



ALDI Stores

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30 April 2024

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The Hon Dr Craig Emerson AO
Independent Reviewer
Review of the Food and Grocery Code of Conduct 2023-24
Langton Crescent
PARKES ACT 2600

Via email: GroceryCodeReview@treasury.gov.au

RE: REVIEW OF FOOD AND GROCERY CODE OF CONDUCT INTERIM REPORT FEEDBACK

Dear Dr Emerson,

Thank you for the opportunity to provide feedback on the Interim Report of the Independent Review of the Food and Grocery Code of Conduct (Code). ALDI has always been a willing participant of the Code and we intend to remain so into the future. With that in mind, I wish to extend ALDI's support for both the draft and firm recommendations made in the Interim Report.

ALDI supports the Code becoming mandatory and a greater emphasis being placed on addressing the fear of retribution faced by suppliers. ALDI also supports an additional complaints mechanism being established through the ACCC. We believe that this will promote greater transparency and strengthen relationships between suppliers and retailers.

Regarding the recommendation that retailers should ensure any incentive schemes and payments are consistent with the purpose of the Code, I would like to note that ALDI does not incentivise our buying teams with performance related bonuses. I would also like to note that we have robust internal reporting systems in place and are supportive of the recommendation that senior managers monitor the commercial decisions of buying teams in the event of a supplier complaint.

In terms of the draft recommendations, ALDI supports establishing and enhancing dispute resolution processes. Within our Purchase Terms, ALDI has incorporated a Supplier Complaints Handling and Dispute Resolution Guideline which provides for external independent mediation and arbitration. ALDI also supports the shift from the 'Code Arbiter' to 'Code Mediator' which aligns with our current practices.

I thank you for the collaborative approach you have taken to developing these recommendations thus far. ALDI looks forward to working with you and the Department of the Treasury ahead of the release of the Final Report in late June.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Anna McGrath', with a long horizontal flourish extending to the right.

Anna McGrath
Chief Executive Officer - ALDI Stores