaerobic digestion plant. For animal byproduct waste only, bins are weighed upon collection from store. This includes emergency withdrawals, quality control rejections, packaging weights and contamination, which are out of scope. Aldi compares this data set to internal reporting systems. Due to discrepancies identified, the Waste Service Providers' recorded waste weights have been used within our food waste intensity calculation, excluding the products outlined in the Scope section above (ie: emergency withdrawals, quality control rejections, etc). This is further explained in the Methodology section below.
- **Food waste data (IE):** This data contains the number of units wasted per product, generated from store wastage memos. This includes:
 - Damaged food products that cannot be sold.
 - Products that reach their 'Best Before' or 'Use By' date.
 - Products that are not suitable for sale for another reason, i.e. quality issues
- **Sales data:** This data contains the number of units sold per product. It is extracted from our reporting system, which ultimately comes from transactions at the tills in our Stores.
- **Product weight data:** this dataset contains the contents weight of each product and does not

include the packaging weight. The source of product weight data is from suppliers who inform us of the weight of each product. In some instances, where a weight is unavailable, the subcommodity group average weight is used as an estimate.

- **Packaging weight data:** This data contains weights provided by our suppliers during the product sign off process. Where these are unavailable, a small percentage of weights are estimated based on the service providers Environment Agency approved methodology.
- **Food donations data:** data on product weights and number of units donated is supplied by Aldi's Store wastage memos, which are generated by store colleagues scanning waste through the till. Additionally, out-of-scope products are automatically rejected. Our charity partners, Neighbourly (GB) and FoodCloud (IE), provide information on the rates of successful collections. Details of food commodity groups that are donatable are included in Appendix Two.
- **TGTG:** data on product weights and number of units redistributed is supplied by Aldi's Store wastage memos. All products scanned under the TGTG Wastage Memo, are assumed to be redistributed via customers collecting sold TGTG bags or colleagues taking any unsold bags via Colleague Shop.

<u>Methodology</u>

- Waste (GB): This data contains the sum of "food waste weight" collected from Stores and RDCs. Weights are recorded through weighbridge tickets, where containers collected are weighed upon arrival at the anaerobic digestion plant. For animal byproduct waste only, bins are weighed upon collection from store. The following weights are removed: emergency withdrawals, quality control rejections, packaging weights and contamination, which are out of scope. The following weights are added: estimated liquids and food waste spilled during day-to-day operations.
- 2. **Waste (IE):** The number of units wasted per product is converted into a weight measured in tonnes by multiplying the number of units of waste by per unit weight as recorded in the "product weights" dataset. The tonnages for each product wasted are added up to obtain a total wastage tonnage.
- 3. **Sales**: The number of units sold per product is converted into a weight measured in tonnes by multiplying the "number of units sold" by "per unit weight" as recorded in the dataset. The tonnages for each product sold are added up to obtain a total sold tonnage.
- 4. **Donations:** The number of successfully donated units is converted into a weight measured in tonnes, by multiplying the number of donated units by per unit weight as recorded in the "product weights" dataset. The tonnages for each product redistributed to charity are added up to obtain a total donated tonnage.
- 5. **TGTG:** The number of units redistributed is converted into a weight measured in tonnes, by multiplying the number of units scanned to TGTG by per unit weight as recorded in the dataset. The total tonnages for each product are added up to obtain a total redistributed tonnage.
- 6. Food Wastage intensity: is calculated using the formula as described below.

Food waste compared to food handled (food waste intensity)

We express our food waste intensity as a percentage of the total product handled by Aldi. Therefore, the following calculation is used:

Tonnes of food waste (not including donations or Too Good to Go)

*Tonnes of food product sold + tonnes of Too Good To Go + tonnes of food waste (not including donations) + tonnes of food donated**

Weight Discrepancies

A discrepancy was identified between the weight of waste reported by Aldi GB and the weight reported by the waste provider's collected weights for 2023 and 2024. A series of analyses were complete to identify these discrepancies and were shown to be errors with processing donations and TGTG sales within stores. This resulted in an adjustment of Aldi reported waste in 2023.

Additionally, Aldi is undergoing a gradual integration of new IT systems across its GB/IE business. In 2024, the rollout began in two locations in GB which required internal reporting systems to be rebuilt. As a result, waste data were unavailable for those locations. The waste provider's records, while not substantially different from Aldi's internal figures, capture more waste data due to the missing data in Aldi's internal reporting and the discrepancies mentioned above. *Food donations for these regions are also excluded from the waste intensity calculation, as data was also unavailable for these locations.

Food Waste Intensity

Below is a summary of the previous food waste figures reported for Aldi GB & IE:

Year	Food Waste Intensity (GB)	Food Waste Intensity (IE)	
2017	1.16%	0.98%	
2018	0.79%	0.92%	
2019	0.69%	0.81%	
2020	0.67%	0.79%	
2021	0.66%	0.79%	
2022	0.50%	0.80%	
2023	0.38%	0.69%	
2024	0.32%	0.62%	

Food Waste Assurance

Deloitte LLP were engaged in 2025 to provide independent limited assurance over the food waste intensity metric for year-ended 31 December 2024 in accordance with the International Standard for Assurance Engagements 3000 ("ISAE 3000"). Deloitte's limited assurance report including further details, and their assurance conclusion, is included <u>here</u>.

Food categories included within food waste reporting:

Commodity Group Name					
1	Spirits	16	Canned Food		
2	Sparkling wine	17	Convenience Food & Soups		
3	Wine	18	Long Life Meats		
4	Beer	19	Long Life Dairy		
5	Soft Drink & Juices	20	Chilled Foods		
6	Baby Products (food only)	21	Dressing, Oils & Sauces		
7	Medicine (nutritional supplements)	22	Preserves & Spreads		
8	Frozen Food	23	Processed Foods		
9	Confectionery	24	Eggs		
10	Chocolates	25	Regional Bakery		
11	Biscuits	26	Central Bakery & Cakes		
12	Seasonal Confectionery	27	Fruits & Vegetables		
13	Chips, Snacks & Nuts	28	Fresh Meat		
14	Coffee & Hot Beverages	29	Fresh Fish		
15	Tea				

Appendix Two - Donatable Food/TGTG Commodity Groups (GB and IE)

Category	Donatable (Y/N) (GB)	Donatable (Y/N) (IE)	TGTG (GB/IE)
Long Life Meats	Y	Y	Y
Long Life Dairy	Υ	Υ	Y
Fruits & Vegetables	Υ	Υ	Υ
Eggs	Υ	Υ	Y
Central Bakery & Cakes	Υ	Υ	Υ
Central Bakery & Cakes	Υ	Υ	Υ
Теа	Υ	Υ	Ν
Soups (ambient only)	Υ	Υ	Ν
Soft Drinks & Juices	Υ	Υ	Ν
Seasonal confectionary	Υ	Υ	Ν
Processed Foods	Υ	Υ	Ν
Preserves & Spreads	Υ	Υ	Ν
Dressings, Oils & Sauces	Υ	Υ	Ν
Crisps, Snacks & Nuts	Υ	Υ	Ν
Confectionery	Υ	Υ	Ν
Coffee & Hot Beverages	Υ	Υ	Ν
Chocolate	Υ	Υ	Ν
Canned Foods	Υ	Υ	Ν
Biscuits	Υ	Υ	Ν
Baby Products (food only)	Υ	Υ	Ν
Fresh Meat	Ν	Υ	Y
Fresh Fish	Ν	Υ	Y
Chilled Foods (excluding 'food			Υ
to go')	Ν	Υ	
Wine	Ν	Ν	Ν
Spirits	Ν	Ν	Ν
Sparkling wine	Ν	N	Ν
Medicine	Ν	Ν	Ν
Frozen Food	Ν	N	Ν
Beer	Ν	Ν	Ν