



Lidl Ireland and Northern Ireland

Position Paper on the Sustainable Sourcing of Tea



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1. Our Understanding

Lidl Ireland and Northern Ireland (we) are committed to being a responsible retailer and upholding economic, social and environmental responsibilities in all of our daily activities. Through this position paper, we support a sustainable approach to the sourcing of tea and the development and improvement of social and working conditions for farmers and growers.

Our areas of focus in the sustainable production of food are outlined below:

1. Resources, Climate, Environment and Biodiversity

We ensure that the procedures and methods used in agricultural production have maximum efficiency whilst minimising the harmful effects on water, air, soil, biodiversity and human health. This is to ensure that the natural environment is affected as little as possible.

2. Food Security:

We aim to ensure that the basic nutritional needs of today's generation, and future generations, and the further production of agricultural products is maintained.

3. Social Factors:

We aim to ensure long-term employment, better income and dignified and equal living and working conditions for all who work in the agricultural supply chain.

2. Our Objective

Our transparent, publicly accessible position paper on the sustainable purchasing of tea covers our own-brand range of black, green and Rooibos tea.

We realise that our customers have expectations for higher standards in the cultivation of tea, therefore, we have made it a priority to address this expectation. In cooperation with our stakeholders, we want to make our contribution to environmentally and socially compatible farming. To achieve this we have laid down foundations for the purchase of responsibly sourced tea in this position paper. This paper will be revised on a regular basis in line with our customer's expectations.

We have developed our own Code of Conduct which stipulates the minimum social standards which form the foundation of collaboration between ourselves and our business partners. We also require our suppliers and business partners to implement this Code of Conduct, based on the International Labour Organisation (ILO) core labour standards, which includes important objectives such as the prohibition of forced and child labour. The overarching goal is to protect people and their labour rights in the cultivation of tea.

We actively promote and support actions that go above the statutory minimum requirements, such as our successive expansion of own-brand products with ingredients from certified, sustainable sources. Our buyers are required to purchase tea only in accordance with this position paper.

3. Our Position

We are committed to sourcing 100% of our own-brand, black, green and Rooibos tea from sources certified as organic and/or to Fairtrade, UTZ or Rainforest Alliance standards by the end of 2018.

The following is a list of areas in which we are focusing our efforts in the sustainable production and responsible sourcing of palm oil:

- 3.1 Responsible Assortment
- 3.2 Origin, Transparency and Traceability
- 3.3 Cultivation
- 3.4 Impacts on the Environment
- 3.5 Development of Standards

3.1 Responsible Assortment

As a retailer we are aware of our ecological and social responsibilities and would like to offer our customers products that are sustainably sourced and certified as organic and/or certified to internationally recognised standards such as those set by Fairtrade, UTZ and the Rainforest Alliance. An important component of our commitment is to work with these organisations and to support them in their efforts.

3.2 Origin, Transparency and Traceability

It is our goal to offer our customers greater transparency regarding the traceability and origin of our products. Our aim is to provide clear, legible and understandable information on the packaging of our own-brand products, where possible, therefore supporting our customers with their product selection.

All certified items will carry the relevant certification logo on pack and our customers are informed about the work of the certification body through a website address, also printed on our packaging.

3.3 Cultivation

We advocate good environmental and social practices in the cultivation of agricultural products, through cooperation with labeling organisations.

The cultivation of tea often suppresses species-rich tropical forests and replaces it with a monoculture dominated by a single species. Soil erosion, competition for water, impairments caused by inputs of fertilizers and the need for firewood for the operation of the drying equipment are just some of the strains on the environment. In addition, there are social aspects to consider. Tea is harvested throughout the year and offers a variety of employment in producing countries. However, the main challenges tea farmers face regarding employment are wages and workers' rights such as freedom of assembly, housing and healthcare, along with other rights and benefits.

Organisations such as Fairtrade, UTZ and the Rainforest Alliance aim to combat these issues through the implementation of minimum certification standards that are independently audited. Each farm and/or producer must meet high demands regarding environmentally, socially and economically oriented standards in order to achieve certification.

3.4 Impacts on the Environment

Impacts on the environment such as the disproportionate use of pesticides in the production of agricultural products are minimised. Furthermore, we dissociate ourselves from illegal logging and/or fire clearance to acquire new agricultural acreage.

The Rainforest Alliance is committed to environmentally sound land use, including reforestation, water conservation, protection of naturally occurring, wild fauna and flora species, integrated pest management and responsible use of natural resources as well as compliance with labour rights, health care and training of farm workers. To become certified, the farmers must demonstrate, to independent auditors that they have successfully implemented effective measures to ensure that each of the above criteria are fulfilled. In addition, farmers will have the opportunity to access education and training, where they learn how to minimise impacts on the environment and face any environmental challenges they may encounter.

3.5 Further Development of Standards

To maintain the expectations of a broad range of shoppers we aim to source our products from organic ranges or from sources certified to Fairtrade, UTZ or Rainforest Alliance standards. It is our objective to encourage sustainable consumer behavior through increasing our customers' awareness of products from more sustainable cultivation. Through the responsible sourcing of our tea products we offer our customers the opportunity to actively contribute to the improvement of living and working conditions of people in the producing countries.

We also encourage our own brand suppliers to participate in initiatives such as the Ethical Tea Partnership (ETP). The ETP works to improve the living and working conditions of tea farmers on the member plantations through monitoring processes. In addition, it helps tea farmers prepare for certification to Fairtrade, UTZ or Rainforest Alliance standards.