

Independent Limited Assurance Report to the Directors of Aldi Stores Ltd

Independent Limited Assurance Report by Deloitte LLP to the Directors of Aldi Stores Ltd on the food waste intensity metric (the “Selected Information”) within non-financial reporting of Aldi Stores Ltd for the reporting year ended 31 December 2023.

Our assurance conclusion

Based on our procedures described in this report and evidence we have obtained, except for the effects of the matter described in the basis for qualified conclusion section below, nothing has come to our attention that causes us to believe that the Selected Information for the year ended 31 December 2023, as presented by Aldi Stores Ltd at <https://www.aldi.co.uk/food-waste> and indicated with the symbol Δ, has not been prepared, in all material respects, in accordance with the Basis of Reporting defined by the directors as set out in <https://www.aldi.co.uk/food-waste>.

Basis for qualified conclusion

During the course of our work, it became clear that management had identified and were investigating variances between the internal reporting of food waste and information received from the third party waste management provider during the year. As a result of management’s analysis of the underlying causes of the variances, and subsequent remediation actions undertaken in 2024, management have updated their methodology to include an estimated retrospective adjustment to waste reported for the year ended 31 December 2023, based on data observed and reconciled in 2024. However, we were unable to reconcile information relating to sample test of records of the content of food waste bins to the records supporting the adjusted food waste calculation, which suggest that the adjusted amount is materially misstated. Because our work is only based on a sample, we are unable to quantify the effect of this error.

Scope of our work

Aldi Stores Ltd has engaged us to perform an independent limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* (“ISAE 3000 (Revised)”, issued by the International Auditing and Assurance Standards Board (“IAASB”) and our agreed terms of engagement.

The Selected Information in scope of our engagement for the year ended 31 December 2023, as indicated with the symbol Δ on the website <https://www.aldi.co.uk/food-waste>, is as follows:

Selected Information	Basis of Reporting	Reporting boundary	Reporting value
31 December 2023 Food Waste Intensity (%)	Waste and Resources Action Programme (“WRAP”) UK Waste Reduction Roadmap. Plus, any applicable methodology as published by the company (commonly referred to as the “Basis of Reporting”).	UK and Republic of Ireland	0.41%

The Selected Information, as listed in the above table, needs to be read and understood together with the Basis of Reporting at <https://www.aldi.co.uk/food-waste>, and this qualified opinion.

Inherent limitations of the Selected Information

We obtained limited assurance over the preparation of the Selected Information in accordance with the Basis of Reporting. Inherent limitations exist in all assurance engagements.

Any internal control structure, no matter how effective, cannot eliminate the possibility that fraud, errors or irregularities may occur and remain undetected and because we use selective testing in our engagement, we cannot guarantee that errors or irregularities, if present, will be detected.

The self-defined Basis of Reporting, the nature of the Selected Information, and absence of consistent external standards allow for different, but acceptable, measurement methodologies to be adopted which may result in variances between entities. The adopted measurement methodologies may also impact comparability of the Selected Information reported by different organisations and from year to year within an organisation as methodologies develop.

We draw your attention to the specific limitations, due to the nature of the Selected Information, set out in the “Key procedures performed” section below.

Directors’ responsibilities

The Directors are responsible for:

- Selecting and establishing the Basis of Reporting.
- Preparing, measuring, presenting and reporting the Selected Information in accordance with the Basis of Reporting.
- Publishing the Basis of Reporting publicly in advance of, or at the same time as, the publication of the Selected Information.
- Designing, implementing, and maintaining internal processes and controls over information relevant to the preparation of the Selected Information to ensure that they are free from material misstatement, including whether due to fraud or error.
- Providing sufficient access and making available all necessary records, correspondence, information and explanations to allow the successful completion of our limited assurance engagement.

Our responsibilities

We are responsible for:

- Planning and performing procedures to obtain sufficient appropriate evidence in order to express an independent limited assurance conclusion on the Selected Information.
- Communicating matters that may be relevant to the Selected Information to the appropriate party including identified or suspected non-compliance with laws and regulations, fraud or suspected fraud, and bias in the preparation of the Selected Information.
- Reporting our conclusion in the form of an independent limited Assurance Report to the Directors.

Our independence and competence

In conducting our engagement, we complied with the independence and other ethical requirements of the ICAEW Code of Ethics. The ICAEW Code is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.



We applied the International Standard on Quality Management (UK) 1 (“ISQM (UK) 1”) issued by the Financial Reporting Council. Accordingly, we maintained a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Key procedures performed

We are required to plan and perform our work to address the areas where we have identified that a material misstatement in respect of the Selected Information is likely to arise. The procedures we performed were based on our professional judgment. In carrying out our limited assurance engagement in respect of the Selected Information, we performed the following procedures:

- Performed an assessment of the criteria (the benchmarks used to measure or evaluate the underlying information as stated in the Basis of Reporting) to determine whether they were suitable for the engagement circumstances.
- Performed analytical review procedures to understand the underlying subject matter and identify areas where a material misstatement of the Selected Information was likely to arise.
- Through inquiries of management, obtained an understanding of the Company, its environment, processes and information systems relevant to the preparation of the Selected Information sufficient to identify and further assess risks of material misstatement in the Selected Information, and provide a basis for designing and performing procedures to respond to assessed risks and to obtain limited assurance to support a conclusion.
- Through inquiries of management, obtained an understanding of internal controls relevant to the Selected Information, the quantification process and data used in preparing the Selected Information, the methodology for gathering qualitative information, and the process for preparing and reporting the Selected Information. We did not evaluate the design of particular internal control activities, obtain evidence about their implementation or test their operating effectiveness.
- Inspected documents relating to the Selected Information, including board committee minutes.
- Performed procedures over the Selected Information, including recalculation of relevant formulae used in manual calculations and assessed whether the data has been appropriately consolidated.
- Performed procedures over underlying data on a statistical sample basis to assess whether the data has been collected and reported in accordance with the Basis of Reporting, including verifying to source documentation.
- Conducted site visits at a sample of sites, selected on a judgemental basis to determine consistency in understanding and application of the Basis of Reporting, checked understanding of processes, and performed completeness testing.
- Performed procedures over the Selected Information including assessing management’s assumptions and estimates.
- Accumulated misstatements and control deficiencies identified, assessing whether material.
- Read the narrative accompanying the Selected Information with regard to the Basis of Reporting, and for consistency with our findings.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

We performed our engagement to obtain limited assurance over the preparation of the Selected Information in accordance with the Basis of Reporting. We draw your attention to the following specific limitations:



- The selected information includes information that is either derived from supplier information or dependent on suppliers fulfilling their obligations under their contract. Our procedures did not include obtaining assurance over the information provided by suppliers or third parties.
- 'Tonnes of food product sold' forms a portion of the denominator of the Food Waste Intensity metric. Our procedures over the 'Tonnes of food product sold' portion of the Food Waste Intensity metric did not include verification of the sales figure beyond tie back procedures to underlying records.

Use of our report

This report is made solely to the Directors of Aldi Stores Ltd in accordance with ISAE 3000 (Revised) and our agreed terms of engagement. Our work has been undertaken so that we might state to the Directors of Aldi Stores Ltd those matters we have agreed to state to them in this report and for no other purpose.

Without assuming or accepting any responsibility or liability in respect of this report to any party other than Aldi Stores Ltd and the Directors of Aldi Stores Ltd, we acknowledge that the Directors of Aldi Stores Ltd may choose to make this report publicly available for others wishing to have access to it, which does not and will not affect or extend for any purpose or on any basis our responsibilities. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Aldi Stores Ltd and the Directors of Aldi Stores Ltd as a body, for our work, for this report, or for the conclusions we have formed.

Deloitte LLP

Deloitte LLP

London, UK

28th June 2024