



# International Purchasing Policy for Flowers and Plants

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The International Purchasing Policy for Flowers and Plants applies to both flowers and plants. It is available in German and English. In case of doubt, the German version shall prevail.

# 1. Our claim

Simplicity, responsibility, reliability: these traditional trading values have been the basis for the ALDI's sustained success for over 100 years. Our success is the prerequisite for our continued development and assumption of greater responsibility. Through our actions, we want to help contribute to sustainable, positive development wherever we can.

As an internationally operating retail company, our daily decisions affect the entire supply chain. This is why we assume responsibility for safe and fair working conditions, the protection of our environment and the conservation of its natural resources and animals.

For this reason, ALDI North has developed this International Purchasing Policy for Flower and Plants. It is subject to constant monitoring and consistent examination. The latest version is a binding framework for us and our business partners.

The current International Purchasing Policy for Flowers and Plants is published on our website.

*Cooperation is carried out exclusively with business partners who work in compliance with our International Purchasing Policy for Flowers and Plants.*

## 2. Scope of application

This International Purchasing Policy for Flowers and Plants applies to all items of the commodity group of cut flowers and plants in the product range of the ALDI North group, with the exception of bulbs.

The International Purchasing Policy for Flowers and Plants is a binding framework for us and our business partners. It is the subject of ongoing updates and rigorous examination. Its validity will end with the publication of an updated version on [aldi-nord.de](http://aldi-nord.de).

## 3. Background

The market for flowers and plants is an international one: Germany is the European market leader for flowers and ornamental plants, whereas the Netherlands are the largest exporter of cut flowers. Another share of all cut flowers is imported to Europe from overseas. Countries with altitude regions at the equator offer particularly favorable conditions with sunshine and moderate heat throughout the year. An increasing outsourcing of the production to developing countries (especially in the winter season) consequently entails stricter requirements for the working and social conditions in cut-flower farming. Numerous stages are required to bring the plants from the plantations to our shelves.

Potted plants, on the other hand, are mostly cultivated in Europe, as otherwise the transportation costs would be enormous. From a sustainability perspective, the use of pesticides as well as substances which are toxic to bees is of particular relevance.

In the value chain for flowers and plants, it is important to secure the quality of raw materials and to assume responsibility.

Together with other stakeholders, ALDI North implements sustainability standards in order to address the following challenges, amongst others:

### **Social**

- Improving working and living conditions
- Combating discrimination against workers of both genders in the main countries of cultivation

### **Environmental**

- Combating climate change and associated consequences such as more frequent droughts and pest infestations
- Reduction in the use of pesticides and synthetic fertilizers
- Reduction in the use of substances toxic to bees throughout the supply chain for flowers and plants
- Handling the resources required for the production of flowers and plants, such as water, in a responsible manner

### **Economic**

- Improved productivity
- Reduction of competition for land use with other resources (such as grain)

## 4. Goals and measures

### A summary of our goals:

- I. Promotion of sustainable farming of flowers and plants*
- II. Gradual international transition to certified flowers and plants*
- III. Protection of bees*
- IV. Transparency and traceability*
- V. Transparent communication and awareness-raising measures for stakeholders relating to the importance of sustainably cultivated flowers and plants*
- VI. Commitment to social standards*

ALDI North develops goals and measures for the sustainable sourcing of flowers and plants with close coordination between the business divisions of corporate responsibility, purchasing and quality control as well as with its business partners and relevant stakeholders. We strive to offer sustainable flowers and plants throughout our entire range.

We have currently defined the following goals:

### **I. Promotion of sustainable farming of flowers and plants**

In the range of cut flowers, we are already campaigning for sustainable improvements in order to set up and implement social, environmental and economic standards. This is currently effected in the scope of internationally recognized environmental and sustainability standards such as MPS, GLOBALG.A.P. and Fairtrade (online trade<sup>1</sup>) in cooperation with our business partners. It is our aim to extend these requirements **to the entire range of flowers and plants.**

<sup>1</sup> As far as available in the country of sale

## II. Gradual international transition of our range to certified flowers and plants

ALDI North is represented in nine European countries. Our international goal is therefore to convert our entire range of flowers and plants to certified goods in the scope of this Purchasing Policy by the end of **2019**, as far as available from the respective place of origin and in the respective quality. For this purpose, we will only accept the **GLOBALG.A.P.** standard in combination with the additional module **GRASP (GLOBALG.A.P Risk Assessment on Social Practice)** or any certification that is approved by ALDI North or GLOBALG.A.P. Until we have achieved this goal, the range of **cut flowers** will be subject to the "Requirement Standards for Sustainable Cut Flowers". Our suppliers are committed to initiating the necessary measures for conversion to the GLOBALG.A.P certification.

## III. Protection of bees

Bees are of particular importance to ecosystems. According to estimations, they provide for the pollination of some 80 per cent of all flowering plants. Monocultures and gardens with a poor variety of species, however, keep reducing the food supply for insects.

To make an important contribution to the protection of bees, we have refrained from actively spraying certain substances toxic to bees in the cultivation of German fruit and vegetables in Germany since 2016, for instance.

As an enterprise, we recognize our responsibility to actively promote the protection of bees above and beyond this measure and are thus committed to taking the following actions, for instance:

- Avoiding the use of pesticides or insecticides that are toxic to bees
- Further expansion of our commitment to bee protection, e.g. by defining obligatory requirements for the banning of substances toxic to bees in the cultivation of flowers and plants in our product range

#### **IV. Transparency and traceability**

Transparency and traceability are essential criteria when it comes to our sourcing and marketing practices for sustainable flowers and plants. The use of certified flowers and plants in accordance with the recognized standard of **GLOBALG.A.P./GRASP** contributes to a considerable improvement in traceability in the supply chain for flowers and plants. Our suppliers are therefore committed to attaching the GLOBALG.A.P. consumer label<sup>2</sup> to the packaging of all flowers and plants delivered to ALDI North.

The online platform [www.ggn.org/de](http://www.ggn.org/de) provides individual farm profiles of the producers of flowers and plants for ALDI North which consumers can access by entering the certification number. The farm profile includes information such as name, address and validity of the certificate, as well as further sustainability information.

#### **V. Transparent communication and awareness-raising measures for stakeholders relating to the importance of sustainably sourced cut flowers and plants**

Positive changes in the cultivation of flowers and plants can be achieved only through the joint actions of all the stakeholders involved.

ALDI North therefore undertakes to inform its employees, customers and business partners comprehensively on the background and goals regarding the sustainable farming of flowers and plants, and to raise their awareness of the importance of this issue.

ALDI North achieves this, for instance, through:

- internal newsletters, informational flyers and the incorporation of this Purchasing Policy for Flowers and Plants into the internal training program
- the weekly customer magazine "ALDI aktuell"
- its website, on which consumers can find further information on the topics of sustainability and quality, as well as the internationally recognised certification standards
- the active promotion of cut flowers and plants from sustainable production

<sup>2</sup> The consumer label currently applies only to "mono items," i.e. items consisting of one individual flower or plant species. All other "mixed items," i.e. products consisting of several flower and plant species such as decorative bouquets, are subject to the GLOBALG.A.P. certification, including GRASP as far as available for the single components (however, without respective labelling).



## **VI. Commitment to social standards**

ALDI North joined the Foreign Trade Association (FTA) in 2008 and, as a participant in the Business Social Compliance Initiative (BSCI), committed to act in accordance with the BSCI Code of Conduct. The BSCI Code of Conduct is a binding part of our General Terms and Conditions.

Compliance with the Code is therefore an obligation we impose on all our suppliers and their production facilities. The codex is based on the standards of the ILO (International Labour Organization) and the UN Declaration of Human Rights as well as other supranational, independent guidelines and covers the following issues, among others:

- Rejection of any kind of forced labour or child labour
- Rejection of discrimination at the workplace
- Guidelines on the regulation of wages and working hours corresponding to national or international legislation and standards
- Ensuring freedom of assembly as well as the right to collective bargaining

## 5. Responsibilities and controls

ALDI North undertakes regular reviews of its targets in the area of sustainable procurement of flowers and plants and may, where required, formulate additional targets and measures. In doing so, we are in a constant dialogue with external partners such as NGOs, members of the academic community scientific community and other relevant **stakeholders**.

For the **purchasers** of ALDI North, the International Purchasing Policy for Flowers and Plants and the objectives expressed therein are binding in the implementation of tendering and procurement processes.

The ALDI North group has informed its **suppliers** of flowers and plants of the contents and objectives of the International Purchasing Policy for Flowers and Plants. The suppliers of flowers and plants are contractually obliged to comply with these requirements upon receipt of orders. ALDI North expects its suppliers to develop appropriate guidelines for the sustainable sourcing of flowers and plants and to have a management system in place allowing for the continuous verification of standards. ALDI North reserves the right to commission independent institutions to carry out spot checks of its product specifications at the suppliers' premises.

To achieve its corporate goals, ALDI North has always relied on close and trusting cooperation with its suppliers. We share the responsibility for the conservation of natural resources with our business partners and have therefore joined forces with them to achieve the targets defined in this Purchasing Policy. ALDI North welcomes its suppliers to promote individual sustainability projects and initiatives in the cultivation of flowers and plants and to provide information on the approaches taken as well as on current developments.

The **managements** and other responsible staff of ALDI North are regularly informed on the current status of implementation of this Purchasing Policy for Flowers and Plants.

## 6. Partners and standards



### **GLOBALG.A.P. and GRASP**

GLOBALG.A.P. stands for Good Agricultural Practices and is the independent auditing system behind the GGN label. The global standard ensures safe production methods and a responsible use of natural resources. In addition, the GRASP module establishes good social management by covering specific aspects of occupational safety, health and social concerns of workers.

[www.globalgap.org](http://www.globalgap.org)



### **GGN**

The GGN number is a code allocated to a GLOBALG.A.P.-certified flower farm in the country of origin. The GGN therefore facilitates traceability back to the producer.

[www.ggn.org/en](http://www.ggn.org/en)

### **Chain of Custody (CoC)**

The CoC-number reflects the certification of the entire supply chain. The CoC certification ensures that a product on the shelf which is labelled as coming from a certified farm was actually supplied by such.



### **Fairtrade**

Items labelled with the Fairtrade seal are products of fair trade. For 25 years, Fairtrade has been committed to improve the living and working conditions of smallholder farmers and workers in Africa, Asia and Latin America. Fairtrade-certified flower plantations cultivate flowers in accordance with clearly defined social and environmental standards. More and more workers on flower plantations around the world are benefiting from fair trade.

[www.fairtrade.net](http://www.fairtrade.net)



**Further information regarding our CR activities can be found on our website [cr-aldinord.de](http://cr-aldinord.de)**

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