

## **ALDI US Seafood Buying Policy**

### **Our Commitment**

As stated in our Corporate Responsibility Policy, ALDI US is committed to the principle of sustainability when procuring seafood and fish products. As a leading discount grocery retailer, we recognize the influence we have in the seafood industry to implement positive change. While we strive to provide our customers with the highest quality products at the lowest possible prices, we have a responsibility to sell seafood in an ethical and responsible manner.

Our seafood buying policy applies to all frozen, chilled and shelf stable seafood products. It is the responsibility of ALDI Buying Directors to ensure that products adhere to our seafood policy.

Key decision-makers and ALDI US Management support and expect the sustainable seafood buying policy to be fully integrated into our operations. Additionally, internal and external experts have advised and supported our seafood buying policy. This policy is reviewed on an annual basis and will be revised if necessary. This is the only way to ensure the goal of sourcing sustainable seafood can be achieved in the long term.

Although our sustainable seafood buying policy affirms our commitment with our suppliers to sustainably source seafood products, we expect our policy to develop and expand over time. We aspire to source sustainable seafood by focusing on the following aspects:

1. Sustainable Product Range
2. Social Compliance
3. Product Labeling
4. Product Testing
5. Traceability
6. Sustainable Seafood Assessment
7. Cooperation with Partners

## **1. Sustainable Product Range**

### Wild-Caught

The following principles exemplify qualities and best practices of sustainable wild fisheries:

- Exclude illegally caught fish
- Review sourcing of endangered fish species in accordance with the IUCN Redlist of Threatened or Endangered Species (Vulnerable, Endangered, Critically Endangered)
- Exclude the use of especially critical catchment methods (e.g. dynamite, poison)
- Avoid fish stocks from critical catchment areas
- Reduce by-catch
- Minimize impact on the ecosystem
- Maintain abundant, well-managed fish populations
- Improve traceability throughout the entire supply chain
- Comply with minimum social standards on all levels of the supply chain (i.e. from the ship to the processor to the store)

### Farmed

The following principles exemplify qualities and best practices of sustainable farmed seafood:

- Abide by strict ecological guidelines for processing
- Promote fish health and welfare
- Exclude genetically modified organisms
- Actively manage an effective feces, waste and water management plan as part of an environmental management system
- Reduce the environmental impact on the (surrounding) flora and fauna
- Keep fish in a species-appropriate environment and maintain a strong fish population
- Improve traceability throughout the entire supply chain
- Comply with minimum social standards on all levels of the supply chain (i.e. from the ship to the processor to the store)

### Increase use of sustainable fisheries and farms

ALDI US acknowledges that current standards in the seafood industry have been developed to certify products as sustainable. We favorably consider certification standards in our sourcing decisions, and ALDI US pursues sustainable sources wherever possible. We seek to ensure the products we sell meet certain benchmarks for food safety, quality, and sustainability, as outlined above.

In collaboration with Sustainable Fisheries Partnership (SFP), ALDI US aspires to increase sustainably sourced seafood products. If a seafood product does not meet our benchmark for sustainability, the ALDI US strategic approach is to continue sourcing from those fisheries and farms and to use our leverage as buyers to encourage improvements that drive sustainability. ALDI US requests that suppliers actively engage in Fishery Improvement Projects (FIP) and Aquaculture Improvement Projects (AIP) if sustainability benchmarks are not met.

ALDI US supports sourcing from FIPs following the *Guidelines for Supporting Fishery Improvement Projects* as defined by the Conservation Alliance for Seafood Solutions. ALDI US is committed to sourcing from FIPs or AIPs that demonstrate true progress and will utilize SFP's Fishery Improvement Project Ratings to monitor the progress from FIP sources. ALDI US will consider discontinuing sourcing from FIPs that do not achieve a 'C' or better progress rating within a reasonable timeframe. Additionally, if fisheries or farms are unwilling to engage in improvement projects or are unable to make progress addressing sustainability challenges in a reasonable timeframe, then we will consider discontinuing procurement of seafood products from those sources.

ALDI US aspires to source sustainable seafood from wild fisheries and farmed seafood by abiding by the following principles:

- Sourcing only from suppliers that share our commitment to sustainability and transparency
- Refusing to source from any fishery and/or vessel found to have contributed to Illegal, Unreported and Unregulated (IUU) fishing
- Increasing the number of seafood products that come from sustainable fisheries and farms
- Reducing the number of seafood categorized as red-rated according to third-party fishery data
- Preferably sourcing seafood products certified according to the Marine Stewardship Council (MSC), Best Aquaculture Practices (BAP), or Aquaculture Stewardship Council (ASC) standards
- Encouraging fisheries and aquacultures to participate in credible Fishery Improvement Projects (FIP) and Aquaculture Improvement Projects (AIP) and continuously improve within a reasonable timeframe
- Conducting quarterly reviews of our seafood range
- Conducting a comprehensive annual review of our seafood range

#### Sustainable Tuna Sourcing

ALDI US is committed to promoting responsible tuna fishing practices and encourage sourcing from well-managed fisheries.

All shelf stable tuna suppliers must abide by the following:

- Have active membership in the International Seafood Sustainability Foundation (ISSF) and provide a copy (upon request) of their annual ISSF Compliance Audit Report to ALDI US
- Not allow transshipment at sea without observer coverage
- Not source from vessels associated with Illegal, Unregulated, and Unreported (IUU) fishing based off of updated IUU lists published by the Regional Fishery Management Organizations (RFMO)

All tuna suppliers should abide by at least one of the following criteria:

- Source from fishing vessels registered to the ProActive Vessel Register (PVR) or preferentially source from suppliers that encourage Longline vessels registered to the PVR
- Source from well-managed fisheries or certified by the Marine Stewardship Council (MSC)
- Actively engage in FIPs to improve the overall sustainability of the fishery

Preferential sourcing for ALDI US exclusive brand tuna products includes the following catch method practices:

- Purse seine with tuna caught free of Fishing Aggregate Devices (FAD Free or Free School)
- Longline utilizing best practices to mitigate by-catch, such as circle hooks with mono-filament lines
- Pole & line

## **2. Social Compliance**

ALDI US is committed to human rights and fair labor practices throughout our supply chain. It is a matter of great importance that production of goods for our business is carried out under conditions which respect these rights. Suppliers of all ALDI SOUTH Group countries are required to follow the ALDI Social Standards in Production at all stages of the supply chain.

### **3. Product Labeling**

All fresh, frozen and shelf stable private label seafood products sold in our stores include the following label elements to enable our customers to make informed decisions:

- Common name
- Scientific (Latin) name
- Production method (wild fishery or farmed seafood)
- FAO catchment area (wild fishery) or country of origin (farmed seafood)

### **4. Product Testing**

ALDI US utilizes accredited third-party testing agencies to ensure the products sourced meet our highest quality seafood standards. Regular tests conducted may include DNA or species identification analysis, antibiotic and chemical evaluations to identify any unapproved additives, as well as the physical examinations of products. Furthermore, ALDI works with a third-party auditor to randomly audit seafood products once they have shipped to our distribution centers. These quality audits include product testing and supplier analysis.

### **5. Traceability**

ALDI US requests our suppliers assure the traceability of all seafood products delivered to us. In addition to the elements required for labeling a product, ALDI US regularly collects data from seafood suppliers on fishing methods, FIP or AIP participation and other information to support responsible sourcing and continuous improvement. We aspire to establish a consistent monitoring system to assure that all seafood products can be tracked through the supply chain.

### **6. Sustainable Seafood Assessment**

In conjunction with SFP, ALDI US reviews and evaluates collected seafood data and sourcing practices on a quarterly basis. Additionally, ALDI US annually conducts a comprehensive review and evaluation of collected seafood data and sourcing practices. The results and findings are documented internally. ALDI US has established national goals on sustainable seafood. Each year, ALDI US aims to increase the number of products from sustainable fisheries and continuously decrease the products categorized as red-rated. Any products categorized as red-rated are reviewed to determine if there are sustainable alternatives available.

### **7. Cooperation with Partners**

ALDI US partners with the Sustainable Fisheries Partnership (SFP), a non-profit organization whose mission is to engage and support global seafood supply chains in rebuilding depleted fish stocks and reducing the environmental impacts of fishing and fish farming. SFP provides strategic and technical guidance to seafood suppliers and producers, helps bring them together with like-minded companies in Fishery Improvement Projects (FIPs), and builds consensus around specific improvements in policies, marine conservation measures, and fishing and fish-farming practices. SFP has a team of researchers and fishery scientists who provide ALDI with information to assess the sustainability of the seafood products we offer and identify any necessary improvements.

We will work closely with our long-term suppliers to integrate the ALDI US-Seafood Buying Policy in all procurement decisions. Additionally, we will measure our progress and work closely with our suppliers and partners to ensure improvements are being made in wild fisheries and fish farms.