



Deposit Return Scheme (DRS)

Document Reference: DRS Information Pack

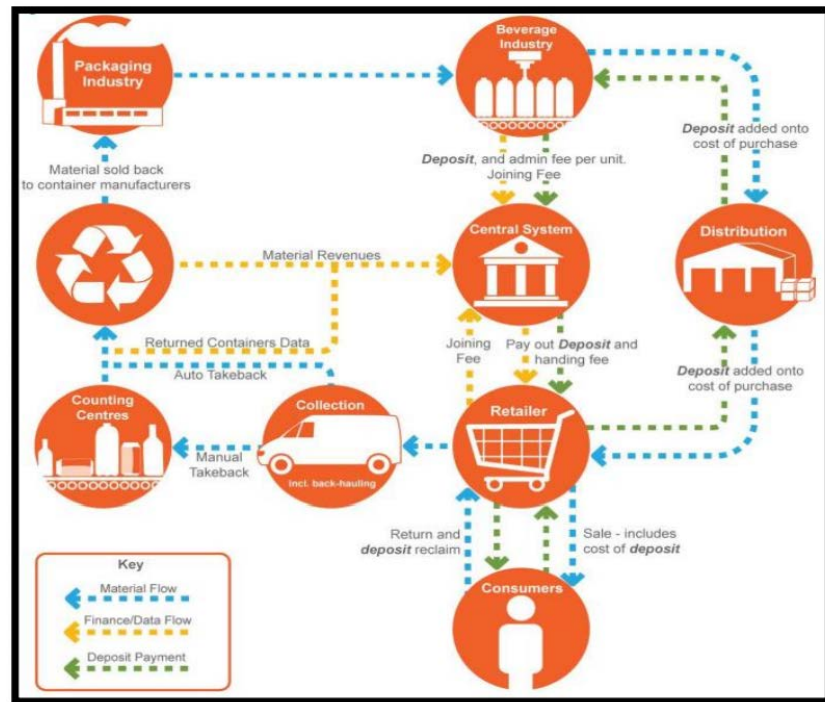
What is a Deposit Return Scheme?

A reverse vending machine (RVM), in its simplest form, is a device that accepts empty beverage containers and returns a reward (either money or some other payment method) to the user. The user inserts the empty beverage container into the RVM where it is scanned, identified and determined to be an eligible container.

The DRS aims to deliver upon four key principles:

- Increase the quantity of target materials captured for recycling;
- Improve the quality of materials captured, to allow for higher value recycling;
- Encourage wider behaviour change around materials;
- Deliver maximum economic and societal benefits.

An Example of a Deposit Return Scheme

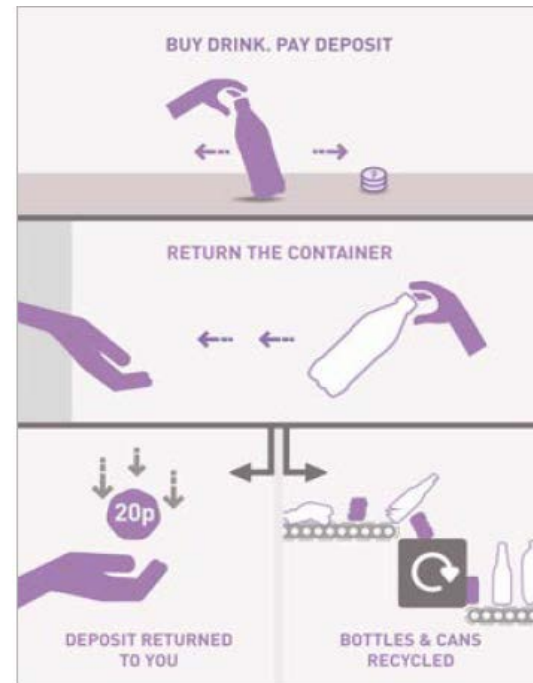


General Principals of the Deposit Return Scheme

The government has announced the design of a deposit return scheme (DRS) with the goal of ensuring more containers will be recycled into high quality items. Deposit return schemes encourage behaviour change and present a further step to developing a more circular economy.

When consumers go into a shop or hospitality business to buy a drink they will pay a small deposit (20p) on top of the retail price. Consumers get their deposit back when they return their empty (PET) plastic bottle, glass bottle or steel/aluminium can. All types of drinks in these containers from 50ml to 3l in size will be included.

There are two ways to return their empty containers. These can be returned manually over the counter or by using an automated reverse vending machine that scans the container barcode when they are deposited.



The Role that Retailers will Play

All retailers will be obligated to assist in the return of empty scheme containers and can only sell drink containers from producers registered with SEPA. Consumers will be able to return their empty drinks containers to any retailer or hospitality business that sells drinks in single use containers to take away. Shops will display the deposit separately from the price of their drink in their in-store price points.

Aldi has a high volume of footfall and in line with other larger retailers it would not be viable to accept returns manually. As such an automated reverse vending machine will be installed on all of our premises to allow for automatic returns to take place. This will provide an efficient and user friendly return point encompassing state of the art recycling technology to drive an increased uptake in the scheme from consumers and support its overall success.



Aldi's Proposed Method of Delivery

Aldi are currently working alongside the leading industry manufacturers to ensure DRS will be amongst the worlds top performing schemes for drinks container returns.

Each unit will be located in the car park at the most convenient location for customer throughput in order to maximise consumer uptake in support of the scheme. A location close to the proximity of the entrance doors will in most cases be optimum however each site has been holistically assessed for the best overall solution. Due to the limited space within our retail sites most automated reverse vending machine units will occupy a number of the existing parking spaces.



Aldi's Proposed Method of Delivery

The scheme aims to capture 90% of containers for recycling by the third year of operation. Aldi anticipates that it will be a net contributor to the scheme and in many cases collecting 110-120% of containers due to the resource and investment it is committing to the success of the scheme.

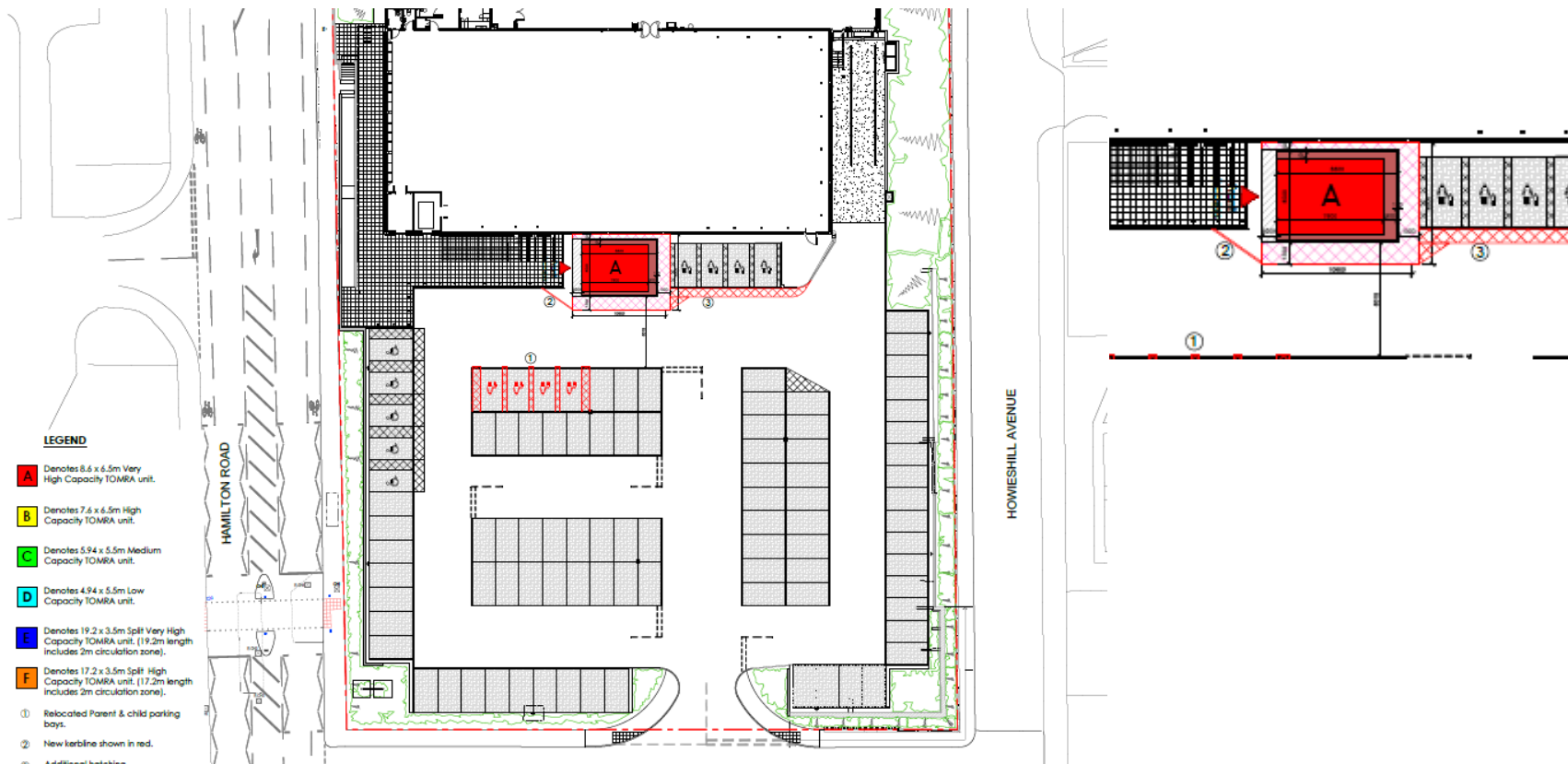


DRS Facility & Operational Characteristics

- Standard units will have a number of customer facing recycle points for glass, can and PET.
- Each customer facing unit is capable of collecting up to 60 containers per minute.
- At the end of each deposit a customer will be recompensed at a rate of 20p per unit deposited.



Aldi Example Store Plan



DRS Design & Operation

- The machine will only accept waste types approved by the deposit return scheme.
- The unit will be constructed to capture any potential leachate and disposed of through the existing foul system.
- The unit will operate within the existing store operating hours.
- Noise level will not exceed approximately 45 dBA in any event.



Servicing & Returns

- All returned goods will be manually transferred from the unit to the warehouse for logistics collection by store staff.
- Collections will then either be made by the Scheme Administrator or be backhauled through the existing service arrangements.
- There will be no unit side collections carried out as part of the scheme or collection vehicles operating in the main body of the car parks.

