

## **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 & IRELAND operations for the full calendar year of 2022. The baseline year for Aldi's food waste reporting is 2017. Aldi signed up to the Courtauld 2030 agreement to reduce absolute food waste, and 2017 was the first full year of reported food waste.

The information provided is in conformance with the [Food Loss and Waste Accounting Standard \(FLW Standard\)](#) and the [IGD WRAP Food Waste reduction Roadmap reporting guidelines](#).

### Scope

- 'Food' refers to all food intended for human consumption (i.e. excluding pet food). As a general rule, non-food products 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 figures.
- Food donated to charitable organisations is not classed as waste and is therefore excluded from our food waste figures.
- Regional Distribution Centre (RDC) food donations are excluded from GB 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.
- The scope of the food waste intensity calculation covers food waste arising from our direct operations (Stores and Regional Distribution Centres) in Great Britain and Ireland, in addition to food wastage from our eCommerce department (Great Britain only).
- 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.
- 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** : This data contains the number of units wasted per product pulled from 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. Food sales data from our eCommerce department is then manually included within this figure for 2022.
- **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.
- **Food donations data**: data on product weights and number of units donated is supplied by Aldi's Store wastage memos, along with the automatic rejection of out-of-scope products. Our charity partners, Neighbourly (Great Britain) and FoodCloud (Ireland), provide information on the rates of successful collections. Details of food commodity groups that are donatable are included in Appendix Two.

## Methodology

1. **Waste:** 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 dataset. The total wastage tonnages for each product are added up to obtain a total wastage tonnage.
2. **Sales:** The number of units sold per product is converted into a weight measured in tonnes by multiplying the number of units of sold by per unit weight as recorded in the dataset. The total sold tonnages for each product are added up to obtain a total sold tonnage.
3. **Donations:** The number of successfully donated units donated per product is converted into a weight measured in tonnes by multiplying the number of donated units by per unit weight as recorded in the dataset. The total donated tonnages for each product are added up to obtain a total donated tonnage.
4. **Food Wasteage intensity:** is calculated using the formula as described below.

**Missing weights:** a small % of products remain with missing weights in our systems; this amount is immaterial in the context of food waste reporting. For these products, estimated weights have been used to allow an estimated total waste tonnage for each product with a missing weight. The estimated weight for the product is calculated by creating a 'sub-commodity group average' weight, which is an average using all other weights available in the sub-commodity group. Where a sub-commodity average is not possible due to lack of data, either the commodity group average is used or the weight of a similar product. The estimated sold and wastage tonnages for these products are added to our final food waste and food sold figures.

**'Random' or 'Catch' Weights:** Some products such as meat or fish do not have an identical weight for each unit of the product sold, and will vary. As each item has a different weight, the weight of the product is captured within the barcode of the product, so that each item scanned through the till has a weight recorded. These are used to calculate total tonnage sold and wasted at product level

**Mixed case variants:** Some products as currently sold in mixed cases and each variant has a different weight. To accurately capture this weight, an average is calculated for the case by the National Buying Assistant.

**Burglary write-offs (memos):** to capture products that may have incorrectly been written off using a burglary memo, only products with comments that clearly outline theft are excluded from the food waste tonnage figure.

**Conversion factor:** where products have a volume weight (ml/l), this is converted to kg's on the assumption that 1lt =1kg. While this is an estimation, the impact on the accuracy of the food waste and sales data is immaterial.

## 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 (tonnes of food surplus - tonnes of food redistributed)***

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***Tonnes of food product sold + tonnes of food waste + tonnes of food redistributed\****

\*Only food donated

## Food Waste Assurance

Deloitte LLP were engaged in 2023 to provide independent limited assurance over the food waste intensity metric for year-ended 31 December 2022 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 [here](#).

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

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%

### **Appendix One - Relevant Food Commodity Groups**

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 Commodity Groups (GB and IE)**

Category	Donatable (Y/N) (GB)	Donatable (Y/N) (IE)
Fruits & Vegetables	Y	Y
Central Bakery & Cakes	Y	Y
Canned Foods	Y	Y
Coffee & Hot Beverages	Y	Y
Biscuits	Y	Y
Long Life Dairy	Y	Y
Seasonal confectionary	Y	Y
Tea	Y	Y
Processed Foods	Y	Y

Dressings, Oils & Sauces	Y	Y
Eggs	Y	Y
Soft Drinks & Juices	Y	Y
Crisps, Snacks & Nuts	Y	Y
Long Life Meats	Y	Y
Preserves & Spreads	Y	Y
Chocolate	Y	Y
Confectionery	Y	Y
Central Bakery & Cakes	Y	Y
Soups (ambient only)	Y	Y
Fresh Fish	N	Y
Fresh Meat	N	Y
Chilled Foods (excluding 'food to go')	N	Y
Frozen Food	N	N
Spirits	N	N
Sparkling wine	N	N
Wine	N	N
Beer	N	N