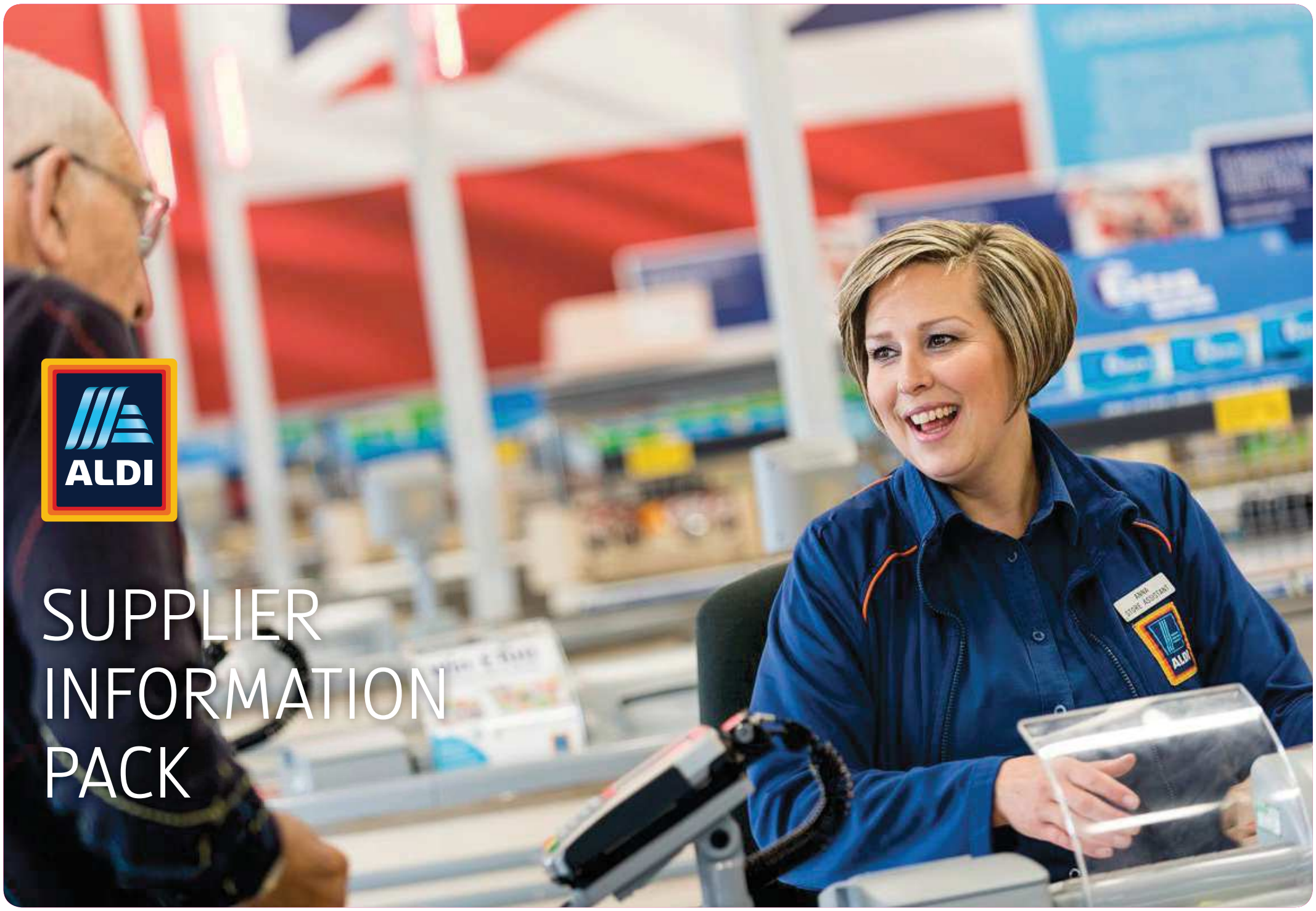




SUPPLIER INFORMATION PACK



Welcome to Aldi

The following document provides a guide for new suppliers about the history of Aldi – how we started, our growth and plans for the future.

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Overview

Our store model is built on creating efficiencies at every level – from store construction, to distribution, to the specific products we stock. Our success shows we are as much a philosophy as we are a supermarket.

Every aspect of our operation has been rethought and reinvented to maximise the quality of our products and savings for our customers.

We began our UK operation in 1990 with our first store in Stechford in the West Midlands. Since then, we've grown into a multi-billion pound retail business with more

than 905 stores in the GB and over 145 in Ireland. By focusing on the integrity of our business plan and the satisfaction of our customers, employees and partners, we've become the nation's leading discounter and the fifth largest supermarket with an 8% share of the market.

Every aspect of our operation has been rethought and reinvented to maximise the quality of our products and savings for our customers



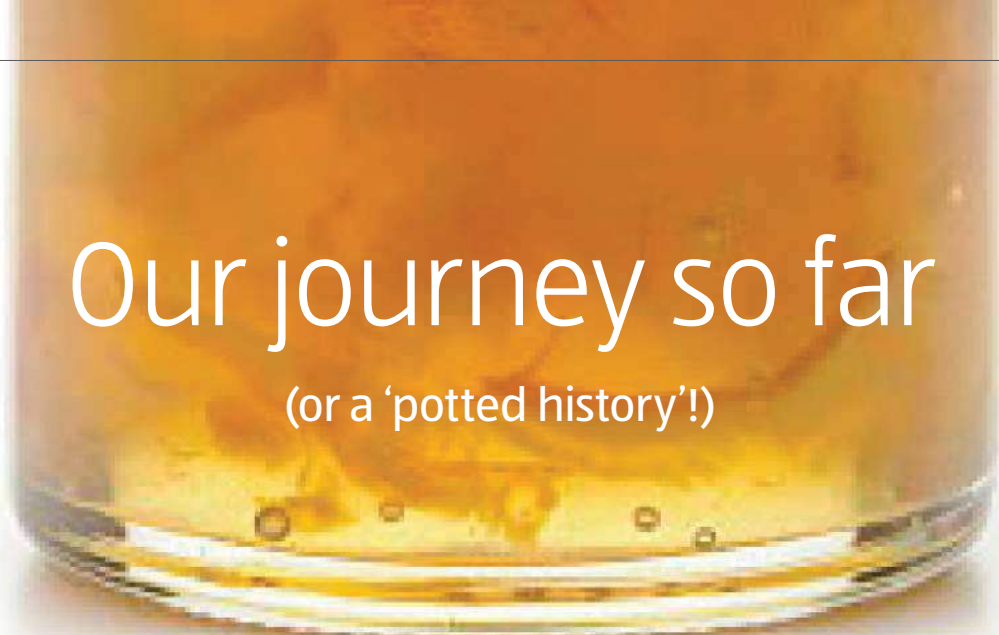
Our philosophy

Our unique business model enables us to provide the highest quality products at the lowest possible prices.

This value stems from the numerous efficiencies and innovations we've introduced at every level of our operation.

Our stores offer our customers over 1,800 of the most commonly purchased fresh and ambient products, in a smaller, more manageable environment designed with sustainable, long-term savings in mind.





Our journey so far

(or a 'potted history'!)

1914

Anna Albrecht opened a small food store in Essen, Germany.

By 1948, her sons took over the business and expanded to four locations.

1954

They opened their first self-service store – a first in Germany.

1962

"Albrecht Discount" was shortened to Aldi.

1967

More than 200 Aldi South locations.

1990

Opened our first store in the UK.

1999

Opened our first store in Ireland.

2017

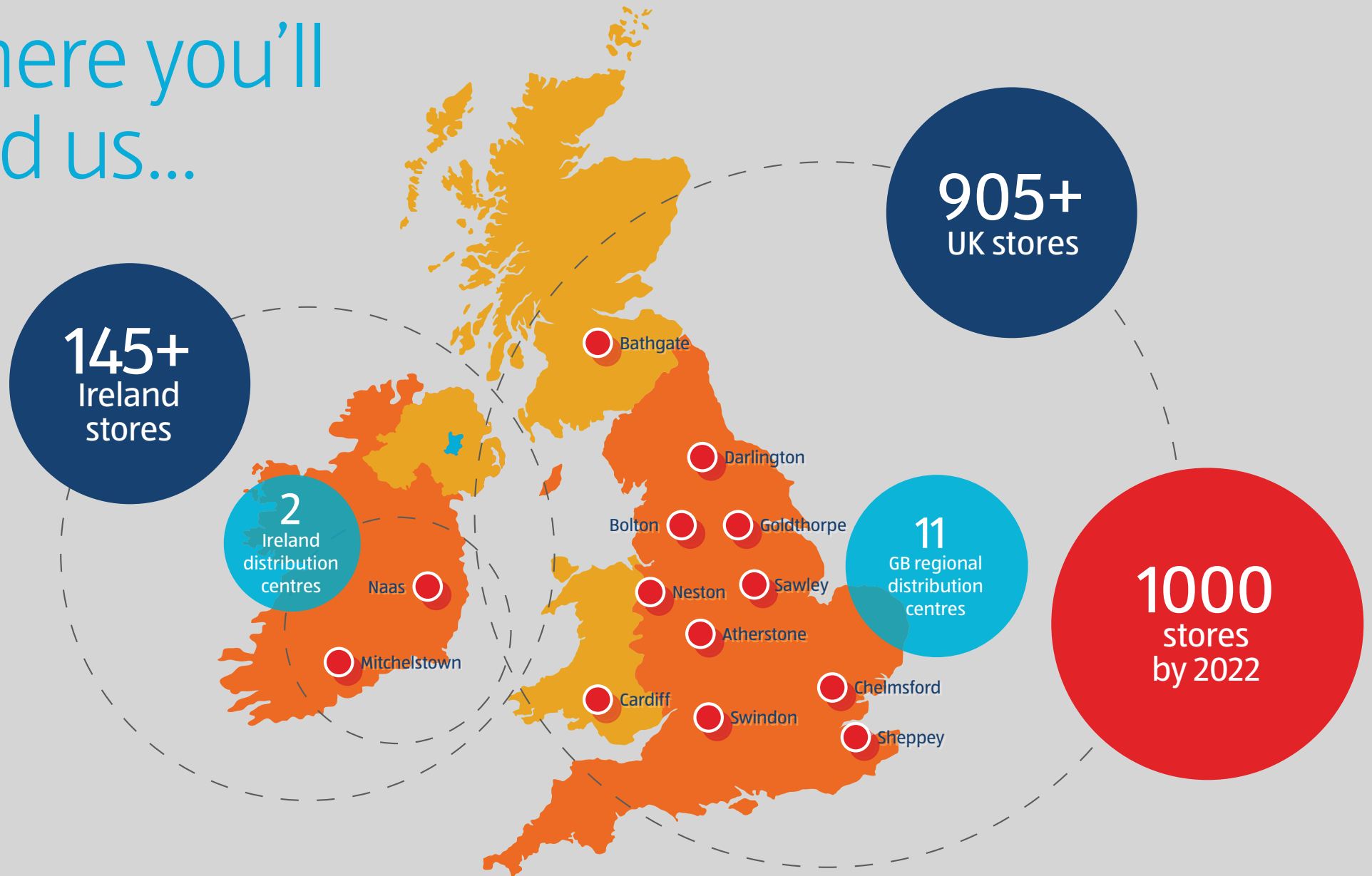
Aldi becomes Britain's fifth biggest supermarket.

2022

Aldi to have opened its 1,000th store in the UK by 2022.

→ ALbrecht + DIscount ALDI

Where you'll find us...



Who's who in Aldi?



Buying

Our UK Buying Office is based in Atherstone, Warwickshire. We also have a separate Scottish Buying Office based in Bathgate, whose focus is to source locally produced products for selling in our Scottish stores.

In Naas, County Kildare, we have our Irish Buying Office that concentrates on buying Irish produced products and products that are more suited to the Irish market than the UK.

Each of our Buying Directors are responsible for a number of product categories. They are supported by Buying Assistants, who will handle your day-to-day enquiries.

Our Buying Directors report to a Group Buying Director who is your “Senior Buyer” under the terms of The Groceries Supply Code of Practice (GSCOP) in the UK.

Before we agree a supply agreement (contract) with you, we will send you our Terms & Conditions of Purchase along with all supporting documents. This will include the contact details of our Trading Departments who are responsible for placing day-to-day orders and maintaining availability for our stores.

Our Buying Directors are supported by Buying Assistants, who will handle your day-to-day enquiries



Trading

Each of our Regional Distribution Centres has a Trading Department headed up by a Trading Director.

Each Trading Director has numerous Trading Assistants reporting to them who are responsible for placing our daily orders with you, confirming delivery times and handling any delivery queries you may have.

The Trading and Buying teams work closely together to ensure forecasted volumes are as accurate as possible and to discuss any challenges that may occur.

Pre-tender. Tender. Launch!

“The Right Product at the Right Price”

STAGE	NPD & Market Opportunities	▶ Pre-tender	▶ Tender	▶ Buy & Deliver	▶ Launch
GOAL	<ol style="list-style-type: none"> 1 New Idea 2 Refresh existing 3 Quality/Cost improvement 4 Discontinue lines/gap fill 	<ol style="list-style-type: none"> 1 Scope out market/Competitive set 2 Scope out supply base 3 Establish product “must haves” 4 Determine benchmark 	<ol style="list-style-type: none"> 1 Create tender and issue to supply base 2 Communicate benchmark 3 Tender sample 	<ol style="list-style-type: none"> 1 Award business 2 Engage design agency and Technical Service Provider (TSP) 	<ol style="list-style-type: none"> 1 Go live 2 Monitor performance 3 Review performance
TASK	<ul style="list-style-type: none"> • Range analysis to highlight issues • Market data to highlight trends • Full competitor review to identify gaps • Supplier info to highlight New Product Development/specification improvements 	<ul style="list-style-type: none"> • Identify: <ul style="list-style-type: none"> - the opportunity - the market position - commodities position - the benchmark - the product specification <ul style="list-style-type: none"> - merchandising - case mix - design elements • Set out goals/objectives • Retrieve initial commercials 	<ul style="list-style-type: none"> • Tender sent via Aldi Tendering Platform • Final product/supplier selected • Fit for use/benchmark testing 	<ul style="list-style-type: none"> • Supplier confirmed • Design and artwork process starts: <ul style="list-style-type: none"> - artwork sign off - technical sign off • Full product approval including production samples and technical file • Inspection at source (non-food special buys only) • Regional communication 	<ul style="list-style-type: none"> • Fixed date review • Review: <ul style="list-style-type: none"> - week 1 sales - month 1 sales • Provide performance update • Regional feedback • Customer service feedback

Packaging Service Provider

Technical Service Provider
Project Manager

Supplier

Packaging Specialist

Designer

Who's
involved
in the
product
life cycle?

Buying Director

Buying Assistant

QA Department

Technical Service Provider
Advisory Assistant

Photographer



Artwork & packaging



Design, artwork and packaging – the process

Technical Service Provider generates clearance to supply (CTS)

Final Colour Accurate Proof (CAP) approved

1st artwork amends → Buying Director, Supplier, Technical Service Provider approval

1st artwork → Buying Director, Supplier, Technical Service Provider approval

Technical Service Provider generates pack copy → Buying Director approval

What is the Brand/ Packaging benchmark?

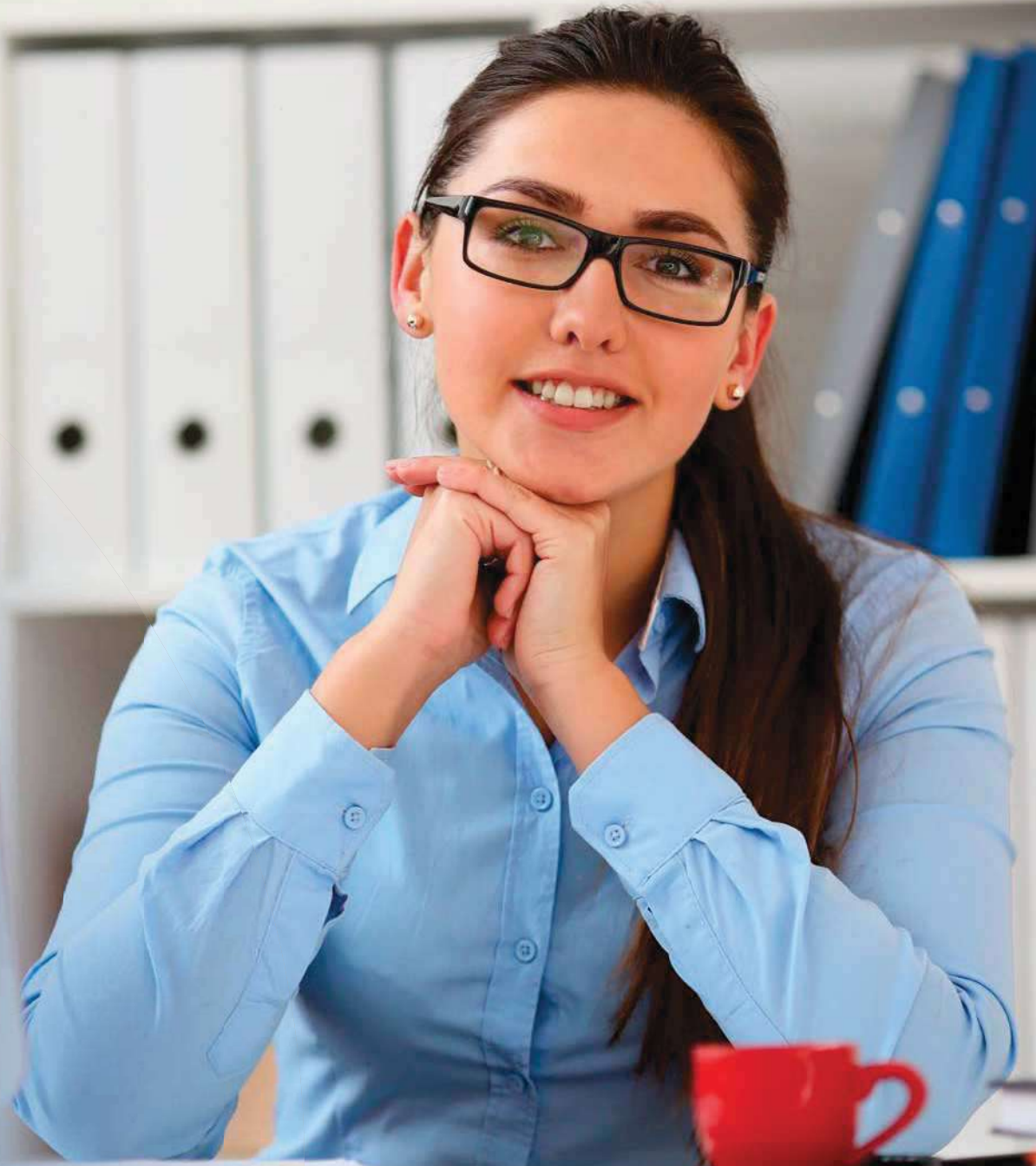
Design stage 1/2/3 → Buying Director approval

Buying Assistant raises Product Advice Sheet (PAS) – include all product claims

Service Provider generates critical path and sends to supplier

Supplier to complete electronic specification (eSpec) including all nutritional, Corporate Responsibility (CR) and cooking information

Account management



Account management

To assist Aldi in an efficient manner, we appreciate the following qualities in our supplier Account Managers:

Familiarisation with Aldi Procedures	Proactive Not Reactive	Meeting Deadlines	Taking Responsibility and Accountability for Supply Issues
<ul style="list-style-type: none"> • Who's Who (responsibilities) • Pre-tender/Tender/ Sampling timescales • Goods Receiving Guidelines • Design Agency and Technical Service Provider process 	<ul style="list-style-type: none"> • Inform Buying of availability issues in a timely manner • New product development • Provide regular updates on retail activity within the market 	<ul style="list-style-type: none"> • Sample requests • Pre-tender/Tender • Design Agency and Technical Service Provider critical path • Regional booking slots 	<ul style="list-style-type: none"> • Ensure availability through proactively monitoring Aldi stock holding at platforms
Communication to be Clear and Concise	In-depth Category Knowledge and Provision of Market Data	Accessibility During and Outside of Working Hours	Product Development (NPD) in line with the Market, Understanding Our Business Strategy
	<ul style="list-style-type: none"> • Provide regular market data 	<ul style="list-style-type: none"> • Providing an emergency contact for out of hours • Responding to requests in a timely manner 	

Terms & Conditions



Terms & Conditions & Ancillary Documents

Aldi asks all new suppliers to sign up to its Standard Terms and Conditions for the Purchase of Goods and the associated Ancillary Documents. These will be sent to you by the Buying Department at the beginning of the new supplier process. Aldi's Terms and Conditions lay out how Aldi does business with its suppliers on the ground.

The Terms also incorporate the Groceries Supply Code of Practice, the Irish Regulations and the Bribery Act 2010. In addition to the Terms and Conditions, you will be asked to review a number of Ancillary Documents which provide more detail on the day-to-day policies involved in supplying goods to Aldi.

Document Register Program (DRP)

Document Register Program (DRP) is used to e-mail all official documentation to suppliers.

All of the e-mails you receive will come from the DRP e-mail address:
document.register@aldi.co.uk

Some examples of documents you can expect to receive from the DRP are:

- Terms & Conditions and Ancillary Documents
- GSCOP Documents
- Aldi's Quarterly Supplier Bulletin
- Christmas and Easter Delivery Windows
- Supplier Guidelines for our Corporate Responsibility



Groceries Supply Code of Practice (GSCOP)

The Groceries Supply Code of Practice (GSCOP) came into force on 4th February 2010. It applies to all retailers with grocery sales over £1 billion and ensures that retailers deal with their suppliers fairly and lawfully at all times.

Aldi takes pride in its compliance with the Code, being assessed as the 'Fairest' supermarket in the 2021 GCA Survey and consistently ranking as one of the best performing supermarkets for overall compliance. All Aldi employees who have regular contact with suppliers receive GSCOP training on a yearly basis and regular meetings are in place between The Groceries Code Adjudicator (GCA) and Aldi to ensure our continued compliance with the Code. Aldi sends a regular GSCOP newsletter to suppliers explaining any changes to the Code, as well as updates on Aldi's performance in the GCA Annual Survey.



Administration



Electronic Funds Transfer/BACS

Aldi prefers to pay its suppliers electronically. Enclosed in your new supplier pack, you will receive an invoicing information form which you will need to complete and return. Once the setup is complete, your invoices will be paid electronically with the funds released on the due date. The funds can take up to three working days to clear.

Invoicing

As a supplier of Aldi, you can expect to be invoiced for all reasonable costs, fees and expenses properly incurred in relation to the supply agreement (contract) and product, this can include product design, packaging design, artwork, product testing, etc.

Aldi's nominated brand management team and technical service provider will invoice you, the supplier, directly upon completion, of design, artwork and product testing.

Orders & Invoicing

We work with our supply base to ensure all orders are provided in a timely manner to enable availability. You will receive orders and will be asked to invoice for delivered products using Electronic Data Interchange (EDI). We offer our suppliers the option to integrate our EDI solution or, for those suppliers who trade less frequently, to use our Web EDI solution.

If you have any questions related to EDI, please contact buying.edicoordination@aldi.co.uk





The supply chain

Availability

At Aldi, availability is paramount. With only 1,800 SKUs in our range, not having stock on the shelf for even a day can make the difference for customers being able to pick up their full shop or not. That can affect our customer satisfaction, our sales and our reputation. That's why we take availability so seriously.

Deliveries

At Aldi, we are continuing to develop our estate as our business grows from strength to strength. In the UK, we have eleven RDCs including eCommerce and two in Ireland. You will be asked to deliver seven days a week to an agreed Minimum Order Quantities (MOQ) if you supply.

Logistics

We work with our supply base to ensure that they have an efficient and cost-effective delivery solution when working with Aldi. Whether that is using your own logistic partners or Aldi's preferred primary network – there is a simple solution for all your products, no matter where they come from in the world.

Regional Quality Control

Our Regional Quality Control teams are on hand to ensure that only the finest produce and highest quality products make it to our stores. This is the final check before the products leave the RDC.

Communications

Continued engagement and communication is at the heart of what we do. Working with our Corporate Logistics Team, we can ensure that you have the right information when starting your journey with Aldi; if it's challenges with case mixing to getting the product to the right port - they have the expertise you need to deliver these requests.

Questions

If you have any concerns, queries or need any support with developing the right solution in your supply chain then please ask your Buying Director to put you in contact with our Corporate Logistics Department.

Quality & CR



Quality & CR: food

Aldi is committed to maintaining the highest quality of materials and production processes. It fully expects that this commitment is followed throughout its supply chain. As a socially responsible company, it is of critical importance for Aldi to know that our products are safe for our consumers.

Ethical Sourcing

Aldi is committed to human rights and fair labour practices throughout our supply chain. We expect all suppliers to comply with the **Business Partner Sustainability Standards (formally the Social Standards in Production)** contained within Aldi's Corporate Responsibility Principles and to adhere to all requirements of the Aldi UK and Ireland Social Monitoring Programme (SMP).

Product Specification

Product specifications are captured in an Electronic Specification (eSpec) system managed by the TSP on behalf of Aldi. Product specification information must relate to the site of the manufacturer. Information must be accurate as this will be used to generate pack copy & substantiate product claims.

Certification Requirements for Site Manufacture

You will be requested to provide the following:

- All sites of manufacture producing Aldi brand food products must be certificated to a Global Food Safety Initiative (GFSI) benchmarked scheme, e.g. British Retail Consortium (BRC) Global Standard for Food Safety
- If your site of manufacture, packing or bottling does not have certification to a GFSI scheme, please inform your Aldi Buying Director immediately
- GFSI certification in English
- GFSI audit report in English
- Site manufacturing details
- Site packing details (if different to the manufacturing site)
- Certificate must be within scope and valid for manufacture

Quality & CR: food

Clearance To Supply (CTS) Aldi Polices

The CTS is issued once the TSP is satisfied that:

- The site of manufacture meets Aldi certification requirements
- Legal requirements and Aldi policies are complied with
- The product is supported by an approved specification
- Artwork is approved. The CTS will be valid for a defined period

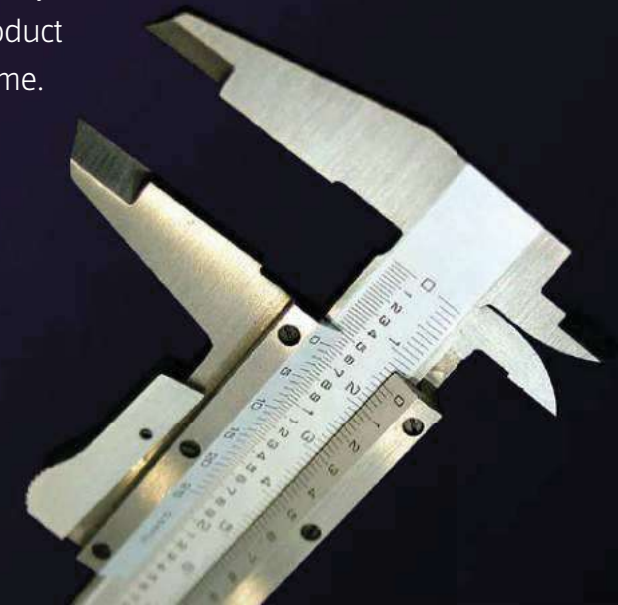
Suppliers must comply with all relevant Aldi policies. It is the supplier's responsibility to make sure they familiarise themselves with our policies and in turn brief their manufacturing sites.

Costings

Costs for approval and due diligence will need to be met by you, the supplier.

Product Testing

Aldi has a comprehensive product testing due diligence programme. Products are tested for compliance with the agreed specification and legality at first production and whilst on sale. You must provide product samples from first production for testing by the Technical Service Provider. You will be notified of any issues identified during the product testing due diligence programme.



Quality & CR: non-food & textiles

Aldi is committed to maintaining the highest quality of materials and production processes. It fully expects that this commitment is followed throughout its supply chain. As a socially responsible company, it is of critical importance for Aldi to know that our products are safe for our consumers.

Ethical Sourcing

Aldi is committed to human rights and fair labour practices throughout our supply chain. We expect all suppliers to comply with the Business Partner Sustainability Standards (formally the Social Standards in Production) contained within Aldi's Corporate Responsibility Principles and, where relevant, to adhere to all requirements of the Aldi UK and Ireland Social Monitoring Programme (SMP) and Detox Commitment.

Supplier Approval

A Technical Service Provider (TSP) working on behalf of Aldi will contact you, the supplier, and request all relevant information relating to your product. All suppliers must receive a Clearance To Supply (CTS) for each product before supply to Aldi starts. New suppliers and/or production sites are subject to an Aldi approval audit.



Quality & CR: non-food & textiles

Product Specification

- Complete and submit Supplier Questionnaire: Non-Food & Textiles
- TSP receives a Product Advice Sheet (PAS) from Aldi UK. TSP will provide details of the product approval process and critical path and any applicable quality manuals
- TSP will contact the supplier and request the following (this may vary depending on product):
 - Product specification - to also substantiate product claims
 - Artwork
 - Component List (Critical & Internal)
 - Risk analysis - Hazard And Risk Management System (HARMS) and Hazard Analysis and Critical Control Points (HACCP)
 - Copy of instructions and user guides
 - Warranty/guarantee details
 - Physical sample of product
 - Factory Quality Management Systems (QMS) / quality controls
 - Any existing testing certificates (dated within 1 year of submission)



Quality & CR: non-food & textiles

Certification Requirements for Site Manufacture

Supplier manufacturing sites must comply with Aldi technical audit requirements for all commodity groups for non-food core/hard lines and textiles.

Clearance to Supply

The TSP will confirm Regulatory Requirements and any non conformance in the documentation supplied. The CTS is issued once the TSP is satisfied that:

- The site of manufacture meets Aldi certification requirements
- Legal requirements and Aldi policies are complied with
- The product is supported by an approved specification and meets all relevant quality performance requirements
- Artwork and instruction manuals are approved

The CTS will be valid for a defined period. Where an Final Random Inspection (FRI) is performed and the result is acceptable, the TSP will issue the CTS for you to ship the product.

** Please note the Final Random Inspection (FRI) will be performed at the site of manufacture.

Aldi Policies

Suppliers must comply with the relevant Aldi policies. It is the supplier's responsibility to make sure they familiarise themselves with our policies and in turn brief their manufacturing sites.

Costings

Costs for approval and due diligence will need to be met by you, the supplier.

Product Testing

Any products submitted may be subjected to ongoing performance testing and evaluation.



For more information, please visit our supplier website at:
www.aldi.co.uk/suppliers

