

Our progress towards  
**A BETTER TOMORROW**



REPORT FOR LIDL IRELAND / LIDL NORTHERN IRELAND FINANCIAL YEAR 2021 AND 2022

# SUSTAINABILITY

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## REPORT 2021/22



# Foreword from our Chief Executive Officer, J.P. Scally



**AT LIDL, WE ARE COMMITTED TO PROVIDING HIGH QUALITY PRODUCTS AT MARKET LEADING VALUE THROUGH LOCAL SOURCING, EFFICIENCY AND A LEAN BUSINESS MODEL. NOW, AFTER MORE THAN 20 YEARS ON THE ISLAND, LIDL IS ONE OF THE LARGEST GROCERY RETAILERS ACROSS THE COUNTRY SERVING MORE THAN TWO MILLION SHOPPERS ON THE ISLAND OF IRELAND EVERY WEEK.**

As an active member of the business community, we believe it is our responsibility to protect the environment, building a successful, sustainable future, not just for Lidl, but for all those we serve and impact.

Lidl has established itself as a significant player within the retail industry with a strong network of more than 6,500 employees across more than 200 stores and four regional distribution centres on the island. Our **'A Better Tomorrow'** sustainability strategy is embedded across our business, harnessing our mission and ensuring future value creation is at the core of our business decisions. 'A Better Tomorrow' in Lidl means acting responsibly, leading by example, striving for positive environmental stewardship and community impact; whilst supporting and engaging with all of our valued stakeholders. In this report, we will share our progress across our revised 'A Better Tomorrow' strategy which is built upon 6 key pillars:

- **Protecting Climate**
- **Respecting Biodiversity**
- **Acting Fairly**
- **Promoting Health**
- **Conserving Resources**
- **Engaging in Dialogue**

Year on year, our impact and progress across each pillar grows. Through our revised Lidl Responsibility Model (LRM) we build upon our pillars, monitor our impact and drive our responsible progress across our entire value chain in line with our 2025 and 2030 commitments and future goals. As a leading food retailer, we recognise the demand we place on agricultural resources and the environment through our operations, as well as the influence we have on our suppliers' practices.

1. GRI 2-22 In this Sustainability Report "Lidl" and the terms "we", "us" or "our" mean Lidl Ireland GmbH and Lidl Northern Ireland Limited. Lidl Ireland GmbH is also referred to as Lidl Ireland and Lidl Northern Ireland Limited as Lidl Northern Ireland.

We're proud of the strong, longstanding relationships we have established with local suppliers and colleagues in this time, and the positive impact we've made in the communities in which we operate.

## Looking back...

In the last two years alone, we have been named in **Most Reputable Supermarket** (IrelandRepTrak Study 2022), we have been certified as a **Top Employer** by the Top Employers Institute for the third year running, launched the **Lidl Farm** an educational resource, **donated 4 million meals** to our food waste partner FoodCloud and trialled industry-first alternative fuels within our logistical operations. These are just some of the highlights you can look forward to learning more about in this report.



## Our responsibility going forward...

We continue to experience and adapt to unprecedented changes with challenges arising from the cost-of-living crisis, war in Ukraine and the effects of Brexit. Global and national resilience and collaboration continue to play a fundamental role in a post Covid-19 world to ensure food safety and supply. There continues to be a notable increase in environmentally conscious consumers who are aware of responsible business practices and the importance of supporting local. I am hopeful this consumer transition will continue to drive ambitious results towards protecting our planet and securing a bright, sustainable future for the next generations. At Lidl, we will continue to contribute to this global ambition through our 'A Better Tomorrow' strategy. We work hard and smart to bring about real change, where it matters most, through innovation, investment and active leadership.

It is vital for us to be transparent and to report measurable and comparable impact. On behalf of the whole team here at Lidl, I am delighted to present our latest sustainability progress report.

### J.P. Scally

Chief Executive Officer  
Lidl Ireland and Lidl Northern Ireland

**“We take our role in society seriously and continuously strive to go above and beyond to offer the best for our customers, communities and the environment.”**





**4 million meals**  
DONATED TO FOODCLOUD

HIGHLIGHTS

**JIGSAW**  
Young people's health in mind

More than **€2 million**  
RAISED TO DATE FOR JIGSAW

In 2022  
**€1 billion** INVESTED IN IRISH SUPPLIERS  
**£347 million** INVESTED IN NORTHERN IRISH SUPPLIERS

**First Retailer**  
TO BECOME JAM CARD FRIENDLY

Just a minute

REDUCED OWN BRAND PLASTIC PACKAGING BY

**20%**

**First Retailer**  
TO COMMIT TO THE LATEST LIVING WAGE

**Waste Not**  
Reduced But Still Fresh

**€3 | £2.50**  
Fruit and Vegetables

LAUNCH OF OUR **Waste Not** FRUIT AND VEGETABLE BOXES

**63 stores** AND 2 REGIONAL DISTRIBUTION CENTRES WITH SOLAR PANELS

**Prevented Ocean Plastic**

PACKAGING RANGE FOR 5 FISH LINES

FIRST RETAILER IN THE WORLD TO OFFER **Free Period Products**

**Deposit Return Scheme**

FIRST RETAILER IN IRELAND TO ROLL OUT DEPOSIT RETURN SCHEME MACHINES

More than **€6.5 million**  
INVESTED IN OUR LGFA PARTNERSHIP SINCE 2016

OFFICIAL RETAIL PARTNER

LAUNCH OF ONE GOOD CLUB

**JIGSAW** Young people's health in mind  
**ONE™ GOOD CLUB**

LAUNCHED **First Electric Truck** INTO OUR FLEET

BECAME THE **Official Fresh Food Partner** OF PARKRUN

TOP EMPLOYER IN 2021 AND 2022

More than **£800,000** RAISED TO DATE FOR NSPCC

**NSPCC**  
NORTHERN IRELAND

ALL BLACK PLASTIC REMOVED



HIGHLIGHTS

# Contents: What's Inside



## Our strategic goals, activities and projects

This Sustainability Report for Lidl Ireland GmbH and Lidl Northern Ireland Limited<sup>1</sup> covers the financial year 2021 and 2022 (1st March 2021 to 28th February 2023<sup>2</sup>).

This report has been prepared in accordance with the GRI Sustainability Reporting Standards. This is the third GRI report (first report published September 2019) for Lidl Ireland and Lidl Northern Ireland and is reported biennially. The report summarises our strategic goals, activities and projects which have significant economic, social and environmental impact and which have been identified as material by our stakeholders.

We produced this report to be transparent and to show how we are proactively contributing to a sustainable future. Assurance provider, Ernst & Young (EY) were also engaged to complete a limited assurance assessment against selected disclosures within this report.<sup>3</sup>

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<sup>△</sup> This symbol will feature beside all indicators that have received limited assurance.

Our philosophy is centred on outstanding operational efficiency, focusing on simplicity and prioritising strategic partnering in every area of the business.



LIDL OVERVIEW

1. GRI 2-1 2.4. GRI 2-3 3. GRI 2-5

To learn more or to share your feedback please contact [CSR@lidl.ie](mailto:CSR@lidl.ie) or visit our dedicated websites: [abettertomorrow-lidl.ie](http://abettertomorrow-lidl.ie) or [abettertomorrow-lidl-ni.co.uk](http://abettertomorrow-lidl-ni.co.uk)<sup>4</sup>





## Schwarz Group

The Schwarz Group is one of the largest international retail groups in the world. It is comprised of two retailers (Lidl and Kaufland), alongside Schwarz Production, PreZero and the Group's corporate services division which provides administrative and operational services for all companies of the Schwarz Group. The Schwarz Group employs over 575,000 employees worldwide and operates more than 13,700 stores and specialist stores in over 30 countries. Today, the Schwarz Group covers a large portion of the food retail value chain, ranging from production to recycling. Schwarz Production produces several private label products on Lidl's and Kaufland's shelves ranging from drinks, bakery, chocolate, dried fruits and ice cream categories. Additionally, the Schwarz Group has been committed to collecting, sorting, and recycling recyclable materials for many years through the group-wide disposal and recycling service provider PreZero. PreZero pursues the vision of closed loop recycling in waste and recycling.

## Lidl Group<sup>1,2</sup>

**Lidl Ireland GmbH** and **Lidl Northern Ireland Limited** are part of Lidl Group, headquartered in Neckarsulm, Germany. Lidl Stiftung & Co. KG, with its head office in Neckarsulm, Germany, together with the companies of Lidl Group jointly established common guidelines and standard processes applying to all companies of Lidl Group.<sup>3</sup> Lidl Group is currently operating over 12,200 retail stores and more than 220 distribution centres in more than 30 countries worldwide and has approximately 376,000 people working across these operations.<sup>4</sup> Lidl Group forms part of the international retail group, Schwarz Group.

## The companies of Schwarz Group at a glance

The **Lidl and Kaufland retail divisions** offer their customers a wide range of products in more than 30 countries every day. Both divisions are continuously committed to a wide range of measures across the entire value chain, such as climate protection, preserving biodiversity, and conserving resources.



The **PreZero environmental division** is active in waste and recycling management. Its services include the collection, sorting, processing, and recycling of reusable materials. With innovative solutions, resources are conserved, and the amount of non-recyclable waste is reduced towards zero.

The **Schwarz Central Services** support Lidl, Kaufland, Schwarz Produktion and PreZero by offering various administrative and operational services – in fields like management accounting, finance, human resources and procurement.

**Schwarz Production** produces high-quality private label goods in the areas of beverages, chocolate, dried fruit, baked goods, ice cream and coffee products for Lidl and Kaufland. Three plastics and recycling plants are also part of a unique material cycle in which PET bottles are made from 100 percent recycled material.

1. GRI 2-6 2,3,4. GRI 2-1.

## Our Vision

Our vision is to make life better by providing quality food at market leading value, ensuring customer satisfaction is at the heart of everything we do.

## Our Mission Statement<sup>1</sup>

Our mission is to deliver outstanding customer satisfaction.

- We guarantee quality food through a rigorous product development and quality control process.
- We ensure market leading value by constantly optimising our efficient processes.
- We work with business partners in sustainable relationships contributing positively to local communities.
- We achieve long-term success by investing in the recruitment, training and development of exceptional talent.

## Our Values

Our values make us different, underpin how we do business and act as a guiding framework for our sustainability activity.

Respect + Responsibility  
+ Recognition + Trust

# Profile

## Lidl is committed to delivering top quality products at the lowest possible prices.<sup>1</sup>

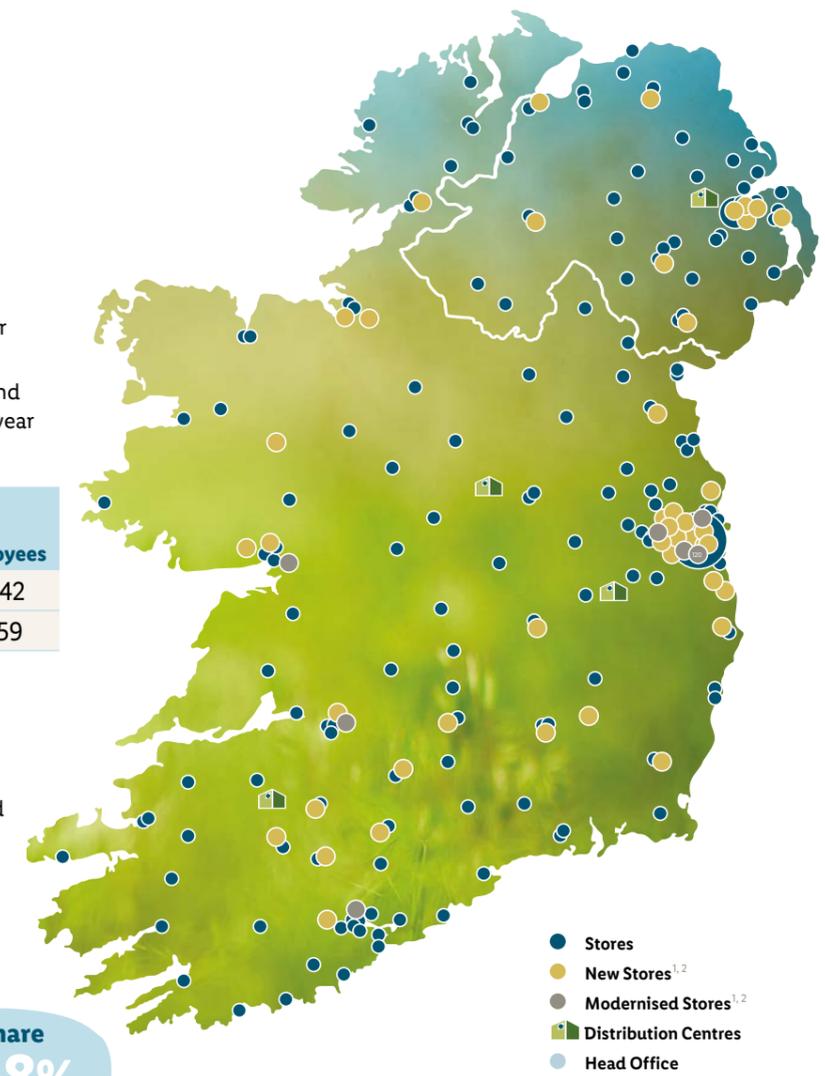
We have established ourselves as a significant component within the retail industry with a strong network of more than 6,500 employees, more than 200 stores and four distribution centres across the island of Ireland.

In 2022, Lidl Ireland has the 4th largest market share at 13%, and Lidl Northern Ireland was the fastest-growing supermarket with Kantar figures confirming 16.4% year-on-year sales growth and a 8.8% market share.<sup>1\*</sup>

Lidl	Entry to Market	Head Office	Regional Distribution Centres	Stores	Employees
Ireland*	2000	1**	3	176	5,542
Northern Ireland*	1999		1	41	1,359

\* End of financial year 2022 \*\* Main Road, Tallaght, Dublin 24, Ireland<sup>2</sup>

Our business model philosophy is centred on outstanding operational efficiency, simplicity and prioritises strategic partnering in every area of the business.<sup>1</sup> Thanks to this model, we can generate savings that are passed directly back to our customers in the form of low prices without compromising on quality. Efficiency and process optimisation determine the daily actions in our stores, distribution centres and head office.<sup>1</sup>



1. GRI 2-6, 2-7 2. GRI 2-1 <sup>1</sup>Source Kantar, 2022

# Produce

**We take pride in working with the best local suppliers.**

**WITH MORE THAN TWO MILLION CUSTOMERS PASSING THROUGH LIDL STORES EACH WEEK, WE HAVE ESTABLISHED LONGSTANDING RELATIONSHIPS WITH OUR LOCAL SUPPLIERS AND HAVE BECOME A VALUED PART OF THE COMMUNITIES WE SOURCE FROM.**

We prioritise working with the best local suppliers to bring quality Irish and Northern Irish produce to our stores while creating rural employment and export opportunities. Many of these suppliers have been working with us since we first opened our doors back in 1999 and their businesses have grown with us during this time. Supplier innovation is central to us being able to offer customers new and exciting products, as well as progressing our sustainability goals. We have a long history of working with and supporting innovative suppliers across the island of Ireland.

**OWN BRAND 83% | BRANDED 17%** of our national PERMANENTLY LISTED PRODUCTS IN IRELAND

**OWN BRAND 85% | BRANDED 15%** of our national PERMANENTLY LISTED PRODUCTS IN NORTHERN IRELAND

**€1 billion and £347 million worth of goods procured from suppliers in Ireland and Northern Ireland, respectively, in 2022.**

**Over 20% percent of our permanently listed items are from national suppliers.**

**Exported over €318 million worth of produce from Ireland and exported £298 million worth of produce from Northern Ireland in 2022.**



Since launching our “**Kickstart**” supplier development programme in 2017, we have invested more than €8 million in growing small and medium-sized local suppliers. Developed in conjunction with Bord Bia, the goal of this programme is to support small and medium-sized Irish food and drink businesses to grow their brand, build their supply network and to get their products on the shelves of the largest retailer in Europe. In 2022, we expanded the programme cohort to also include non-food suppliers across the island of Ireland.

**MORE THAN 60 SUPPLIERS ARE SELECTED EVERY YEAR FROM ACROSS THE COUNTRY TO PARTICIPATE IN THE PROGRAMME. THEIR PRODUCTS ARE SOLD IN A LIMITED EDITION “BEST OF IRELAND” FOOD PROMOTION ACROSS IRELAND AND NORTHERN IRELAND WITH MANY OF THESE PRODUCTS BECOMING PERMANENTLY LISTED IN OUR EVERY DAY RANGE.**

While we have a strong presence on the island, we are also part of a global retail network, which means we have the capacity to promote Irish and Northern Irish produce on a global stage. We have supported several local suppliers in having their produce on shelves across Lidl Group’s 12,000 stores in Europe and the USA. As a result, Lidl has successfully facilitated partnerships between our Irish and Northern Irish suppliers and our colleagues in other Lidl Group countries with over €318m and £298 million worth of produce exported from Ireland and Northern Ireland respectively in 2022.

**KICKSTART**  
PROUD TO BE LOCAL

**Over €8 million invested in local suppliers since 2017 through our Kickstart initiative**

## SUPPLIER STORY FUSED BY FIONA UYEMA

**“We started working with Lidl Ireland three years ago and during this time Fused has grown year on year. Our mission is to provide great tasting Asian sauces and cooking essentials using only the best ingredients and processes. Lidl has recognised the point of difference Fused brings to the Asian category and has been fundamental in bringing this concept to life.”**

**Fiona Uyema**  
Fused by Fiona Uyema, Co. Kildare



# Our People

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We were recently recognised by The Top Employer Institute as a Top Employer in 2022 for the third year running.

AT LIDL, WE ARE A LARGE AND AMBITIOUS TEAM. OUR PEOPLE ARE AT THE CENTRE OF EVERY DECISION MADE IN OUR BUSINESS. TOGETHER WE LOOK AFTER OUR CUSTOMERS, DRIVE OUR OPERATIONS, SUPPORT OUR COMMUNITIES AND CHAMPION OUR PRODUCTS. WITHOUT THE COMMITMENT, MOTIVATION AND COLLABORATION OF OUR COLLEAGUES WE WOULD NOT BE WHERE WE ARE TODAY.

## We are Team Lidl

We invest in our people, because our people are central to our success. Our #WeAreLidl people strategy focuses on developing sustainable relationships by engaging leaders, prioritising employee wellbeing and implementing consistent and transparent two-way communication, while positively contributing to business objectives.



We employ thousands of colleagues each year across our wide network of stores, regional distribution centres and offices.

- At Lidl, our colleagues benefit from the most **competitive salaries** when compared to the rest of the Irish wholesale and retail sector\*, in addition to market leading employment benefits.
- We offer a range of **shift-orientated** employment contracts to support those in education, those balancing work with family commitments and those trying to re-enter the labour market.
- Part-time working is often invaluable to those who require flexible working patterns. Nonetheless, we are committed to offering 30-hour contracts as a minimum to all our colleagues who wish to have them.

\* Economic Report Oxford Economics 2019

- As the first major country wide retailer to commit to paying the Living Wage in 2015, we have maintained this commitment and adhered to any further increases as a minimum for each of our colleagues. In 2022, we committed to paying our colleagues the latest **living wage rate of €13.85** an hour as recommended by the Living Wage Technical Group in the Republic of Ireland for 2023. For our employees in Northern Ireland we also committed to the rate of £10.90 as recommended by the Living Wage Foundation. This was the second increase to pay rates that Lidl Ireland and Northern Ireland announced in 2022, totalling a €17.5 million investment in our people. This is in recognition of the ongoing hard work and dedication of store and warehouse colleagues, particularly as the cost-of-living crisis continues.
- One of Lidl's declared goals is to achieve long-term success by investing in the recruitment, training, and development of our employees. We invest annually in a range of award-winning **training programmes** across the business reaching all roles, opportunities and functions.



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We believe it is our responsibility, through innovation, investment and active leadership, to build a successful, sustainable future, not just for our business, but for the communities we serve, live and operate in.

# Sustainability Management

## We are working hard and smart to bring about real change

We recognise that our activities – and the way we carry them out – have an impact across our business operations and the communities we serve. Our sustainability strategy, ‘A Better Tomorrow’, focuses on our responsibility to society, the environment and safeguarding future value creation while taking all the steps necessary to ensure that our actions are **Good for the Planet**, **Good for People** and **Good for You**.

Our ‘A Better Tomorrow’ strategy focuses on six core pillars:

- Protecting Climate**
- Respecting Biodiversity**
- Conserving Resources**
- Acting Fairly**
- Promoting Health**
- Engaging in Dialogue**



### Lidl Responsibility Model

Over the course of this report we will take you through our full strategy following our Lidl Responsibility Model (LRM), reporting on the areas most material to our business and demonstrate this impact through some core projects from each of our strategic pillars.

### Good For People

We focus on measures that Act Fairly, Promote Health and Encourage Dialogue. We are committed to the well-being and health of our colleagues across the business, working to ensure we create a positive working environment and promote a healthy work-life balance. We want to ensure that social standards are supported at each tier of our supply chain.

### Good For You

We are a large retailer, serving millions of customers each week. We want to make it possible for our customers to have healthy food choices, sustainably

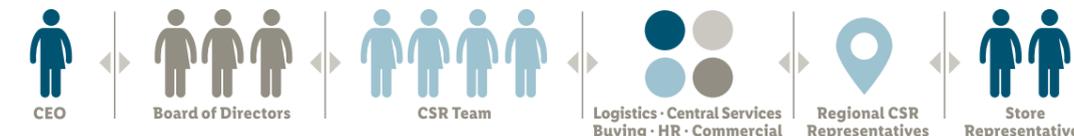
sourced products and to keep our customers informed through regular communications in store, on pack or online. We create added social value by supporting many organisations including Jigsaw – the National Centre for Youth Mental Health – in Ireland, NSPCC in Northern Ireland and the Ladies Gaelic Football Association (LGFA). All of these incredible organisations support and promote local causes.

### Good For Our Planet

We review our operational processes from where we source our products to how they get to a customers home and consider the social and ecological impacts of our product processing, production and logistics. Together with our suppliers and partners, we are committed to preserving natural habitats and biodiversity.

### Our Sustainability Management Approach<sup>1</sup>

Our strategy is led by the Corporate Social Responsibility (CSR) Department with the support of our Chief Executive Officer and each Board Director. The wider CSR team is comprised of the CSR department and dedicated representatives from each area of the business. With the guidance of the CSR Department, these representatives continue to define measures, report and drive our clearly defined CSR Key Performance Indicators (KPIs) for each CSR pillar annually. The CSR Department reports directly to the Chief Executive Officer on all CSR KPIs and related updates, with sustainability reporting falling within this scope. In recent years, this department has also expanded to further support the growth and scale of the CSR strategy. Through continuous two-way communication, the wider CSR team work to achieve long-term sustainability with our growing strategy, targets, KPIs and goals.



1. GRI 2-9, 2-10, 2-12, 2-13, 2-17

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# Strategy

We continue to work closely with the other companies of Schwarz Group, benefitting from many initiatives that are determined together and affect all companies of Schwarz Group, for example the **REset Plastic initiative**. In the context of our business decisions, we want to avoid or substantially reduce all conceivable or potential negative social, environmental and economic impacts. Through our collaborative CSR management structure and continued use of our Lidl Responsibility Model, we can mitigate these risks.<sup>1</sup>

At Lidl Ireland and Northern Ireland, Principle 15 - the Precautionary Approach, from the Rio de Janeiro Declaration of the United Nations Conference on environment and development (UNCED) is reflected in our corporate principles as well as in the Schwarz Code of Conduct and is an integral part of our corporate governance.

As part of the Schwarz Group Code of Conduct (CoC), we and our business partners in the supply chain, are committed to respecting human rights and enforcing applicable national and international laws. Specifically, it defines our principles on occupational safety standards, the right of freedom of association, remuneration, equal treatment, as well as on the prevention of child and forced labour in our supply chain. These principles are based on the following international guidelines and frameworks.

- **Universal Declaration of Human Rights**
- **United Nations Global Compact**
- **UN Guiding Principles on Business & Human Rights**
- **UN Convention on the Rights of the Child**
- **UN Convention on the Elimination of All Forms of Discrimination against Women**
- **OECD Guidelines for Multinational Enterprises**
- **International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work**
- **Paris Climate Agreement**

1. GRI 2-23, 2-24



**LIDL REJECTS ANY FORM OF VIOLATIONS AGAINST HUMAN AND LABOUR RIGHTS, AS STIPULATED IN THE COC. THE FOCUS IS ON WORKPLACE-RELATED HUMAN RIGHTS. THE AIM OF THESE RIGHTS IS TO PROTECT PEOPLE FROM ADVERSE EFFECTS DURING EMPLOYMENT.**

Workplace-related human rights include the ban on child and forced labour as well as discrimination, adequate remuneration, the protection of freedom of association and occupational health and safety. Under the CoC, the business partner gives its assurance that it will adequately address the regulations along the supply chain and enforce these regulations in relation to its own contract partners through contractual regulations and instruments, such as audits or training sessions.

We are currently implementing the commercial due diligence policy to encompass the entire company in preparation of the European Due Diligence Directive. As part of these activities, we are developing a company-wide approach to the implementation of human rights as well as environmental due diligence elements.

We use a range of measures to inform our employees and raise awareness of the principles in place at Lidl Ireland and Northern Ireland. For example, there is an internal manual for buying, which translates the principles on respect for human rights into concrete measures and targets.

# Materiality Analysis

## Our stakeholders influence our sustainability strategy<sup>1,2</sup>

In 2022, Lidl Ireland and Northern Ireland revised the process for determining its material CSR topics. This means that we now take new and amended (regulatory) requirements into account at an early stage, including the updated definition of materiality from the GRI Standards 2021 and the adoption of the European Corporate Sustainability Reporting Directive (“CSRD”). The basis for this process is the updated Lidl Responsibility Model 2.0, which covers a total of 17 CSR topics

The 17 CSR topics were assessed in two ways:

1. **IMPACT RELEVANCE:** Lidl’s positive and negative impacts on people, the environment and society were considered (*inside-out perspective*).
2. **BUSINESS RELEVANCE:** The impact of CSR topics on Lidl’s business success (*outside-in perspective*).

The Lidl materiality analysis is updated every two years as part of sustainability reporting. This is standardised across all Lidl Group companies and allows the national perspective to be incorporated. The analysis is carried out in three steps:



1. GRI 3-1 2. GRI 3-2

## 1 Assessment of the impact of Lidl Ireland and Northern Ireland

The overall impact on people, the environment and society is assessed for all Lidl Group companies in a two-stage process involving exposition analysis and expert interviews.

### 1.1 Conducting a quantitative analysis

Firstly, a data-based assessment was conducted to determine Lidl Group’s potential direct and indirect impact and risk on people, the environment and society based on economic, company and industry based data across the international value chain.

Secondly, to identify Lidl Group companies that have significant impact and greater influence on CSR topics a model using sales data, industry information and economic data was used to apply economic weighting.

The final step resulted in the materiality scores for the individual CSR topics based on the need to take action and the economic relevance.

### 1.2 Conducting qualitative expert interviews

Following the exposition analysis, the statistical results were validated by means of a qualitative survey. This mix of different methods makes the analysis more resilient, enables more in-depth conclusions to be drawn and reduces the potential weaknesses of stand-alone methods. There were interviews conducted with nine international experts from the relevant stakeholder groups to get a deeper understanding of the respective Lidl Group companies’ impact in relation to the 17 CSR topics.

When selecting the experts, the different markets in the countries were considered, as well as the variety of topics involved in sustainability. The interviews were prepared, conducted and assessed by an external partner.

The combination of exposition analysis and expert interviews produced the impact relevance values for the 17 CSR topics, which also represent the values on the x-axis of the materiality matrix on page 18. When combining the results, depending on the quality and availability of the data, the exposition analysis and expert interviews were compared with each other.



# Materiality Analysis

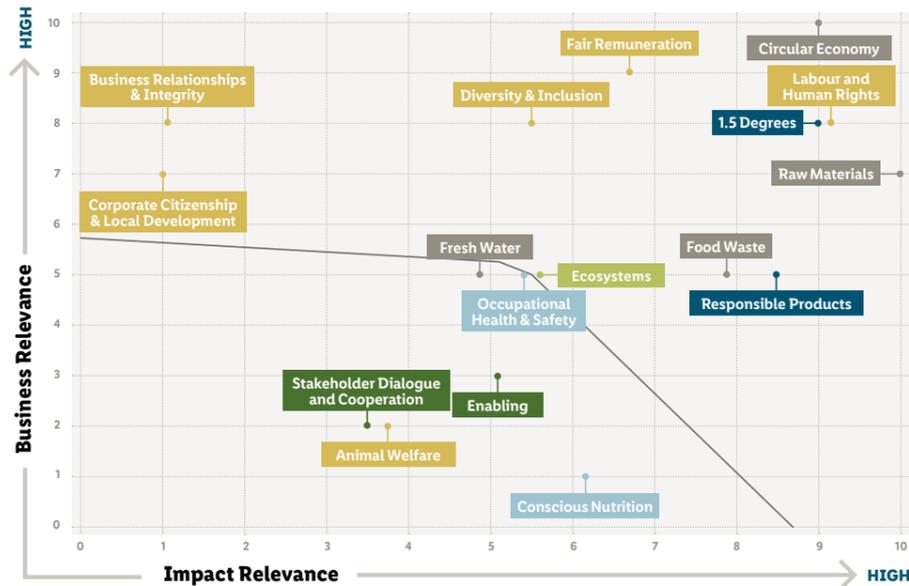
**+** The CSR topics **Labour and Human Rights** and **Diversity and Inclusion**, identified in the analysis as being material, are examined in more depth in the Acting Fairly section (pages 53-58, 63-67). CSR topic **1.5 Degrees** can also be found in the Protecting Climate section (pages 28-36) and **Circular Economy** can be found in Conserving Resources section (pages 37-45).

## 2 Assessment of the Business Relevance for Lidl Ireland and Northern Ireland

Lidl Ireland and Northern Ireland conducted a survey of CSR representatives in order to assess the business relevance. CSR representatives were tasked with assessing the 17 CSR topics in the Lidl Responsibility Model in terms of their business-related opportunities and risks. The results were then discussed and transferred to the materiality matrix in the form of the y-axis. The results were then validated by senior leadership.

## 3 Uniting Business and Impact Relevance

Our new materiality matrix results show that the CSR topics **Circular Economy**, **Fair Remuneration**, **Labour and Human Rights** and **1.5 Degrees** are the most relevant for Lidl Ireland and Northern Ireland. Since our last report we can notice a higher positioning for Fair Remunerations and Diversity and Inclusion in our materiality matrix. This increase is welcome and reflective of the progress the business has made since the last report which we will share in this report. We saw an increase in the positioning of Circular Economy and believe this to be as a result of the projects undertaken to meet our REset Plastic targets.



1. GRI 3-1, GRI 3-2

A total of 11 CSR topics are of material importance for Lidl Ireland and Northern Ireland but we covered 17 topics in this report to give a complete overview of our value chain and its impact. This means that the business activities of Lidl Ireland and Northern Ireland have a significant impact on people, the environment and society in relation to the respective topic or that this is where the greatest business-related opportunities and risks lie for Lidl Ireland and Northern Ireland. Accordingly, they are within the company's materiality threshold and form the basis for this report.

All the above topics are discussed in this report with particular emphasis and detail provided to the topics identified as most material. Material topics are discussed in relation to the Lidl Responsibility Model and 'A Better Tomorrow' pillars.

### Final Materiality Matrix

CSR TOPIC	IMPACT RELEVANCE	BUSINESS RELEVANCE
1.5 Degrees	9.0	8.0
Ecosystems	5.6	5.0
Fresh Water	4.8	5.0
Raw Materials	10.0	7.0
Circular Economy	9.0	10.0
Food Waste	7.9	5.0
Animal Welfare	3.7	2.0
Labour & Human Rights	9.2	8.0
Fair Remuneration	6.7	9.0
Diversity & Inclusion	5.5	8.0
Business Relationships & Integrity	1.1	8.0
Corporate Citizenship & Local Development	1.0	7.0
Conscious Nutrition	6.2	1.0
Occupational Health & Safety	5.4	5.0
Enabling	5.1	3.0
Stakeholder Dialogue & Cooperation	3.5	2.0
Responsible Products	8.4	5.0

Materiality matrix displaying all LRM topics and their position relative to the degree of stakeholder interest and potential business impact. Together, the results represent the topics identified as most material for Lidl Ireland and Lidl Northern Ireland.<sup>1</sup>

# Stakeholders

## Stakeholder management<sup>1</sup>

The continuous exchange of information with our internal and external stakeholder groups – such as customers, non-government organisations (NGOs), political authorities, business partners, employees, or the media – is a material part of Lidl Ireland and Northern Ireland's sustainability management.

This dialogue takes place in both directions: We regularly inform all of our stakeholders about our activities. We use different formats to do this, such as sustainability reports, press releases, social media, or customer leaflet for external stakeholders and customers, as well as our intranet @Lidl portal and our WeAreLidl app for our employees. We also facilitate and encourage engagement by organising a range of events and personal meetings. Through their expertise, our stakeholders provide valuable feedback that flows through to our work. In addition, Lidl Ireland and Northern Ireland is involved in a range of collaborations and networks. Through these, Lidl actively participates in dialogue and information exchange formats organised by third parties.



1. GRI 2-29

## Stakeholders<sup>1</sup>

**WE BELIEVE OPEN COMMUNICATION AND COLLABORATION IS VITAL FOR POSITIVE IMPACT AND SUSTAINABLE PROGRESSION.**



For all our stakeholders, we offer opportunities for feedback and requests through numerous channels such as our website, social media channels, customer app, stores and dedicated customer service team based in our Head Office in Tallaght.



# Stakeholders



## External initiatives and memberships<sup>1</sup> of associations of Lidl Ireland and Northern Ireland

Lidl Ireland and Northern Ireland sees itself as an active partner in social-political discussions. That is why monitoring legislation, talking to political stakeholders, and working with associations to shape public opinion in the retail sector is an integral part of our work. Our ultimate aim is to be able to transfer legal requirements into operational practice as quickly and smoothly as possible and to work with suppliers to identify topics of concern early on.

**Lidl Ireland** is a member in various associations, organisations, and initiatives:

- Repak
- Business In The Community
- Origin Green
- All-Ireland Pollinator Plan

**Lidl Northern Ireland** is a member in various associations, organisations, and initiatives:

- Business In The Community Northern Ireland
- All-Ireland Pollinator Plan

**Lidl Ireland and Northern Ireland is also represented in the following international associations, organisations, and initiatives through the Lidl Stiftung**

- ACT – Action, Collaboration, Transformation
- Alliance for Water Stewardship
- Amfori Business Social Compliance Initiative (BSCI)
- Partnership for Sustainable Textiles
- Danube Soya
- Econsense
- Ethical Tea Partnership
- Ethical Trade Initiative
- EUROOPEN
- Food for Biodiversity
- Forest Stewardship Council (FSC)
- German initiative on sustainable cocoa
- Fur Free Retailer

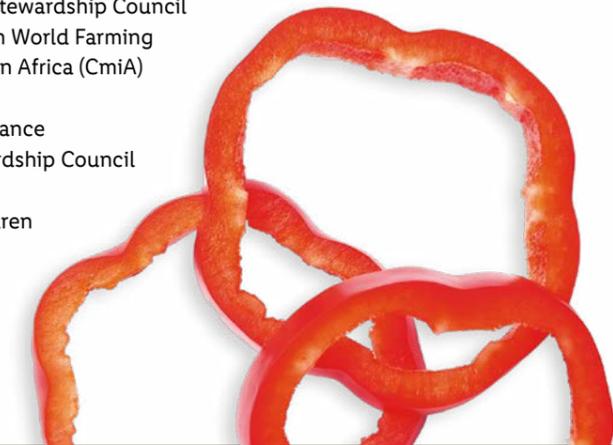
- GLOBAL Good Agricultural Practices (G.A.P.), GLOBAL Good Agricultural Practices (G.A.P.) GRASP Technical Committee
- ILO Better Work
- Initiative for Sustainable Agricultural Supply Chains (INA)
- International ACCORD
- International Network of Leading Executives Advancing Diversity (LEAD)
- Leather Working Group
- Round Table on Responsible Soy (RTRS)
- Roundtable on Sustainable Palm Oil (RSPO)
- RMG Sustainability Council (RSC) Bangladesh
- Sustainable Nut Initiative
- Sustainable Rice Platform (SRP)
- World Banana Forum

**As companies of Schwarz Group, Lidl Ireland and Northern Ireland is a member of the following institutions**

- Ellen MacArthur Foundation
- UN Global Compact
- Science Based Target Initiative

**Lidl Ireland and Northern Ireland also works with the following partner organisations**

- Aquaculture Stewardship Council
- Compassion in World Farming
- Cotton made in Africa (CmiA)
- Downpass
- Rainforest Alliance
- Marine Stewardship Council
- Oxfam
- Save the Children



• **Customers**  
As stated in our vision, we are committed to ensuring customer satisfaction is at the heart of everything we do. We value our customers and depend on their insights to ensure we are delivering on what is most important to them. Outside of our materiality assessment, we commission quarterly research to investigate their perception and understanding of our CSR initiatives. Our dedicated customer rewards app **Lidl Plus** is a new and additional channel for continued customer feedback and insights.

• **Suppliers**  
We believe in building long-term relationships. Many of our suppliers have been working with us since we opened our doors in 1999 in Northern Ireland and 2000 in Ireland. We value their feedback and engage regularly with them on raw material certifications, human rights and ethical trade and environmental standards. Led by our Responsible Sourcing team we are in the third year of our Supplier Engagement Programme. We work with seven local suppliers to help support and provide guidance on reducing environmental impacts.

• **Employees**  
Our colleagues drive our business and impact. We offer multiple channels for colleagues to share feedback and ideas; including our intranet, employee app, employee magazine and our Ideas Hub platform. We regularly engage all colleagues via our employee app on topics relating to CSR for their feedback. Our CSR representatives also act as our local ambassadors for CSR and community impact gathering business wide feedback and insights for all initiatives.

• **Partners**  
We develop sustainable relationships with business partners and are committed to contributing positively to local communities. Our partners range from charity organisations, clubs, membership networks, and industry reporting bodies for example, Business in the Community Ireland and Northern Ireland, Bord Bia, Retail Food Waste Forum and Retail Waste Action Group. Through regular forums, networking, workshops and meetings, we harness these partnerships to their full potential. Partner feedback and collaboration is necessary for shared learning, opportunity, market development and growth.<sup>1</sup>

• **Communities**  
We are present in more than 200 communities across the island of Ireland. Recognising this reach, we engage regularly with members of the community, local councils and community groups through formal and informal contact, for example, we communicate directly through our store colleagues, community initiatives and commissioned feedback forums.

• **Lidl Group**  
All local teams of the respective companies of Lidl Group are in close interaction with each other. Teams engage regularly through country visits, workshops and training days to share country specific insights, project updates or upcoming areas of increasing impact from across the globe. There is a dedicated point of contact on each team who liaises directly with each country's counterpart.



<sup>1</sup> GRI 2-29

<sup>1</sup> GRI 2-28

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# Our Progress

## Protecting Climate

AREA	CATEGORY	TARGET	TARGET YEAR	TARGET STATUS
<b>1.5 Degrees</b>	<b>Climate</b>	46% reduction in our scope 1 & 2 emissions by 2030	2030	On track ●
	<b>Climate</b>	We will work with suppliers covering 70% of product-related emissions to set Science Based Targets by 2026	2026	On track ●
	<b>Climate</b>	We will become Carbon Neutral by 2022 (in our own operations) compensating remaining emissions	2022	Achieved ●
	<b>Energy</b>	Maintain ISO 50001 for all operations	Annual	Achieved and Maintained ●
	<b>Energy</b>	Install Solar PV in 100 stores by 2025	2025	On track ●
	<b>Energy</b>	Since 2022, heat pumps are installed in all new stores	Annual	Achieved and Maintained ●
	<b>Energy</b>	Use natural refrigerants for product cooling in 90% of logistics centres (owned) and in 40% of stores by 2023	2023	On track ●
	<b>Energy</b>	Since 2017, all new stores are certified to BER A1 rating	Annual	Achieved and Maintained ●
	<b>Energy</b>	LED lighting in all stores and distribution centres	Annual	Achieved and Maintained ●
	<b>Energy</b>	Continue to source green electricity on an annual basis	Annual	Achieved and Maintained ●
	<b>Transport</b>	All new stores will include a 50kW D/C EV charger	Annual	Achieved and Maintained ●
	<b>Transport</b>	Increase trucks in our fleet with alternative fuels to 30% by 2025	2025	On track ●
	<b>Transport</b>	100% electric or hybrid company cars in fleet by 2030	2030	On track ●
	<b>Transport</b>	Employee charging network to be rolled out to all stores, RDCs and Head Office by the end 2023	2023	On track ●
	<b>Transport</b>	Achieve and maintain out-bound truck utilisation at 95+% by 2021	2021	Achieved ●

## Respecting Biodiversity

AREA	CATEGORY	TARGET	TARGET YEAR	TARGET STATUS
<b>Ecosystems</b>	<b>Biodiversity</b>	Reach 40 pollinator stores by 2024	2024	On track ●

## Conserving Resources

AREA	CATEGORY	TARGET	TARGET YEAR	TARGET STATUS
<b>Circular Economy</b>	<b>Plastics &amp; Packaging</b>	20% less plastic in our own-brand packaging	2022	Achieved and Maintained ●
	<b>Plastics &amp; Packaging</b>	Remove unrecyclable/undetectable black plastics from all of our own-brand products packaging	2021	Achieved and Maintained ●
	<b>Plastics &amp; Packaging</b>	Maintain no plastic microbeads in own-brand cosmetic and household cleaning products	Annual	Achieved and Maintained ●
	<b>Plastics &amp; Packaging</b>	Maintain substitution of single-use plastic items such as drinking straws, disposable cups, glasses, plates and cutlery, from our own-brand range with non-plastic alternatives	Annual	Achieved and Maintained ●
	<b>Plastics &amp; Packaging</b>	100% of own-brand packaging will achieve maximum recyclability	2025	On track ●
	<b>Plastics &amp; Packaging</b>	50% of our own-brand packaging will be made of recycled content by 2025	2025	On track ●
	<b>Plastics &amp; Packaging</b>	Roll-out of Deposit Return Scheme (DRS) machines trial by 2022.	2022	Achieved ●
	<b>Plastics &amp; Packaging</b>	Annually conduct packaging optimisations for 10 product lines	Annual	Achieved and Maintained ●
	<b>Waste</b>	Maintain Zero Waste to Landfill	Annual	Achieved and Maintained ●
	<b>Waste</b>	Attain DIN accreditation for waste management	2024	On track ●
<b>Food Waste</b>	<b>Food Redistribution</b>	Redistribute over 5 million meals by FY 2025	2025	On track ●



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# Our Progress



## Conserving Resources continued

AREA	CATEGORY	TARGET	TARGET YEAR	TARGET STATUS
<b>Anti-Deforestation</b>				
	<b>Deforestation free supply chains</b>	<ul style="list-style-type: none"> <li>Sourcing certified priority products and raw materials for our:                             <ul style="list-style-type: none"> <li>Coffee, Cocoa, Soy (products and animal-feed), Tea, Palm Oil, Cellulose (paper/wood), Orange Juice, Nuts</li> <li><b>Accepted certifications:</b> <i>Organic, Rainforest Alliance, RSPO, FSC, PEFC (in exceptions), Donau Soya</i></li> <li>Conducting annual cellulose, soy and palm oil-mappings</li> <li>Implementing country-specific risk-based sourcing certification targets for fruit and vegetables</li> </ul> </li> </ul>	2025	On Track ●
<b>Raw Materials</b>				
	<b>We are committed to sourcing our key raw materials more sustainably</b>	<ul style="list-style-type: none"> <li>Sourcing certified priority products and raw materials:                             <ul style="list-style-type: none"> <li>Coffee, Cocoa, Nuts, Rice, Orange Juice, Fruit &amp; Veg, Plants &amp; Flowers, Fish, Crustaceans and Tuna, Textiles</li> <li><b>Accepted certifications:</b> <i>Organic, Fairtrade, Global GLOBAL G.A.P Grasp module (producer certification), MSC, ASC, BAP, FAD-Free, pole &amp; line, Sourced from a Fishery Improvement Project (FIP), Global Organic Textile Standard (GOTS)</i></li> </ul> </li> </ul> <p>For more information see our <a href="#">Position Paper on the Sustainable Sourcing of Raw Materials</a>.</p>	2025	On Track ●

## Acting Fairly

AREA	CATEGORY	TARGET	TARGET YEAR	TARGET STATUS
<b>Animal Welfare</b>	<b>Fresh Milk and Dairy Products</b>	<ul style="list-style-type: none"> <li><b>If produced in Ireland:</b> All our own-brand listed fresh milk and dairy are procured from farms approved by the Bord Bia Sustainable Dairy Assurance Scheme</li> <li><b>If produced in Northern Ireland:</b> All our own-brand listed fresh milk and dairy are procured from farms approved by the Bord Bia Sustainable Dairy Assurance Scheme or the Red Tractor Assurance</li> </ul>	2017	Maintained ●
	<b>Fresh Meat and Poultry</b>	<ul style="list-style-type: none"> <li><b>If produced in Ireland:</b> All our own-brand listed fresh beef, lamb, chicken, duck and pork produced in Ireland are approved by the respective Bord Bia Quality/Sustainability Assurance Scheme</li> <li><b>If produced in Northern Ireland:</b> All our own-brand listed fresh beef, lamb, chicken, duck and pork produced in Northern Ireland are approved by the respective Bord Bia Quality/Sustainability Assurance Scheme, Northern Ireland Farm Quality Assurance Scheme (for beef only) or the Red Tractor Assurance Scheme and have the label on pack</li> </ul>	2017	Maintained ●

## Acting Fairly

AREA	CATEGORY	TARGET	TARGET YEAR	TARGET STATUS
<b>Animal Welfare</b>	<b>Eggs</b>	All of our whole eggs are sourced from Irish farms approved by the Bord Bia Egg Quality Assurance Scheme or Northern Irish farms approved by the British Lion Standard where possible	Live	Achieved ●
	<b>Eggs</b>	All of our whole eggs must be sourced from at least barn-eggs standard	2025	On Track ●
	<b>Eggs</b>	All of the eggs that are used as ingredients in our products must be sourced from at least barn-eggs standard	2025	On Track ●
	<b>Fresh Chicken</b>	We aspire to 15% of our fresh chickens coming from from higher animal welfare conditions with a reduced stocking density of max. 30 kg/m <sup>2</sup> and from slower growing breeds	2026	On Track ●
<b>Microplastics*</b>	<b>Cosmetics and Cleaning Products</b>	Cosmetic, hygiene and cleaning products must not contain plastic microbeads.	Live	Achieved ●
	<b>HR &amp; Environmental Due Diligence</b>	We committed to conduct and publish three Human Rights Impact Assessments (HRIAs) in high risk supply chains	2021	Achieved ●
<b>Labour and Human Rights</b>	<b>HR &amp; Environmental Due Diligence</b>	We will publish a gender policy for our supply chain, through which we will develop our understanding on the root causes of issues facing women, reinforcing our commitment to the UN Women's Empowerment Principles	2021	Achieved ●
	<b>HR &amp; Environmental Due Diligence</b>	100% of IE negotiated own-brand food suppliers are compliant on Sedex	2025	On track ●
	<b>HR &amp; Environmental Due Diligence</b>	100% of NAT suppliers from top risk categories (e.g. meat/fish/fruit & veg suppliers with high number of temporary and seasonal workers) and buyers are trained on modern slavery policies	2025	On track ●
<b>Diversity &amp; Inclusion</b>	<b>Diversity &amp; Inclusion</b>	Establish a governance structure to ensure accountability for Diversity & Inclusion agenda	2021	Achieved ●
	<b>Diversity &amp; Inclusion</b>	Identification of key priority areas and deliverables within each within each of these identified priority areas	2023	Achieved ●
	<b>Diversity &amp; Inclusion</b>	Establish an employee-led Diversity & Inclusion forum	2021	Achieved ●
<b>Corporate Citizenship &amp; Local Development</b>	<b>Charity</b>	Pledging to raise €2,500,000 for Jigsaw by 2024	2024	On track ●
	<b>Charity</b>	Pledging to raise £1,100,000 for NSPCC by 2024	2024	On track ●
	<b>Sponsorship</b>	Pledging to invest over €10,000,000 in LGFA by 2025	2025	On track ●

\* Microbead is described as solid plastic particle that is not water soluble, and at its widest dimension is not more than 5 millimetres in extent and not less than one nanometre at its narrowest point.

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# Our Progress

## Engaging in Dialogue

AREA	CATEGORY	TARGET	TARGET YEAR	TARGET STATUS
<b>Stakeholder Dialogue and Empowerment</b>	<b>Empowerment</b>	Launch the Lidl Farm, a free educational experience for primary-school children on farm to fork value chain by 2022	2022	Achieved ●
	<b>Empowerment</b>	Launch internal ideas forum 'Ideas Hub' to colleagues on internal platforms by 2022	2022	Achieved ●
	<b>Empowerment</b>	Dedicated CSR-themed page in Lidl Ireland and Northern Ireland's leaflet every week	Weekly	Achieved and Maintained ●

## Promoting Health

AREA	CATEGORY	TARGET	TARGET YEAR	TARGET STATUS
<b>Conscious Nutrition</b>	<b>Sugar</b>	Reduce the sales weighted average content of added sugar across own-brand range by 20% by 2025	2025	On track ●
	<b>Salt</b>	Reduce the sales weighted average content of added salt across own-brand range by 20% by 2025	2025	On track ●
	<b>Marketing</b>	Remove cartoons and animations from high sugar cereals	2021	Achieved ●



As a leading retailer we recognise the demand we place on agricultural resources and the environment through our operations.



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# 1.5 Degrees



Climate change is one of the biggest societal challenges of our time, impacting almost every area of our lives and our operations. Individuals and businesses across all sectors can influence the progression of climate change through their actions. The extent of this influence can be calculated with a climate or carbon footprint. Our carbon footprint is the total amount of greenhouse gas (GHG) emissions applicable to our business.

At Lidl Ireland and Northern Ireland, we are aligned to the carbon reduction targets as set out by the Paris Climate Protection Agreement which puts forward a global framework to limit global warming to 1.5 degrees. We have created a dedicated climate protection strategy with touch points across our value chain ranging from energy efficiency measures within our operations to working with our suppliers to align to Science Based Targets. We are aware that we rely on our vast number of resources to deliver our proposition to our customers across all of our stores.

**OUR COMMITMENT:** We are committed to diligent resource management and constant review of our progress. This is achieved through dedicated management processes, initiatives to increase efficiency and innovation across all areas of our operations.

## Our Journey Towards 1.5 Degrees

We began collecting and monitoring our carbon footprint data in 2016, setting our first official baseline year to 2017. To calculate this we worked with **The Carbon Trust** using a comprehensive carbon footprinting model.

In 2019, we decided to re-baseline our data and update our targets and ambition to a 1.5 Degree reduction commitment, setting our most ambitious targets ever.

Every year we strive to improve our data quality to inform our strategy as accurately as possible.

## Our Journey Towards 1.5 Degrees *continued*

As part of our group-wide climate strategy, we joined the Science Based Targets initiative (SBTi) in August 2020. During this process, a complete group-wide climate impact assessment and analysis of the carbon footprint was conducted. Climate protection targets were mutually defined according to the method of the initiative. These were filed together with jointly detailed measures to reduce, prevent, or compensate carbon emissions in our operations and along the supply chain. These science-based targets were validated and released by the SBTi in September 2021. Lidl Ireland and Northern Ireland welcomed this group wide ambition and have updated our local ambition in line with this commitment. By joining the Science Based Targets initiative we are committing to outlining specific, scientifically verified climate targets and proactively implementing effective climate protection measures.

While the Science Based Targets ambition and commitment will be set at a global level, we have developed our own national reduction strategy aligned to the 1.5 degree scenario.

As part of the companies of Schwarz Group's common commitment to the Science Based Targets initiative, the companies of Schwarz Group began collecting consumption data from each of them including Lidl Ireland and Northern Ireland. In 2021, we chose to use the Schwarz Group carbon footprinting calculation to be in line with the common strategy of the companies of Schwarz Group.

### Carbon Emissions

As part of Schwarz Group, Lidl Ireland and Northern Ireland aims to keep its own contribution to climate change as low as possible and to steadily minimise greenhouse gas emissions. To achieve this, we and the companies of Schwarz Group, are jointly committed to the following three principles:

- 1. We prevent the generation of greenhouse gas emissions wherever possible.**
- 2. We reduce those greenhouse gas emissions which are unavoidable.**
- 3. We offset operational greenhouse gas emissions (Scope 1 and 2) that we can currently neither prevent nor reduce, based on internationally recognised standards.**

**OUR CHALLENGE:** As a leading retailer with 217 stores across the country, we recognise the influence and impact of our operations. Our resource requirements can contribute to global emissions, contributing to our total operational emissions and overall carbon footprint.



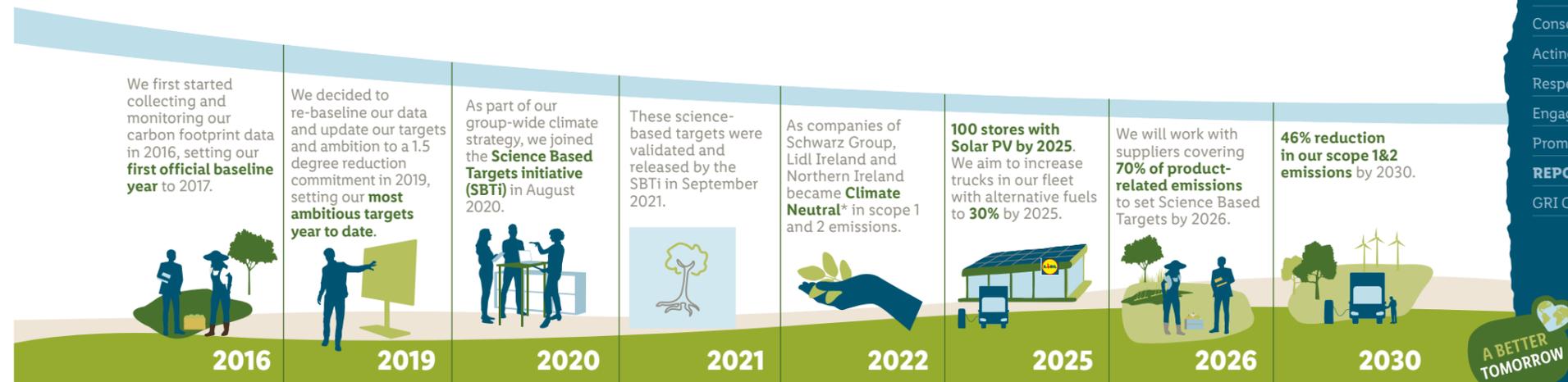
Prevent



Reduce



Compensate



GRI 3-3 \* Remaining operational greenhouse gas emissions (Scope 1 & 2) are compensated by offset projects.



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# 1.5 Degrees continued

## Our Key Climate Targets

**OUR TARGET:** We will reduce scope 1 & 2 emissions by 46% by 2030.

**OUR TARGET:** We will work with suppliers covering 70% of product-related emissions to set Science Based Targets by 2026.

The companies of Schwarz Group will reduce its operational greenhouse gas emissions (scope 1 and 2) by 55% by 2030 compared to 2019 levels<sup>1</sup>. As part of this, Lidl Ireland and Northern Ireland has set itself the goal of reducing its operational greenhouse gas emissions by 46% over the same period. To achieve this goal, Lidl Ireland and Northern Ireland have procured 100%\*\* green electricity since 2017. In addition to this, LED lighting has been installed in all stores, solar panels have been installed in 63 stores and two regional distribution centres. We have also made a commitment to use natural refrigerants for product cooling in 90% of our Lidl logistics centres and in 40% of Lidl stores by 2023. Lidl Ireland and Northern Ireland, as companies of Schwarz Group achieved Climate Neutrality\*\*\* in Scope 1 and 2 in 2022.

## Carbon Footprint Breakdown<sup>1</sup>

Ireland	Emissions (tCO2e)			Change From Baseline Year
	2019 <small>(Baseline Year)</small>	2021	2022	
SCOPE				
Scope 1	13,394.02	12,009.02	8,452.28	<b>-37%</b>
Scope 2 (location-based)	25,920.76	29,423.60	30,333.42	<b>17%</b>
Scope 2 (market-based)	0	0	0	N/A
Scope 3	1,867,169.28	2,118,086.30	2,178,554.47	<b>17%</b>
<b>Total Emissions (location-based)</b>	<b>1,906,484.06</b>	<b>2,159,518.92</b>	<b>2,217,340.17</b>	<b>16%</b>
<b>Total Emissions (market-based)</b>	<b>1,880,563.30</b>	<b>2,130,095.32</b>	<b>2,187,006.75</b>	<b>16%</b>

Northern Ireland	Emissions (tCO2e)			Change From Baseline Year
	2019 <small>(Baseline Year)</small>	2021	2022	
SCOPE				
Scope 1	2,170.51	2,662.00 <sup>†</sup>	2,774.00 <sup>†</sup>	<b>28%</b>
Scope 2 (location-based)	5,179.59	4,368.00 <sup>†</sup>	4,177.00 <sup>†</sup>	<b>-19%</b>
Scope 2 (market-based)	0	0	0	N/A
Scope 3	352,204.08	446,483.49	487,030.59	<b>38%</b>
<b>Total Emissions (location-based)</b>	<b>359,554.18</b>	<b>453,513.49</b>	<b>449,145.49</b>	<b>37%</b>
<b>Total Emissions (market-based)</b>	<b>354,374.59</b>	<b>449,145.49</b>	<b>489,804.59</b>	<b>38%</b>

1. GRI 305-1, 305-2, 305-3, 305-5

<sup>†</sup>Figures for Scope 1 and 2 in Northern Ireland for 2021 and 2022 were calculated in line with SECR reporting requirements.

\* Reflect restatement figures as per 'Report Overview' page 85.

\*\* This target for scope 1 & 2 also includes biogenic emissions and the removal of biogenic raw materials.

\*\*\* Excluding any purchase agreements that Lidl Ireland and Northern Ireland cannot influence, such as those for individual leased properties with a binding electricity procurement clause.

\*\*\* Remaining operational greenhouse gas emissions (Scope 1 & 2) are compensated by offset projects.

**THIS CARBON FOOTPRINT DEMONSTRATES OUR OPERATIONAL GHG EMISSIONS, i.e. DIRECT GHG EMISSIONS FROM SCOPE 1, SUCH AS REFRIGERATION, AND INDIRECT GHG EMISSIONS FROM SCOPE 2, SUCH AS THE PROCUREMENT OF GENERATED ENERGY OR ELECTRICITY.**

It also includes all other indirect emissions in Scope 3 which reflects emissions from all sources outside of our operational Scope 1 and 2 boundary such as purchased goods.

We used the requirements of the Greenhouse Gas (GHG) Protocol<sup>\*</sup> as the basis for the calculation.

\* GHG Protocol Corporate Accounting and Reporting Standard (Scope 1 + 2), GHG Protocol Corporate Value Chain Accounting and Reporting Standard (Scope 3), GHG Protocol Scope 2 Guidance.



**1.5**  
DEGREES

## Supplier Engagement Programme

We are currently in our third year of our 'Supplier Engagement Programme', which launched in 2020. The aim of this five year collaborative programme is to help support our suppliers to reduce their environmental impact, improve their resource efficiency and grow their sustainable sourcing practices throughout their operations and supply chain. We are currently working with seven suppliers across our primary product areas, to set S.M.A.R.T. goals, improve their climate impact and in turn, helping them to grow their future business sustainably. These selected suppliers meet with us quarterly to share their progress, challenges and learnings. To support them on this journey, we provide workshops, on site experts and resources to help streamline their approach and support the development of their own internal framework. We also evaluate their progress and share regular feedback and insights.

Setting **SMART** goals with **7 suppliers**  
ACROSS OUR PRIMARY PRODUCT AREAS



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# Operational Energy Management

As a leading retailer, with consistently expanding operations, energy consumption is a key consideration. How we manage our energy systems directly impacts our carbon footprint. We endeavour to improve our energy efficiency through the Lidl Energy Management Programme. Through this programme, we have committed to reducing our total energy usage by incorporating strategic energy management systems and renewable innovations across our operations. We review our energy targets and management systems on a regular basis to ensure we are implementing the most efficient and ambitious goals.

## Total Energy Consumption<sup>1</sup>

Ireland	FY2019 kWh	FY2020 kWh	FY2021 kWh	FY2022 kWh
<i>Purchased Energy</i>				
Total Imported Electricity (from renewable sources)	86,098,696	90,552,817	95,438,729 <sup>Δ</sup>	102,605,750 <sup>Δ</sup>
Total Heating (natural gas)	30,858,186	26,100,950	23,443,989	19,768,659
<b>Total Purchased Energy Consumption</b>	<b>116,956,882</b>	<b>116,653,767</b>	<b>118,882,718</b>	<b>122,374,409</b>
<i>Own-Generated Energy</i>				
Own electricity generated (renewable sources)	53,736	915,058	2,384,582 <sup>Δ</sup>	4,572,985 <sup>Δ</sup>
<b>Total Energy Consumption (Purchased Energy and Own-Generated)</b>	<b>117,010,618</b>	<b>117,568,825</b>	<b>121,267,300</b>	<b>126,947,394</b>
Northern Ireland	FY2019 kWh	FY2020 kWh	FY2021 kWh	FY2022 kWh
<i>Purchased Energy</i>				
Total Imported Electricity (from renewable sources)	17,207,964	18,378,402	20,444,665 <sup>Δ</sup>	21,869,556 <sup>Δ</sup>
Total Heating (natural gas)	7,484,047	7,279,834	6,688,867	5,527,485
<b>Total Purchased Energy Consumption</b>	<b>24,692,011</b>	<b>25,658,236</b>	<b>27,133,532</b>	<b>27,397,041</b>
<i>Own-Generated Energy</i>				
Own electricity generated (renewable sources)	-	221,230	280,373 <sup>Δ</sup>	606,472 <sup>Δ</sup>
<b>Total Energy Consumption (Purchased Energy and Own-Generated)</b>	<b>24,692,011</b>	<b>25,879,466</b>	<b>27,413,905</b>	<b>28,003,513</b>

GRI 3-3 1. GRI 302-1

<sup>Δ</sup> Assured indicators



We have made a commitment to use natural refrigerants for product cooling in 90% of logistics centres (owned) and in 40% of stores by 2023.

At Lidl Ireland and Northern Ireland, several projects have been completed over the last two years to improve energy efficiency:

- **Installation of Solar PV systems in all new stores.**
- **Heat pumps in all new stores.**
- **Improved control of heating and ventilation systems in store. This involved the following measures:**
  1. Improved fan control to maintain fixed air CO2 level in stores.
  2. Install recirculation dampers to recover heat from exhaust air.

**Solar Panels** are included in our store specifications since 2019. We currently have 63 stores and two regional distribution centres with solar panels and aim to have 100 stores with solar panels by 2025.

**100% Green Electricity\*** across all our operations.

**Energy Management Dashboard** is utilised to review our current practices and enable improvements and best practice. For all new stores, we have an extensive metering plan which allows us to view roughly 20 electricity meters in store as well as numerous quantities of temperature data. This allows us to identify and rectify any issues that might occur in store.

**ISO 50001 Certified Energy Management System (EnMs)** across all our own operations.

**Heat Pumps** have been installed in 50 of our stores. Heat pumps are also being installed in all new stores. Heat pumps in stores remove the need for fossil fuels and are four times more efficient than a fossil fuel boiler which has a significant impact on our energy consumption in store.

**Refrigerants** are continuously changing to alternatives with lower Global Warming Potential. We have made a commitment to use natural refrigerants for product cooling in 90% of our Lidl logistics centres and in 40% of Lidl stores by 2023.

**LED Lighting** in all stores and distribution centres as lighting upgrades have been completed in the past 2 years.

All new stores are certified **BER A1 rated**. This has a significant impact on energy consumption in stores as this is the best rating possible and highlights that stores are built to the highest energy rating.

**EV chargers** are available in 69 stores across Ireland and Northern Ireland. All new stores will include a 50kW D/C EV charger which will help facilitate both our employees and customers transition to electric vehicles.



**100% Green Electricity\*** across all our operations



**Energy Management Dashboard**



**LED Lighting** in all stores and distribution centres

**ISO 50001 Certified Energy Management System (EnMS)** across all our operations



**Heat Pumps** in 50 stores and are being installed in all new stores



**Refrigerants** with lower Global Warming Potential

All new stores rated **BER A1**



**EV Chargers** in 69 stores across Ireland and Northern Ireland



\* Our renewable energy has its renewable position confirmed via the publication of the CRU Fuel Mix Disclosure in Ireland and REGO certificates in Northern Ireland.

**1.5**  
DEGREES

# Building Certifications



**ISO 50001**  
Energy Management certified

**Sustainably sourced roof**  
& wooden roof beams

**Refrigerants**  
with less global warming potential

**Solar Panels**  
now added to specifications

**Lighting**  
LED Upgrades

**BER A1 Rated\***  
Stores

All our portfolio of stores are **EDGE certified**

**Glazing**  
to the highest standard on the market

We ensure our new stores and upgrades are built to the highest standards with state of the art materials and equipment. This focus enables us to operate with market leading efficiencies.

\*Building Energy Rating (BER) of A-rating for new stores representing high energy efficiency.

# Transport

“ At Lidl, we take our role in society seriously and strive to go above and beyond to make a positive difference, delivering real change through innovation and investment. It is our responsibility to not only offer the best service and price for our customers, suppliers, and communities, but to protect the environment and build a successful, sustainable future. We are delighted to be the first retailer in Ireland to incorporate positive change by using environmentally friendly haulage trucks in our logistics fleet.”



**1.5**  
DEGREES

**Robert Ryan**  
Chief Operating Officer  
Lidl Ireland and Lidl Northern Ireland

**To achieve this, we have ensured that efficiency is at the heart of all operations:**

**Just in Time** operating model is utilised ensuring no trucks are travelling half full or empty which enables efficient vehicle utilisation and reduced fuel consumption, minimising our carbon emissions.

**Back-Hauling Materials** Delivery vehicles back-haul materials to our distribution centres for recycling purposes, making sure no journey is wasted.

**Alternative Fuels** Currently 10% of our fleet utilises alternative fuels such as HVO (Hydrotreated Vegetable Oil), Bio-Methane and Electric. HVO will reduce emissions by 90% per trip by using 100% renewable fuel produced by the hydrotreatment of vegetable oil that creates a fuel product with the same chemical structure as diesel. We aim to increase trucks in our fleet with alternative fuels to 30% by 2025.

**Outbound truck utilisation** We utilise our outbound trucks to at least 95+% capacity when shipping out to stores. That's almost 32 pallets shipped on a 33 pallet capacity truck.

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# Transport

**AS A RETAILER, WE RELY HEAVILY ON OUR LOGISTIC AND SUPPLY CHAIN OPERATIONS TO ENSURE FRESHNESS AND TOP-QUALITY PRODUCTS AT THE LOWEST POSSIBLE PRICES ARE AVAILABLE ACROSS OUR ENTIRE STORE NETWORK ON THE ISLAND OF IRELAND. WE ARE AWARE THAT OUR TRANSPORT OPERATIONS HAVE A DIRECT IMPACT ON OUR CARBON EMISSION OUTPUT AND WE HAVE TAKEN STEPS TO MINIMISE THIS IMPACT.**

## Biofuel

In 2020, in conjunction with our partners McCulla, we launched a circular solution which took food waste from all of our stores in Northern Ireland and converted it into renewable biomethane. This is currently used to fuel our fleet in Northern Ireland. This initiative reduces the carbon emissions per truck by up to 93% and was the first island wide supermarket circular economy strategy.



## Our Customer and Employee Journeys

We also want to support our customers and employees in making environmentally friendly journeys to our stores.

**Customer EV Chargers** are available at 69 stores across the island of Ireland, all of our regional distribution centres and our head office.

**Electric Vehicles** We offer both electric and hybrid car models across our Irish and Northern Irish fleet, with a commitment to have 100% electric or hybrid cars by 2030.

### Employee Electric Charging Network

To support our employees in this transition, we have also committed to rolling out an employee vehicle charging networking consisting of over 300 charging stations.



# Circular Economy

## Transition towards 'A Circular Economy'

As a leading retailer, waste management is a key consideration throughout our operations and supply chain.

### Why do we need a circular economy?

A circular economy is one in which resource use and waste is minimised. The traditional linear consumption model of take-make-waste cannot be sustained. This model focuses on extracting natural resources, consuming them and then throwing them away. It is a major contributor to global warming as well as habitat and biodiversity loss. On this trajectory, by 2050, we will need three earth size planets to meet our growing resource demands in this business-as-usual scenario.\*

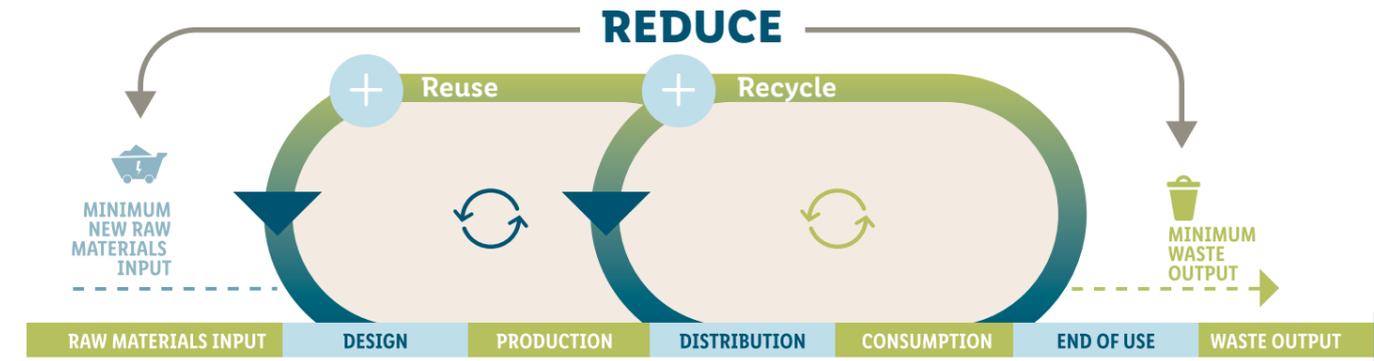
A focal point of circular economy is ensuring the value of products and materials is maintained for as long as possible through strong design, durability and repair. When a product has reached the end of its life, its components are used again to ensure minimum raw materials input and minimum waste output.

At Lidl Ireland and Northern Ireland, we are proud of our comprehensive approach to waste management. We have prioritised understanding how our products are consumed and used, assessing product design to work towards optimal properties for food quality and recyclability while analysing and forecasting trends to prevent waste wherever possible.

Since our last report we have continued to work closely with packaging and waste experts, continuously informing our processes with new findings to become as efficient as possible. Through collaboration we ensure an upkeep in our zero waste to landfill commitment and that our waste is sent to be recycled or reused. Segregation is a key component to our waste stream management. We have increased our segregation opportunities across all areas of operation with updated messaging and guidelines for our stores and operations.

Packaging that includes plastic plays a vital role in product shelf life and product quality, as well as communicating vital information. These are major considerations for transports and logistics. We recognise the impact that plastic has on the environment and are committed to reducing the amount of plastic we use across our product ranges and replace plastic with more sustainable alternatives where feasible. We are also committed to increasing the post-consumer recycled content of our packaging and the recyclability of materials used.

**We are committed to the continuous protection and responsible use of resources along our entire value chain.**



GRI 3-3, 306-1, 306-2 \*Source: Waste Action Plan for a Circular Economy, 2020

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# Circular Economy

## Key Initiatives

**Plastic reduction target achieved:** In 2018, Lidl Ireland & Northern Ireland committed to reduce our plastic packaging consumption by **20% by the end of 2022**, against a 2017 baseline. We are proud to **announce in mid-2022 that we reached our target one year ahead of schedule.**

**Loose Products:** We list the maximum possible amount of loose lines in our fruit and veg range and are continuously reviewing this in order to increase this range.

**Packaging Guidelines:** Lidl has developed international and national supplier packaging guidelines. This is to assure that our suppliers are fully supported in our common goal of reaching our ambitious packaging sustainability targets and aspire to use the right packaging for the right products.

**Single-Use:** We have removed all single-use plastic items such as plastic drinking straws, disposable plastic cups, glasses, plates, and cutlery from sale since 2019. These items were replaced by non-plastic alternatives ahead of the EU Directive restricting certain single-use plastic products which came into effect in July 2021.

**Black Plastic Removed:** We have successfully removed all black single-use plastic packaging from our listed assortment.

**Microplastic Policy:** We comply with the ban on microplastics in cosmetic and cleaning products as directed by the Irish and UK governments. More information can be found in our [microplastic policy](#).

**Reusable Fruit & Vegetable Bags:** Since 2019, we have introduced reusable fruit and vegetable bags, available in stores.



**Recycling Stations:** We have recycling bins behind our tills for customers to dispose of unwanted packaging. We then ensure the material is recycled on their behalf and made into new products where possible. The aim of this initiative is to take responsibility for the packaging we put on the market and are currently working to reduce.

**Banana Packaging:** In 2019, we were first to market to change our organic fairtrade bananas to paper banding with natural adhesive instead of plastic bags.



GRI 3-3, 306-1, 306-2

## Prevented Ocean Plastic

**IN 2022, WE WERE DELIGHTED TO BECOME THE FIRST RETAILER IN IRELAND TO USE PREVENTED OCEAN PLASTIC (POP), A NEW FORM OF FRESH FOOD PACKAGING USING “OCEAN-BOUND PLASTIC” – THAT WOULD HAVE OTHERWISE ENDED UP IN MARINE ENVIRONMENTS.**

We worked with one of our local suppliers, Keohane Seafoods, to incorporate POP into the packaging of five fresh fish products. This will equate to a reduction of 18.7 tonnes of plastic, saving approximately 750,000 plastic bottles from entering the ocean per year. The Prevented Ocean Plastic incorporated into our packaging is sourced from countries and regions which may lack waste management infrastructure or collection incentives, or where that infrastructure is simply overwhelmed by population growth and tourism. Discarded water bottles, found within a 50km (30 miles) distance of an ocean coastline or major waterway that feeds into the ocean, are collected, sorted and processed to the highest standard, before they can be incorporated into our fresh fish packaging. The entire process is fully traceable, with a robust documented chain of custody.

**750,000 bottles**  
PREVENTED FROM ENTERING THE OCEAN EACH YEAR



GRI 306-1, 306-2

## Reusable bottles for Fresh Orange Juice

In 2021, we introduced a reusable glass bottle for our fresh orange juice machines in store beside the current PET bottles. Since its introduction, we have sold more than 80,000 refills. Assuming customers would have otherwise bought the same amount of 500ml single use plastic bottles - this avoided the equivalent of almost 250,000 pieces of single use plastic.



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# Circular Economy

Learn more  
[www.reset-plastic.com](http://www.reset-plastic.com)

## REset Plastic

We are aware that bringing plastic material into circulation, means that we also bear the responsibility for its further use.

**IN RESPONSE, WE HAVE BEEN COMMITTED TO COLLECTING, SORTING, AND REUSING PLASTICS FOR MANY YEARS — CENTRALISING OUR INITIATIVES SINCE 2018 THROUGH RESET PLASTIC. THIS IS THE INTERNATIONAL, HOLISTIC PLASTICS STRATEGY ADOPTED BY ALL COMPANIES OF SCHWARZ GROUP.**

With the group-wide REset Plastic strategy, we want to reduce the use of plastic and promote recycling, along with building awareness and fundamentally changing the way we manage and interact with plastic.



## 5 Guiding Principles for Action Areas

action areas of the group-wide plastic strategy REset Plastic:

**REduce** – We reduce plastic, wherever sustainably possible. Not only in packaging!

**REdesign** – We design recyclable packaging and close loops.

**REcycle** – We collect, sort and recycle plastics to close the loop.

**REmove** – We support the removal of plastic waste from the environment.

**REsearch** – We invest in research and the development of innovative solutions and educate on recycling.

GRI 3-3, 306-1, 306-2



Our vision  
Less plastic -  
closed loops.

In 2021, Lidl was the first retailer in Ireland to introduce a reverse vending machine trial, piloting the upcoming deposit return system in Ireland.

A reverse vending machine allows for customers to dispose of their used plastic bottles and aluminium cans so that they may be recycled, in return for money-back vouchers that can be used in-store.



GRI 306-1, 306-2

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# Circular Economy

## Deposit Return Scheme

The initial trial was launched in our store in Glenageary, Co. Dublin and we have since expanded the trial to Claremorris, Co. Mayo. As of December 2022, between the two stores, we have processed approximately 800k PET bottles and aluminium cans. As a next step in this project, Lidl was the first retailer in Ireland to introduce the PET bottle material into our packaging in 2022, by incorporating the recycled material into our Deluxe Crispy Roast Duck packaging. This allows Lidl customers to be apart of a true circular economy whereby the material from one product is recycled and then used in packaging for another product.

This project is a collaboration across the Irish packaging recycling network as well as packaging and food manufacturers across supply chain. We are proud to have collaborated with Shabra Plastics & Packaging, Waddington Europe, Versatile Packaging, and our direct supplier Silver Hill Foods.

The PET bottles have been cleaned, flaked, and manufactured back into food grade packaging, filled with our own brand product, and delivered back to store. Thirty percent of the total tray weight of our Deluxe Crispy Roast Duck, is made is made from our collected bottles. We hope that in completing this trial and launching this packaging we can demonstrate that truly recyclable packaging is not “waste” but an important and highly sought-after raw material that brands and retailers give value to by demanding recycled content in their products.



GRI 306-1, 306-2

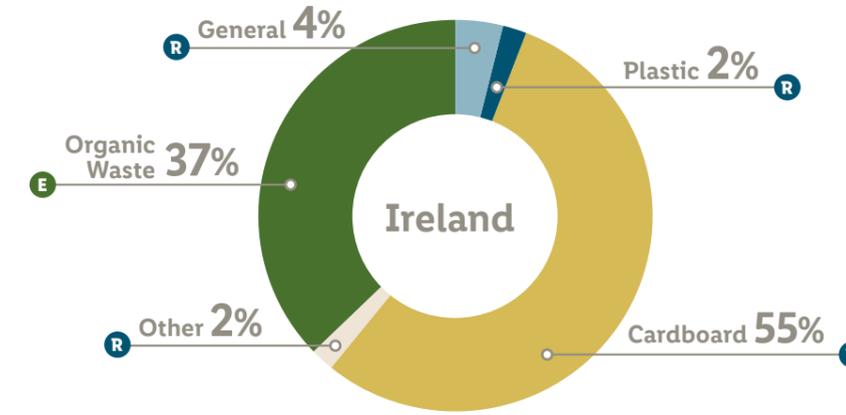
As of December 2022, between the two stores, we have processed approximately 800,000 PET bottles and aluminium cans.

## Maintaining Zero Waste to Landfill

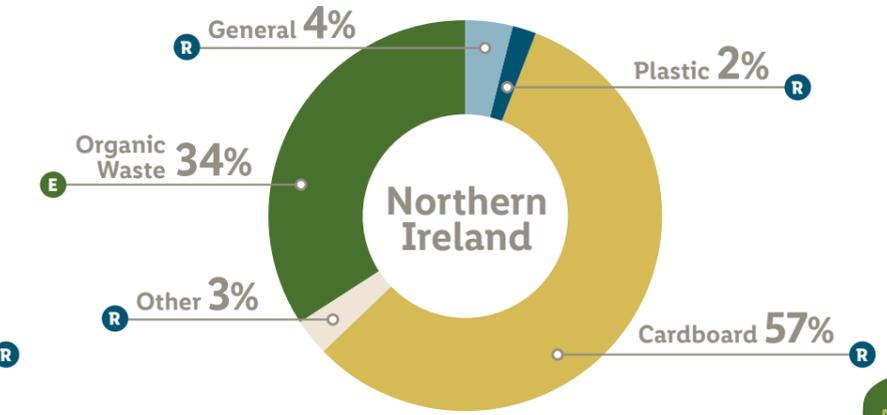
**AT LIDL, WE ARE COMMITTED TO DEVELOPING INNOVATIVE WAYS TO EFFECTIVELY MANAGE OUR OPERATIONAL WASTE STREAMS TO ENSURE THAT WE REUSE, RECYCLE OR REDISTRIBUTE OUR SURPLUS MATERIALS AND MAINTAIN ZERO WASTE TO LANDFILL.**

We ensure we continue to maintain zero waste to landfill by close communication with our waste service providers and site visits. Further information can be obtained from our service providers to highlight our wastes end use, when requested.

**TARGET: Maintain Zero Waste to Landfill and achieve DIN accreditation by FY2023.**



GRI 306-1, 306-2



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# Circular Economy

## Waste Table - Ireland

TONNES	2021	2022
<b>Waste Generated</b>		
Non-Hazardous Waste	439.22	537.55
Hazardous Waste	62.77	31.87
Organics	16,650.33	16,563.92
Plastics	682.91	712.48
PPK Material	26,173.12	25,156.73
Recyclable Empties Plastics ( <i>PET from DRS Machines</i> )	-	7.47
Scrap Metal	338.31	332.51
Textiles	27.46	50.47
Wood	372.92	123.64
Residual Waste	1,801.24	1818.75
<b>Total Waste Generated</b>	<b>46,548.28</b>	<b>45,335.39</b>

### Waste Directed to Disposal

<b>Non Hazardous</b>		
Incineration	4.10	-
Landfill	-	-
Thermal utilisation with energy recovery	-	-
<b>Hazardous</b>		
Incineration	-	-
Landfill	-	-
Thermal utilisation with energy recovery	9.00	12.06
<b>Residual Waste</b>		
Incineration	-	-
Landfill	-	-
Thermal utilisation with energy recovery	1,801.24	11,818.75
<b>Total Waste Directed to Disposal</b>	<b>1,814.34</b>	<b>1,830.81</b>

TONNES	2021	2022
<b>Waste Diverted from Disposal</b>		
<b>Non-Hazardous</b>		
Reuse	124.81	220.91
Recycling	310.31	316.64
Other Recovery Options	-	-
<b>Hazardous</b>		
Preparation for Reuse	-	-
Recycling	53.77	19.81
<b>Organics</b>		
Fermentation	16,650.33	16,563.92
<b>Recyclable Plastics</b>		
Recycling	682.91	712.48
<b>Recyclable PPK</b>		
Recycling	26,173.12	25,156.73
<b>Recyclable Empties Plastics (<i>PET from DRS Machines</i>)</b>		
Recycling	-	7.47
<b>Scrap Metal</b>		
Recycling	338.31	332.51
<b>Textiles</b>		
Reuse	27.46	50.47
<b>Wood</b>		
Recycling	372.92	123.64
<b>Total Waste Diverted From Disposal</b>	<b>44,733.94</b>	<b>43,504.58</b>

## Waste Table - Northern Ireland

TONNES	2021	2022
<b>Waste Generated</b>		
Non-Hazardous Waste	9.90	20.33
Hazardous Waste	20.00	0
Organics	3,159.20	3,177.95
Plastics	190.90	239.12
PPK Material	5,151.80	5,367.94
Scrap Metal	37.00	27.68
Textiles	5.60	4.21
Wood	531.10	205.54
Residual Waste	425.80	418.42
<b>Total Waste Generated</b>	<b>9,530.80</b>	<b>9,461.19</b>

### Waste Directed to Disposal

<b>Non Hazardous</b>		
Incineration	-	-
Landfill	-	-
Thermal utilisation with energy recovery	-	-
<b>Hazardous</b>		
Incineration	-	-
Landfill	-	-
Thermal utilisation with energy recovery	-	20.00
<b>Residual Waste</b>		
Incineration	-	-
Landfill	-	-
Thermal utilisation with energy recovery	425.30	418.42
<b>Total Waste Directed to Disposal</b>	<b>445.30</b>	<b>418.42</b>



TONNES	2021	2022
<b>Waste Diverted from Disposal</b>		
<b>Non-Hazardous</b>		
Reuse	9.90	20.33
Recycling	-	-
Other Recovery Options	-	-
<b>Hazardous</b>		
Preparation for Reuse	-	-
Recycling	-	-
<b>Organics</b>		
Fermentation	3,159.20	3,177.95
<b>Recyclable Plastics</b>		
Recycling	190.90	239.12
<b>Recyclable PPK</b>		
Recycling	5,151.80	5,367.94
<b>Scrap Metal</b>		
Recycling	37.00	27.68
<b>Textiles</b>		
Reuse	5.60	4.21
<b>Wood</b>		
Recycling	531.10	205.54
<b>Total Waste Diverted From Disposal</b>	<b>9,085.50</b>	<b>9,042.77</b>

### Waste Directed to Disposal

<b>Non Hazardous</b>		
Incineration	-	-
Landfill	-	-
Thermal utilisation with energy recovery	-	-
<b>Hazardous</b>		
Incineration	-	-
Landfill	-	-
Thermal utilisation with energy recovery	-	20.00
<b>Residual Waste</b>		
Incineration	-	-
Landfill	-	-
Thermal utilisation with energy recovery	425.30	418.42
<b>Total Waste Directed to Disposal</b>	<b>445.30</b>	<b>418.42</b>

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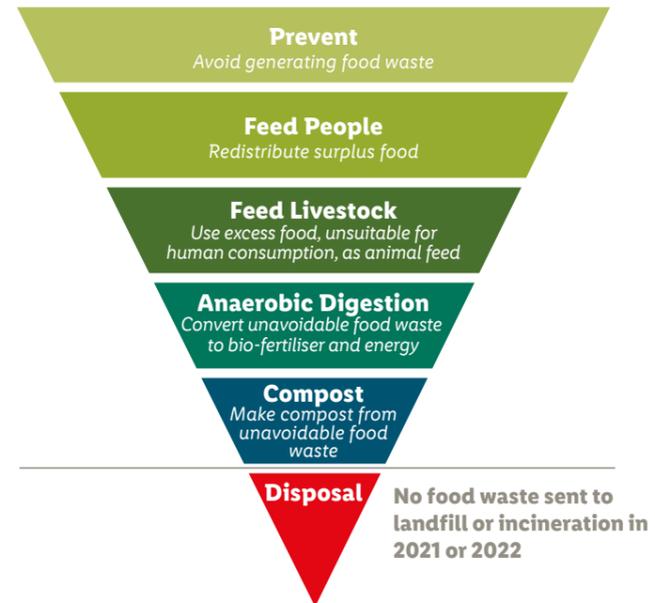




# Food Waste<sup>1</sup>

As a food retailer, we are aware of the impact of our operations and associated food waste and food losses generated along the value chain. We take our responsibility with regards to food waste seriously and are committed to taking a leadership position in mitigating against these losses both in our direct and indirect control. We do this through both preventative action and establishing effective food waste measurement systems.

We support the Food Waste Charter and align our food waste strategy with the Environmental Protection Agency (EPA) hierarchy of food waste to ensure we are prioritising the most impactful initiatives. Prevention is our focus and through our work with our food waste management partners, we ensure no food waste is sent to incineration or landfill.



## Prevention

### Forecast Accuracy and Demand Planning:

Our experienced Buying and Supply Chain teams cautiously forecast the quantities of fresh and perishable products throughout the year to minimise over-stock and ensure the freshest availability to our customers.

### Best Before Dates:

Fruit and vegetables are among the foods most frequently thrown away in the home.\* By not having 'best before' dates on the packaging it encourages customers to make their own decisions about the freshness of produce. We have dedicated freshness specialists called Green Leaders in every store who are responsible for carrying out regular quality checks throughout the day.

### Waste Not:

In 2019, we introduced Waste Not, an initiative wherein chilled products at best before dates (and perfectly safe to eat) receive a significant price reduction.

In February 2023, we were delighted to announce the roll-out of Waste Not Fruit and Veg boxes, which are priced at just €3 and contain at least 5kg of mixed fruit and vegetables from the store shelves across Lidl Ireland stores. The fruit and vegetables included in the boxes come from multi packs where some product has become slightly damaged and removed, and the remaining items which are perfectly good to eat are then used to make up the Waste Not boxes. Through this initiative we will bring even more savings to our shoppers, and are aiming to save more than 950,000kg of food from going to waste annually.



### Communication:

We want to help our customers reduce food waste using our far-reaching communication channels to share tips and tricks on how to reduce food waste as much as possible in the home and also saving money as a result. Using our platforms, we can amplify the voice of organisations affecting change in this space such as FoodCloud and StopFoodWaste.ie

## Redistribution

### FoodCloud

We take the issue of food poverty seriously and have been working with **FoodCloud** since 2017 to help redistribute four million meals to more than 300 local charities and community groups across Ireland. This has helped save 1.7 million kg of food from going to waste and the equivalent of 5 million kg of CO2 from being emitted. FoodCloud are an Irish social enterprise with a vision for a world where no good food goes to waste. They connect food businesses with surplus food to charities and community groups around Ireland who can use it, reducing both the environmental and societal impact of food waste.

## 4 million meals

TO LOCAL CHARITIES & COMMUNITY GROUPS



### Total for Ireland and Northern Ireland FY21 and FY22<sup>1\*</sup>

SITE	KGS DONATED	MEALS DONATED	CO2 KG SAVED
Dublin Head Office	7,451 <sup>A</sup>	17,740	23,843
Stores	568,307 <sup>A</sup>	1,353,112	1,818,582
Warehouses	75,347 <sup>A</sup>	179,398	241,110
<b>Total</b>	<b>651,105<sup>A</sup></b>	<b>1,550,250</b>	<b>2,083,535</b>

## Recovery

### Anaerobic Digestion

For the food which can't be redistributed to charity or sold at a lower price, we use a process called anaerobic digestion where the food is converted into energy. For example, all of the food waste from our stores in Northern Ireland is used to produce biofuel for trucks that deliver stock to our stores across the region.

<sup>1</sup> Through our FoodCloud partnership, we are provided with a calculation for stores, warehouses and our Dublin head office of KGs donated, meals donated and CO2 kg saved. For our stores, we utilise FoodCloud's Foodiverse app which includes an approximate calculation of KGs of food donated. CO2-eq saved is calculated by a factor of 1 KG of food x 3.2. Equivalent meals: 1 meal = 0.42kg. \*Source, Wrap.org.uk

1. Lidl Specific Disclosure <sup>A</sup> Assured indicators



## Begley's

In 2022, we were delighted to support one of our key vegetable suppliers, Begley's, in reducing their food waste output, by partnering with our food redistribution partner FoodCloud. To date their partnership with FoodCloud has saved 27 tonnes of carrot and swede from going to waste. We are conscious as a food retailer, that food waste can be generated across the value chain.

We are delighted to be able to support our suppliers in their journey towards reducing food waste output.

“As primary growers we see first-hand the level of food wastage there can be. We were delighted to partner with FoodCloud in 2022, enabling us to reduce food waste, redistribute our crops and farm more sustainably. Most importantly, we are helping families in need have weekly healthy food options during these challenging times.”



**James O'Regan**  
Commercial Director, Begley's Fresh Produce



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# Fresh Water

**PROVIDING CLEAN WATER FOR A GROWING POPULATION IS A KEY CHALLENGE. WATER AVAILABILITY IS BEING PUT UNDER THREAT BY INCREASING WATER POLLUTION, CLIMATE CHANGE, RISING CONSUMPTION, AND INADEQUATE MANAGEMENT.**

The consistent increase in the production of food and textiles in particular is resulting in a rise in water consumption and is contributing to pollution, scarcity, and the unfair distribution of water as a resource.

**OUR ACTION:** For Lidl Ireland and Northern Ireland, implementing sustainable water management is not a task for the future but for now. By putting various measures in place, we aim to help in protecting fresh water resources along our entire value chain.

## Our Operations

Our water consumption as a retailer is relatively low, across our own operations, with water being used for cleaning and welfare facilities only. Water meters are installed in all new stores as part of the new store specification since 2017 to ensure clear data monitoring. This guarantees transparency and ensures we are not increasing our use unnecessarily. We work closely with Irish Water to gain detailed readings of our water usage to allow for accurate monitoring and reporting.



GRI 3-3

## Our Supply Chain

The manufacturing of our products in particular is linked in part to higher water risks. These risks include higher water consumption, cultivation in areas where water is scarce, and the deterioration of water quality.

Together with the other companies of Schwarz Group, Lidl regularly carries out transnational analysis to identify the product groups in our agricultural supply chains with high water risks. As water-related risks in the supply chain take both water pollution and water consumption into account, we have examined our assortment based on these two factors.

### On-Farm Sustainable Water Management

To ensure that our suppliers working on farms, in areas with high-water risks, handle water in the production process in a sustainable way, we require all our fresh fruits and vegetable producers in Spain, Portugal, Italy, Greece, Egypt, South-Africa, Morocco, Israel and Chile to adopt good water practices based on acknowledged water certification such as GLOBAL G.A.P. Spring, Rainforest Alliance or Fairtrade.

### Alliance for Water Stewardship (AWS)

In 2018, Lidl Group joined the Alliance for Water Stewardship (AWS). The platform aims to address shared water issues through a multi-stakeholder approach. We currently have a number of certified selected producers in Spain. We also actively participate in the AWS agricultural working group to support collective action approaches in river-basins at risk.

### Textiles

To address water scarcity and pollution in textile production, we make sure that all our cotton is certified according to the Cotton made in Africa (CmiA) standard, where production is predominantly rainfed, or the Global Organic Textile Standard, where pollution in the cotton supply chain is kept to a minimum. Furthermore, all our textiles must have STeP by OEKO-TEX(R) certification, to reduce water pollution at the processing stages. In 2014, we also joined the Greenpeace Detox-Campaign as the first food retailer.

# Raw Materials

**WE ARE COMMITTED TO THE CONTINUOUS PROTECTION AND RESPONSIBLE USE OF RESOURCES ALONG OUR ENTIRE VALUE CHAIN.**

## Current Context

The procurement of raw materials is a key function of our operations. The extraction of raw materials can have detrimental implications on the environment. That's why at Lidl Ireland and Northern Ireland we are committed to operating our business responsibly at every stage of our value chain. Our key priorities involve upholding and strengthening the social and environmental standards in our global supply chains and minimising the risk of negative impacts across all stages of raw material procurement for example cultivating, harvesting, farming, producing, and packing our products. While this area of our value chain is not fully in our direct control, we recognise the role we can play in positively influencing best practices across our global value chain and markets in which we operate.

## Challenge

Lidl offers a wide range of products, which are sourced from a variety of critical supply chains. Depending on their origin and production methods, the value chains of these raw materials may have ecological, environmental, and social risks. Raw material extraction and processing are associated with increasing greenhouse gas emissions, biodiversity loss, water exploitation and soil degradation. Across these critical supply chains traceability and transparency can also be a challenge, as this area of value chain lies outside of our direct control.

**OUR ACTION:** To mitigate against these impacts, we work closely with our suppliers and international NGOs to continuously develop achievable but ambitious international and national responsible sourcing targets. This involves attaining certifications, aligning to industry initiatives such as Origin Green and implementing mapping activities across our key critical raw materials such as palm oil and soya. This supports more transparency across our entire value chain and our due diligence policy.

GRI 3-3 1. Lidl Specific Disclosure



Our key priorities involve upholding and strengthening the social and environmental standards in our global supply chains.

To focus our actions on the areas where we can have the biggest possible impact and to develop a framework for introducing raw material-specific measures and minimising possible risks in a targeted manner, we focus on critical raw materials. They have been identified as having the greatest impact on people and the environment and are also highly relevant to our product ranges internationally. For more information on our raw material strategy and commitments, please see our [Position Paper on the Sustainable Sourcing of Raw Materials](#).

## Sustainable Sourcing Training for buyers

In 2022 we have developed an e-learning for all of our buyers called "CSR in Buying". At Lidl Ireland and Northern Ireland we make it mandatory for all of our buyers to go through this training as soon as they join and then repeat it every two years to make sure that it is relevant and in the front of their mind for every buying decision they make. It is also made available for everyone in our company that has an interest in the topic.

It covers topics such as:

- Why sustainability in buying?
- What are our CSR focus areas?
- How do we implement our CSR strategy?
- Focus area: Raw materials and raw material targets

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# Responsible Products

At Lidl Ireland and Northern Ireland, we work closely with our suppliers to curate a product offering which promotes ‘responsible products’, where we prioritise the following attributes:

- **Promoting local stakeholders and suppliers**
- **Regional and seasonal products**
- **Fairly produced and certified products**
- **Animal welfare standards**
- **Increased product transparency & traceability**
- **Products free from ingredients commonly linked to food intolerances and allergies**
- **Offer a range of vegetarian/vegan products**

## Local Suppliers

**ACTION:** With over 2 million customers passing through Lidl stores each week, we have established longstanding relationships with our local suppliers and have become a valued part of the communities we source from.

We take pride in working with the best local suppliers to bring quality local produce to our stores while creating rural employment and export opportunities and opting for local suppliers whenever seasonality and availability allows us to.

**300** WORKING WITH MORE THAN **Suppliers** on the island of Ireland



## Certifications

Certifications provide important information both to consumers and food retailers in their choice of sustainable products. They support responsible consumption and promote sustainability within our product range. Certifications are based on a variety of different standards which promote human rights and workers’ rights and/or more sustainable production and processing. In most cases, certifications such as MSC (Marine Stewardship Council) or Fairtrade are displayed in form of a label directly on the products. However, some certifications, such as GLOBAL G.A.P. GRASP, apply to companies or their operations and are therefore not always directly displayed on pack.

**WHEN SOURCING PRODUCTS, IT IS PARTICULARLY IMPORTANT FOR US TO CONSIDER AND PROMOTE CERTIFICATIONS. COLLABORATING WITH CERTIFIED SUPPLIERS AND THE CERTIFICATION BODIES, AS WELL AS EXPANDING OUR PRODUCT RANGE TO INCLUDE CERTIFIED PRODUCTS, ARE ALL KEY STEPS IN IMPROVING THE SUSTAINABILITY OF OUR PRODUCT RANGE.**



More than **€1 billion** WORTH OF IRISH PRODUCE SOURCED ACROSS IRELAND IN 2022



More than **£347 million** WORTH OF PRODUCE SOURCED FROM NORTHERN IRELAND IN 2022

## Expanding our Responsible Assortment

### Organic Products

We continuously increase our offering of organic products where possible to give our customers the option to choose products produced to organic standards.

### Vegan and Vegetarian Products

Lidl sells vegan and vegetarian products in Ireland under its own-brand Vemondo. We not only want to appeal to vegans and vegetarians, but we also want to build a bridge for all customers who may choose to incorporate more plant-based options in their diets.

### Fairtrade

Fairtrade certifies products and stands for better working and living conditions for small farmers and workers mainly in the countries where high risk raw materials are produced.

**More than 140** own-brand organic products in our EVERYDAY RANGE IN IRELAND



**More than 90** own-brand organic products in our EVERYDAY RANGE IN NORTHERN IRELAND

Approximately **20** products in our everyday Vemondo range ACROSS THE ISLAND OF IRELAND



**115+** own-brand FAIRTRADE PRODUCTS IN OUR EVERYDAY RANGE IN IRELAND



**55+** own-brand FAIRTRADE PRODUCTS IN OUR EVERYDAY RANGE IN NORTHERN IRELAND



Since 2020, the Way to Go bar has benefitted approximately **2222 individual cocoa farmers** from 27 societies, 30% of whom are women.

## Way to Go Bars

Together with Fairtrade, we developed and launched a pioneering chocolate bar called Way to Go. We are delighted to continue our partnership with Fairtrade on Way To Go offering various delicious flavours such as Salted Caramel, Pecan Coconut, Dark or Classic Milk. Way To Go! is made from 100% traceable cocoa beans grown by the Kuapa Kokoo co-operative in Ghana. Way to Go guarantees cocoa farmers in Ghana the Fairtrade Minimum Price for cocoa, the Fairtrade Premium and an extra Lidl Premium which is paid on every tonne of cocoa we buy for the Way to Go range. The Lidl premium is split into an additional payment and the financing of trainings and development projects to help farmers to close the gap towards a living income in the long run.



# Animal Welfare

## OUR GOAL IS TO ENSURE THE WELLBEING OF ANIMALS THROUGHOUT OUR SUPPLY CHAIN AS PART OF OUR RESPONSIBLE PRODUCTS STRATEGY.

The agri-food sector is critical to our local economy accounting for **38% of total indigenous exports and over 60% of indigenous manufactured exports**. With a continuously growing global population, demands placed on this sector and the high-protein market continue to increase exponentially. Animals are sentient beings who can perceive their environment, that is why at Lidl Ireland and Northern Ireland their welfare and health is a key consideration throughout the supply chain.

**CHALLENGES:** Due to Lidl's size, we are rarely able to source directly from farmers and therefore depend on our suppliers and third party certifications to assure our animal welfare strategy is implemented on farms.

**ACTION:** Lidl Ireland and Northern Ireland aligns and collaborates with Bord Bia and Red Tractor, respectively, both in animal welfare as well as in sustainability in agriculture.

Animal welfare is a core topic especially in the beef industry from a farmer perspective down to the consumers. Animal welfare is an evolving topic where standards and transparency are increasingly important across the supply chain. This will also help to create increased export opportunities for Irish produce because the data can be used to transparently communicate the conditions, welfare and sustainability properties of our local products. It is our ambition to actively support the development of those sustainability properties together with our suppliers and the certification schemes.

*For further information on animal welfare please see our responsible sourcing policies.*

**OUR COMMITMENT:** Currently, these commitments are being added to every contract we make with our suppliers to ensure they are being added to every contract we make with our suppliers to assure they are being honoured with the needed attention.

**OUR TARGET:** By 2024, all household and cleaning as well as personal hygiene and cosmetic products will be certified by Leaping Bunny to assure that our removal of animal testing is accredited.

At Lidl, animal welfare and health is a key consideration throughout the supply chain.



GRI 3-3 \* Working together for Animal Welfare - Ireland's Animal Welfare Strategy 2021-2025

# Labour & Human Rights

## WE ARE COMMITTED TO ENSURING TOTAL COMPLIANCE WITH LABOUR AND HUMAN RIGHTS STANDARDS ACROSS OUR ENTIRE VALUE CHAIN.

Lidl sells food, non-food and near-food products that are produced in intricate and complex supply chains all over the world. We therefore share the responsibility for ensuring compliance with labour standards and humane conditions along the entire value chain. By acting responsibly we can make an important contribution to the global social development. For example, when companies work with their suppliers to promote living wages and freedom of association, they're actively contributing to improving conditions for the people along their supply chain.

Additionally, increasing supply chain due diligence can help in uncovering and reducing the occurrence of modern-day slavery. Forced labour, child labour and human trafficking for labour exploitation and other severe forms of exploitation involving deception and coercion of workers are considered modern-day slavery.

**ACTION:** We are committed to ensuring we take responsibility for the impacts of our business and uphold the rights of people impacted and in turn continually drive improvements.

## Supplier Code of Conduct<sup>1</sup>

### LIDL TAKES A ZERO-TOLERANCE APPROACH TOWARDS INACTION ON FORCED AND CHILD LABOUR AND WORKS PROACTIVELY TO TACKLE THESE ISSUES AS PART OF ITS DUE DILIGENCE PROCESS.

In order to prevent and avoid forced or compulsory labour in our business, we require all our suppliers to comply with our Supplier Code of Conduct. Our Supplier Code of Conduct was developed in 2007 in line with the International Labour Organisation (ILO) core conventions. The Code specifically prohibits human rights violations in the form of both child labour and forced labour and further addresses issues including working conditions, discrimination and workplace health and safety. Thus defining the social expectations of

all global direct and indirect suppliers and forms an integral part of our commercial contracts. We require our direct suppliers to uphold the clauses from our Code of Conduct within their own supply chains as part of our commercial agreements. Our Code of Conduct is publicly available on our [website](#).

## Human Rights and Environmental Due Diligence

### Policies

At Lidl, we integrate our corporate due diligence principles into company-wide processes. The focus has been placed on our supply chain in recent years, as this is where our business activities have the greatest impact. Lidl has a standardised process on corporate due diligence. This includes the analysis of potential risks of violations of human rights and environmental impacts, as well as associated measures. A comprehensive description is provided in our [Human Rights and Environmental Due Diligence policy](#).

We have also developed a human rights strategy in our commercial business area, which defines clear principles, targets, standards, and responsibilities for the protection of human rights. This is provided for in our [Human Rights in the Supply Chain purchasing policy](#). We are developing a companywide approach to the implementation of human rights as well as environmental due diligence elements. We use a range of measures to inform our employees and raise awareness of the principles in place at Lidl Ireland and Northern Ireland. For example, there is an internal manual for our Buying team, which translates the principles on respect for human rights into concrete measures and targets.

### Training

**Employees:** Every year, **100% of our Buying and Procurement teams** as well as members of our Board of Directors are being trained in human rights policies.

**Suppliers:** We partnered with Business in the Community Ireland to develop a bespoke Human Rights and Modern Slavery training workshop for our food suppliers. Here we engaged suppliers from the fruit and vegetable, fish and meat industries and invited them to participate in the pilot of this training.

GRI 3-3 1. GRI 412-1



# Labour & Human Rights

## Transparency

As part of our journey towards greater transparency, we have also committed to publishing tier one information about our non-food supply chains. Our textile, accessories and shoes supplier lists can be downloaded on our websites at [lidl.ie/csr](https://www.lidl.ie/csr) and [lidl.co.uk/suppliers](https://www.lidl.co.uk/suppliers).

Our focus areas and objectives in the field of social standards, grievance and CSR requirements as well as the current statuses are in the overview below:

FOCUS AREA	OBJECTIVE	STATUS
<b>Pilot projects for setting social standards</b>		
Pilot Child Rights in the hazelnut supply chain in Turkey (with Save the Children)	Strengthening the rights of children in the hazelnut supply chain in Turkey	Complete <span style="color: green;">●</span>
ILO Better Work Rollout	Enabling of textile factories in Cambodia and Bangladesh to comply with ILO standards	In progress <span style="color: orange;">●</span>
<b>Grievance mechanisms</b>		
BKMS	Access to our grievance mechanism for all actors in our supply chains with the security of a structured process towards remedy	Complete <span style="color: green;">●</span>
Nuestra Voz Grievance Mechanism	Implementation of a grievance mechanism pilot in berry supply chain in Spain	Complete <span style="color: green;">●</span>
Grievance Mechanism Amfori	Coordination of rollout of the Amfori grievance mechanism (Speak for change)	In progress <span style="color: orange;">●</span>
Grievance Mechanism ACT	Implementation of a grievance mechanism in textile supply chain	In progress <span style="color: orange;">●</span>
Bangladesh ACCORD	Providing access to a grievance mechanism in the textile industry in Bangladesh	In progress <span style="color: orange;">●</span>
<b>CSR Requirements for suppliers</b>		
Sustainable Purchasing Policy	Contractual determinations for Lidl business partners on social and environmental conditions	Roll out in progress <span style="color: green;">●</span>

GRI 3-3

## Grievance

Lidl recognises that effective grievance mechanisms are key to identify human rights violations in our supply chain and are therefore a part of our Human Rights strategy. Corresponding action plans are being developed to remediate identified human rights violations for affected individuals. Lidl recognises 'effective grievance mechanisms' as defined by the UN Guiding Principles (UNGPs) on Business and Human Rights, meaning that they are legitimate, accessible, predictable, equitable, transparent, rights-compatible, a source of continuous learning and based on engagement and dialogue.

Nationally, Lidl Ireland and Northern Ireland has implemented a grievance mechanism via an online platform, available at [www.lidl.ie](https://www.lidl.ie) and [www.lidl-ni.co.uk](https://www.lidl-ni.co.uk) to enable any individual (whether they are connected to Lidl's direct operations or its supply chain), to report human rights, social and environmental violations. All grievances are independently processed by the organisation's Compliance Officer and the reporting system can be accessed via an internet-based application. Internationally we support cross-industry grievance mechanisms as provided by Fairtrade, Cotton made in Africa (CmiA), Marine Stewardship Council (MSC), Aquaculture Stewardship Council (ASC) and the Partnership for Sustainable Textiles.

## Risk Assessment

Audits play an important role in our due diligence to gather supply chain information at a given point in time. Through these independent assessments we gather information to support our wider risk analysis. In Ireland, Northern Ireland and Great Britain we work with Sedex to conduct risk-based SMETA audits to understand the effectiveness of social management systems within high-risk supply chains, including areas such as health and safety protection, working hours, wages and employee rights.

In our fruit, vegetable, plants and flowers supply chains we work with GLOBAL Good Agricultural Practices (G.A.P.) Risk Assessment on Social Practice (GRASP) and are committed to having 100% of our suppliers certified to GLOBAL G.A.P. - GRASP. This social risk assessment enables us to understand and evaluate the baseline performance of our growers around the world.



### Bananas

#### SOCIAL RISKS

- **Child labour:** Brazil, Ecuador, Philippines
- **Forced labour:** India, Indonesia
- **Workers' rights:** Brazil, China, Philippines
- **Discrimination:** India, Indonesia



### Cotton

#### SOCIAL RISKS

- **Child labour:** India, Turkmenistan, Uzbekistan
- **Forced labour:** India, Pakistan, Uzbekistan
- **Workers' rights:** India, Pakistan, Uzbekistan
- **Discrimination:** India, Pakistan



### Plants and Flowers

#### SOCIAL RISKS

- **Child labour:** Ethiopia, Kenya
- **Forced labour:** Ethiopia, Kenya, Thailand
- **Workers' rights:** Ethiopia, China, Malaysia
- **Discrimination:** Ethiopia, Kenya



### Fish

#### SOCIAL RISKS

- **Child labour:** Philippines, Thailand, Vietnam
- **Forced labour:** China, Thailand, Vietnam
- **Workers' rights:** Indonesia, Thailand, Vietnam
- **Discrimination:** Morocco, Mexico, Indonesia



### Hazelnuts

#### SOCIAL RISKS

- **Child labour:** Azerbaijan, Georgia, Turkey
- **Forced labour:** China, Georgia
- **Workers' rights:** China, Iran, Turkey
- **Discrimination:** Azerbaijan, Iran



### Coffee

#### SOCIAL RISKS

- **Child labour:** Ethiopia, Colombia
- **Forced labour:** Ethiopia, Indonesia, Colombia
- **Workers' rights:** Brazil, Guatemala, Indonesia
- **Discrimination:** Ethiopia, Honduras, India



### Cocoa

#### SOCIAL RISKS

- **Child labour:** Ivory Coast, Ghana, Nigeria
- **Forced labour:** Ivory Coast, Ghana, Indonesia
- **Workers' rights:** Brazil, Ivory Coast, Indonesia
- **Discrimination:** Ivory Coast, Ghana, Indonesia



### Palm Oil

#### SOCIAL RISKS

- **Child labour:** Ivory Coast, Nigeria
- **Forced labour:** Indonesia, Malaysia, Thailand
- **Workers' rights:** Indonesia, Colombia, Malaysia
- **Discrimination:** Guatemala, Indonesia, Papua New Guinea



### Rice

#### SOCIAL RISKS

- **Child labour:** Bangladesh, India, Vietnam
- **Forced labour:** India, Thailand, Vietnam
- **Workers' rights:** China, Thailand, Vietnam
- **Discrimination:** India, Indonesia, Myanmar



### Soya

#### SOCIAL RISKS

- **Child labour:** India, Nigeria, Paraguay
- **Forced labour:** China, India, Ukraine
- **Workers' rights:** Brazil, India, Ukraine
- **Discrimination:** Bolivia, India



### Tea

#### SOCIAL RISKS

- **Child labour:** India, Kenya, Sri Lanka
- **Forced labour:** China, India, Sri Lanka
- **Workers' rights:** Brazil, India, Kenya
- **Discrimination:** India, Kenya, Turkey



### Wood

#### SOCIAL RISKS

- **Child labour:** China, Indonesia, Russia
- **Forced labour:** China, Indonesia, Russia
- **Workers' rights:** Brazil, China, Indonesia
- **Discrimination:** Brazil, Indonesia

Within our non-food supply chains we have a requirement to conduct annual Amfori - Business Social Compliance Initiative (BSCI) social audits, the results of which form part of our buying decisions. We also outline clear expectations with regards to policies on preventing child labour, forced labour and responsible recruitment. By monitoring these audits we are able to drive continuous improvements in our supply chains. As part of our responsible sourcing policies, our cocoa, coffee and tea farmers and their supply chains are audited by Fairtrade and Rainforest Alliance which include strong social and environmental criteria in their standards.



**OUR COMMITMENT:** We are committed to taking actions to mitigate the (adverse) impacts of our own business activities in relation to human rights. We continuously review the potential and actual risks in the production of our goods through:

- **Conducting Risk Assessments**
- **Conducting three annual Human Rights Impact Assessments (HRIAs) in high-risk supply chains per year**
- **Increasing transparency in our supply chains**

GRI 3-3, 409-1

## Human Rights Impact Assessments (HRIA)

Our HRIAs follow a systematic process to identify, prioritise and address the impact of business operations on human rights issues within prioritised supply chains. This includes direct engagement with stakeholders and rights-holders within the scope of the assessment. An important aspect of our approach is the mitigation and remediation plan, which includes time-bound actions to ensure salient human rights risks identified through the process are mitigated and addressed effectively. To date, we have completed six HRIAs in total. By conducting HRIAs, Lidl systematically identifies potential and actual human rights risks in our supply chain. HRIAs are considered an important step in identifying concrete adverse human rights impacts in the supply chain and determining effective measures. Based on the recommendations resulting from the HRIA process, action plans with defined activities and objectives are developed. Please find our published HRIAs [here](#).

# Labour & Human Rights

## Human Rights Impact Assessments

ACTION AREA	KEY INFORMATION	TARGET STATUS
<b>Risk Assessment</b>	<ul style="list-style-type: none"> <li>Scope: all high risk supply chains</li> <li>Goal: Identification of human rights and environmental risks in high risk supply chains</li> </ul>	Annually Complete ●
<b>From 2020 - 2022 we conducted 6 HRIAs with the goal to identify and mitigate specific Human Rights Risks</b>		
<b>HRIA Tea</b>	<ul style="list-style-type: none"> <li>Scope: Kenyan tea supply chain</li> </ul>	Conducted 2020 Published ●
<b>HRIA Berries</b>	<ul style="list-style-type: none"> <li>Scope: Strawberry supply chain in Spain</li> </ul>	Conducted 2020 Published ●
<b>HRAI Bananas</b>	<ul style="list-style-type: none"> <li>Scope: Banana supply chain in Columbia</li> </ul>	Conducted 2021 Published ●
<b>HRIA Processed Tomatoes</b>	<ul style="list-style-type: none"> <li>Scope: Tomato supply chain in Italy</li> </ul>	Conducted 2021 Published ●
<b>HRIA Wine</b>	<ul style="list-style-type: none"> <li>Scope: Wine supply chain in South Africa</li> </ul>	Conducted 2022 Complete ●
<b>HRIA Shrimp</b>	<ul style="list-style-type: none"> <li>Scope: Shrimp supply chain in India</li> </ul>	Conducted 2022 Complete ●
<b>Action Plan Berries</b>	<ul style="list-style-type: none"> <li>Language: DE, EN, ES</li> <li>Number of actions: 6</li> </ul>	Published 2022 Published ●
<b>Action Plan Bananas</b>	<ul style="list-style-type: none"> <li>Language: EN</li> <li>Number of actions: 3</li> </ul>	Published 2023 Published ●
<b>Action Plan Canned Tomatoes</b>	<ul style="list-style-type: none"> <li>Language: EN</li> <li>Number of actions: 5</li> </ul>	Published 2023 Published ●

For a complete and comprehensive overview of our human and labour rights commitments please see our **Human Rights Progress Report**

GRI 3-3

## Gender Equality and Rights Holders

We recognise that, even though women and smallholder farmers play a vital role within many of our agricultural and textile supply chains, they often experience country or sector specific challenges that can lead to greater vulnerability to human rights violations.

In 2020 Lidl Ireland and Northern Ireland signed the UN Women's Empowerment Principles (WEPs). The WEPs are a collaborative initiative between UN Women and the UN Global Compact. It is the first global initiative which aims to promote women's empowerment and gender equality within businesses and their supply chains. We also take an active role in driving a more sustainable supply chain and encourage ethical production methods, focusing on rights-holders. We are committed to supporting rights-holders to increase their resilience and prosperity. To develop these approaches and projects, we work with external stakeholders including civil society organisations, NGOs and trade unions. We collaborate here with expert partners such as Fairtrade, Cooperative for Assistance and Relief Everywhere (CARE), UTZ, Round Table on Responsible Soy (RTRS) and GIZ (German Association for International Cooperation).



## Labour Rights

At Lidl, we are committed to ensuring colleagues feel secure and supported whilst working with us. We pride ourselves on providing our employees with a safe and healthy working environment and by having an organisational culture that promotes diversity, personal development and respect.

### Approach:

We are committed to applying global principles to how we work. We ensure we are compliant with ILO core labour standards whilst being mindful of international standards and benchmarks when employing company principles and practices.



**ACTION: Compliance Management System**  
To ensure compliance across all of our business processes, the Human Resources (HR) department runs the HR Compliance Management System (CMS) program. This ensures compliance with applicable national law and internal rules and regulations.



**ACTION: Code of Conduct<sup>1</sup>**  
Our Code of Conduct forms an integral part of corporate governance. The failure to observe employee rights or fundamental human rights in any form is unlawful and will not be tolerated at Lidl. We safeguard these rights through the establishment and implementation of appropriate policies and procedures which are consistent with the requirements of local national law, the company's values and principles.

If a compliance breach is suspected or occurs, including breaches of our Code of Conduct, our employees can report it directly to their manager or Compliance Officer. Both employees and external whistleblowers can also anonymously report matters through our online reporting system. All reported information is treated as strictly confidential. No whistleblower is disadvantaged in any way by reporting an incident.

GRI 3-3



- **Employment Information**  
We provide all our employees with written and understandable information about their employment conditions and working arrangements including wages, hours and holidays.
- **Employee Engagement**  
We engage in open, clear and honest communication with employees about how the business is doing and provide employees opportunities to give feedback through surveys, listening groups such as those used in WSLW (Work Safe, Live Well), and directly to their line manager. We believe our people are our biggest assets, and that achievement of our business objectives depends on good communication where information, ideas and concerns can be freely exchanged between everyone – at all levels. Giving our employees a 'voice' in the workplace is important. Lidl is committed to direct employee engagement and participation as we believe that our employees have invaluable first-hand knowledge of our business operation, have the greatest vested interest in our commercial success and know most about what issues matter to workplace colleagues.
- **Equal Opportunities**  
We treat all employees with dignity and respect and it's our expectation that our employees treat each other and our customers in the same way. It is Lidl's policy to promote an environment free from discrimination, harassment, and victimisation where everyone will receive equal treatment and where all decisions relating to employment are objective, free from bias, and based solely on work criteria and individual merit. Lidl respects cultural and individual diversity and promotes inclusivity which includes seeking opportunities to support disadvantaged people into work. Lidl supports working parents and others who may have caring responsibilities by providing, where possible, opportunities to work flexibly and as a minimum, meets all local legal requirements in respect of maternity, paternity, parental leave and special leave arrangements.





# Labour & Human Rights

Lidl Ireland and Northern Ireland does not collect any information about operations and suppliers in which the right to freedom of association and collective bargaining may be at risk.<sup>1</sup>

## Employees by employment type at Lidl Ireland<sup>2</sup>

	FY 2021	FY 2022
Full-time employees	26.6%	26.8%
Part-time employees	73.4%	73.2%
Permanent employees	97.6%	97.6%
Fixed term employees	2.4%	2.4%

## Employees by employment type at Lidl Northern Ireland<sup>2</sup>

	FY 2021	FY 2022
Full-time employees	20.5%	19.6%
Part-time employees	79.5%	80.4%
Permanent employees	99.2%	99.3%
Fixed term employees	0.8%	0.7%

We aim to provide permanent employment wherever possible. Where temporary workers, for example, fixed term contracts or apprenticeship schemes are employed, appropriate policies and procedures are in place to ensure their employment relationship (i.e. non-permanent status) is justified by the nature of the role they are undertaking, its likely duration and safeguard their legal rights.<sup>2</sup>

## Life Balance

### Work Safe. Live Well. Wellbeing Programme

Employee wellbeing is of vital importance at Lidl Ireland and Northern Ireland. **Work Safe. Live Well.** is the ethos of our Health and Wellbeing strategy. Designed to take a holistic view of employee health and wellness, the strategy focuses on three core areas; physical safety at work, physical and mental health, and financial wellbeing.

Our workplace wellbeing programme is designed to promote a strong work-life balance and is informed by regular colleague feedback and insights. We have expanded the programme over the past two years to include:

- **Laya 1:1 Parent Consultations**
- **Digital Wellbeing Studio - digital gym and wellbeing webinars**
- **Mindscore survey** – A holistic health and wellbeing survey providing mental health support tools.



1. GRI 2-30 2. GRI 2.7, 2-8

# Fair Remuneration<sup>1</sup>



## Our people are the heart of our operations.

As a leading retailer, we understand our responsibility to ensure our colleagues feel secure and supported by us in their roles across the entire business. Lidl is committed to building an exceptional place to work for teams and providing competitive packages, training, development programmes and policies that support colleagues for the continued success of Lidl Ireland and Northern Ireland.

**ACTION: As an employer, we see ourselves as responsible for paying our employees a living wage.**

All of our hourly rates and salaries are benchmarked against the market on an annual basis, reviewed and adjusted as necessary. Furthermore, we are also committed to ensuring that all of our employees are offered a 30-hour weekly contract as a minimum.

Our broad and comprehensive benefits offering has been developed to ensure that our colleagues are supported and to build an exceptional place to work. We aim to continue to deliver a market leading benefits offering to all our colleagues. We commit to reviewing our benefits offering annually using market reports, benchmarking analysis and colleague feedback received from our annual employee surveys.

**Our hourly rates and salaries are benchmarked against the market on an annual basis and adjusted as necessary.**

**All of our employees are offered a 30-hour weekly contract as a minimum.**

GRI 3-3 1. GRI 405-2, GRI 2-19, GRI 2-20

## Benefits Overview

- Living Wage Rate
- Minimum 30-hour contracts
- Tax Saver Schemes
- Pension Scheme and matching
- Healthcare either discounted or paid
- Minimum 20 days annual leave
- Multiple leave options such as: Sabbatical, Paid Sick Leave, Paid Marriage Leave, Paid Volunteer Day, Maternity and Paternity top-up after 1 year's length of service, Paid Fertility Leave and Paid Compassionate Leave for Early Pregnancy Loss and Miscarriage
- Paid Life Insurance
- Disability cover
- Subsidised activity groups
- Phone and fuel discounts
- Annual saving scheme
- Annual donation scheme
- Longevity bonuses
- Company car or fuel allowance
- Accredited course and training programmes
- External education support
- Relocation support programmes between international Lidl countries
- Free Employee Assistance Program (EAP)
- Flexible working policy

Our definition of benefits includes various types of non-wage compensation provided to employees in addition to their normal wages or salaries. All of the benefits listed are available, either completely or in part, to all full-time and part-time employees in Ireland and Northern Ireland. Lidl does not offer shares or stocks as we are a private company.

**Colleagues can learn more on all benefits and additions through the HR Hub hosted on our intranet portal or their HR manager.**

Policies pertaining to remuneration policies of our Board of Directors follow common policies to which all companies of Schwarz Group are committed. Further detail on these policies can be found [here](#).



# Fair Remuneration

## Living Wage

In 2015, we were the first retailer on the island to commit to paying the Living Wage in Ireland and Northern Ireland and have continued to match the Living Wage rates since then. (See page 13)

“Our most important asset is our people and now more than ever before, it is vitally important that we deliver on our responsibility to support our employees to overcome the challenges of the cost-of-living crisis as best we can.”

### Maeve McClean

Chief People Officer  
Lidl Ireland and Lidl Northern Ireland



## Gender Pay Gap

In the EU, women continue to earn 14.1% less per hour than men on average, according to Eurostat figures. This gender-specific difference in pay is known as the gender pay gap.\*

**IN ORDER TO PROMOTE GENDER EQUITY WITHIN THE REMUNERATION SYSTEM, THE FOLLOWING PRINCIPLE IS FIRMLY GROUNDED IN LIDL'S CULTURE: AS PART OF OUR HR STRATEGY, WE SEEK TO EMBODY EQUAL OPPORTUNITY AND ENSURE THAT EQUAL TREATMENT IS REFLECTED IN OUR REMUNERATION SYSTEM.**

In 2022, in line with new Irish legislation we reported our **mean gender pay gap of 7.9%** at Lidl Ireland which is the difference between the mean (average) hourly pay of men, and the mean (average) hourly pay of women we employ – **this falls to 3.1%** when calculated for our part-time employees which make up nearly 80% of our workforce as a retailer. As a comparison, in Ireland the average mean gap has been reported as 11.3% and at European level it is 14.1% according to Eurostat figures. Our median gender pay gap is 4.1% and this falls to 3% when calculated on our part-time employees, again which make up the majority of our workforce. The remaining gender pay gap is attributable to a greater proportion of males than females in senior roles in the business. Over the past year we have continued to invest in increasing the representation of female colleagues, across all levels in the business – from senior leadership to customer-facing roles through the development of industry-leading benefits, leadership development programmes and more. We recognise, however, that there is still more work to do to close the gap and it is our priority to continue to keep this in focus.

\* Source: Eurostat, 2021



## Gender pay gap and bonus gender pay gap at Lidl Ireland and Northern Ireland in 2022<sup>1</sup>

### Lidl Ireland Gender Pay Gap

Mean	<b>7.9%</b>
Mean Part Time	<b>3.1%</b>
Median	<b>4.1%</b>
Median Part time	<b>3.0%</b>

### Bonus gender pay gap\*

Mean**	<b>8.3%</b>
Median***	<b>10.7%</b>

### Gender pay gap – % of employees by pay level (in quartiles)

	FEMALE	MALE
Q1 – Lower remuneration quartile	<b>53%</b>	<b>47%</b>
Q2 - Lower middle remuneration quartile	<b>48%</b>	<b>52%</b>
Q3 - Upper middle remuneration quartile	<b>42%</b>	<b>58%</b>
Q4 - Upper remuneration quartile	<b>38%</b>	<b>62%</b>

### Gender pay gap – by professional and management level

	MEAN	MEDIAN
Top management	<b>25%</b>	<b>11%</b>
Senior management	<b>31%</b>	<b>32%</b>
Management	<b>3%</b>	<b>22%</b>
Employee	<b>3%</b>	<b>3%</b>

### Lidl Northern Ireland Gender Pay Gap

Mean	<b>6.1%</b>
Median	<b>1.7%</b>

### Gender pay gap – % of employees by pay level (in quartiles)

	FEMALE	MALE
Q1 – Lower remuneration quartile	<b>45%</b>	<b>55%</b>
Q2 - Lower middle remuneration quartile	<b>46%</b>	<b>54%</b>
Q3 - Upper middle remuneration quartile	<b>43%</b>	<b>57%</b>
Q4 - Upper remuneration quartile	<b>36%</b>	<b>64%</b>

### Gender pay gap – by professional and management level

	MEAN	MEDIAN
Top management	<b>N/A**</b>	<b>N/A**</b>
Senior management	<b>N/A*</b>	<b>N/A*</b>
Management	<b>8%</b>	<b>0%</b>
Employee	<b>1%</b>	<b>1%</b>

<sup>1</sup> GRI 405-2. Figures for Ireland have been calculated based on the requirements and methodology as set out in the Irish Gender Pay Gap legislation. Figures for Northern Ireland are based on our own internal Lidl group calculation methodology (as defined by the Schwarz Group).

#### IRELAND

- \* Bonus Gender Pay Gap calculation is currently only required in Irish legislation and is not a current requirement in legislation in Northern Ireland.
- \*\* The current bonus gap is equivalent to an average annual monetary difference of €100. Bonuses are awarded for length of service and our employee referral scheme.
- \*\*\* The current bonus gap is equivalent to an average annual monetary difference of €60. Bonuses are awarded for length of service and our employee referral scheme.

#### NORTHERN IRELAND

- \* For the gender pay gap in Northern Ireland, part-time hours or bonus hours are not a legally required calculation as they are in Republic of Ireland, as there is no official reporting body.
- \*\* We do not have female/male ratio of employees who fall into the top management or senior management categories in Northern Ireland.





# Diversity & Inclusion

## D&I Forum

At Lidl, our colleagues are spread across a number of different sites across the island of Ireland. We have employees working in offices, warehouses and stores. With this comes huge diversity of experience and insights and we are keen to capture these and empower colleagues to have their say. One of the mechanisms we use to do this is our employee forum. The forum meets on a quarterly basis to plan for campaigns like International Women’s Day, Pride or Black History Month. It’s also a way to share ideas, experiences or suggestions.

## D&I Board Champions

We have appointed Lead Champions from the Board for the below six areas. Having a Lead Champion for each area ensures that we have someone at leadership level who endeavours to keep their particular cohort in mind when making key decisions.

The board champions work directly with the D&I project manager throughout the year to ensure we are recognising key awareness days on our D&I calendar and that we are meeting our commitments which form part of our D&I strategy.

- **Gender Equality**
- **LGBTQ+**
- **Disability**
- **Race & Ethnicity**
- **Age in the Workplace**
- **Low Socio-Economic Areas**



**ACTION:** We have achieved a number of key milestones since 2020 which include:

- **Our D&I employee survey**
- **The creation of the D&I dashboard**
- **In-person training for our Board and leadership teams**
- **The establishment of our employee-led forum**
- **Several policies to support D&I as well as building in messages around allyship and belonging into our communications material.**

Using key internal communications channels such as our app, intranet and employee magazine, we have endeavoured to give our colleagues a platform for D&I. From our Women in Logistics programmes and work placements for people with neurodiversity to colleague experiences with autism, the employee magazine has been a great way to showcase the diversity we have at Lidl.



## Policies

We have a number of policies in place to empower people to thrive at work. Below are some of the policies we’ve developed to support colleagues:

- **Adoption Leave**
- **Carer’s Leave**
- **Dignity at work**
- **Diversity & Inclusion**
- **Employee Assistance Programme**
- **Equal Opportunities for All**
- **Fertility Support**
- **Fostering Leave**
- **Maternity Leave**
- **Menopause Awareness**
- **Parental Leave**
- **Paternity Leave**
- **Pregnancy Loss/Early Miscarriage**
- **Retirement**

## D&I Hub

To ensure our employees are equipped to grow our culture of D&I, we offer various D&I trainings and information through our D&I hub since 2021. This ensures all employees can be educated on how to be a better ally in the workplace. The hub hosts our D&I calendar which shows the key awareness and celebration days throughout the year. It enables us to build our awareness on what holidays our colleagues might be celebrating that we might not otherwise have been aware of. We want to ensure that all racial and ethnic backgrounds feel included and we celebrated the following days in 2022:

- **Chinese New Year**
- **International Women’s Day**
- **Black History Month**
- **IDAHOBIT International Day Against Homophobia and Transphobia**
- **International Coming Out Day**
- **Eid**
- **Pride**



## Focus on Pride 2022

In 2022 we launched a dedicated internal Pride campaign which involved elements of both education and celebration. We worked with an organisation called Certified Proud to deliver an awareness session for all colleagues called LGBTQ+ 101.

## Focus on Removal of the Retirement Age

We know that many of our colleagues would like to stay working beyond the traditional retirement age and the removal of the mandatory retirement age from our employment contracts empowers them to make that choice for themselves. We currently offer a top of the range pension programme to all colleagues, and those who choose to continue their service can opt to extend their pension plan on an individual basis.

In addition to the updated policy, we’re committed to supporting colleagues further by offering workshops across the island of Ireland in conjunction with the Retirement Council of Ireland and Later Life. These courses and workshops promote a holistic approach to retirement planning including financial preparation and support with all aspects of retirement.

“As one of the largest workforces in the country, we are aware of the broad scope of employees and age groups that work at Lidl, and we want to support those who would like to choose to continue working with us and are not limited by the retirement age policy.”

**Maeve McClean** Chief People Officer, Lidl Ireland and Lidl Northern Ireland





# Diversity & Inclusion

## Elevate Pledge

We are proud to have Lidl Ireland as one of the signatory companies of the Business in the Community Elevate Pledge. As part of this commitment, we have agreed to the following actions: Firstly, to submit data on the profile of our workforce. Secondly, to take an action specific to Lidl and where we are on our D&I journey.

In 2021, we committed to establishing our D&I Forum which involved appointing a lead and drawing up a terms of reference. The D&I Forum has now been in operation since early 2021 and meets on a quarterly basis. Key highlights for the forum have been the organisation's first Pride campaign in 2022 as well as having involvement in shaping more inclusive recruitment campaigns. In 2022, our commitment was to appoint our Lead Champions from the Board which we have achieved and look forward to building on.

### Diversity in Employees<sup>1</sup> (without a management function)

EMPLOYEES IN IRELAND <sup>1</sup> (without a management function)	2021	2022
<b>Gender Split (%)</b>		
Female	45.70%	48.10%
Male	54.30%	51.90%
<b>Age Split (%)</b>		
< 30 years	36.60%	36.30%
≥ 30 < 50 years	58.80%	58.40%
≥ 50 years	4.60%	5.30%
<b>EMPLOYEES IN NORTHERN IRELAND<sup>1</sup> (without a management function)</b>		
	2021	2022
<b>Gender Split (%)</b>		
Female	44.50%	44.00%
Male	55.50%	56.00%
<b>Age Split (%)</b>		
< 30 years	51.10%	52.70%
≥ 30 < 50 years	42.80%	40.70%
≥ 50 years	6.10%	6.60%

1. GRI 405-1

### Diversity in Governing Bodies Ireland<sup>1</sup>

EMPLOYEES IN MANAGEMENT	2021	2022
<b>Gender Split (%)</b>		
Female	34.10% <sup>Δ</sup>	36.30% <sup>Δ</sup>
Male	65.90% <sup>Δ</sup>	63.70% <sup>Δ</sup>
<b>Age Split (%)</b>		
< 30 years	10.40% <sup>Δ</sup>	10.90% <sup>Δ</sup>
≥ 30 < 50 years	87.20% <sup>Δ</sup>	85.50% <sup>Δ</sup>
≥ 50 years	2.40% <sup>Δ</sup>	3.60% <sup>Δ</sup>

EMPLOYEES IN SENIOR MANAGEMENT	2021	2022
<b>Gender Split (%)</b>		
Female	16.70%	12.50%
Male	83.30%	87.50%
<b>Age Split (%)</b>		
< 30 years	-	-
≥ 30 < 50 years	100.00%	100.00%
≥ 50 years	-	-

EMPLOYEES IN TOP MANAGEMENT	2021	2022
<b>Gender Split (%)</b>		
Female	28.60%	33.30%
Male	71.40%	66.70%
<b>Age Split (%)</b>		
< 30 years	-	-
≥ 30 < 50 years	100.00%	100.00%
≥ 50 years	-	-

### Diversity in Governing Bodies Northern Ireland

EMPLOYEES IN MANAGEMENT	2021	2022
<b>Gender Split (%)</b>		
Female <sup>Δ</sup>	28.60% <sup>Δ</sup>	31.30% <sup>Δ</sup>
Male <sup>Δ</sup>	71.40% <sup>Δ</sup>	68.70% <sup>Δ</sup>
<b>Age Split (%)</b>		
< 30 years <sup>Δ</sup>	22.20% <sup>Δ</sup>	16.40% <sup>Δ</sup>
≥ 30 < 50 years <sup>Δ</sup>	77.80% <sup>Δ</sup>	83.60% <sup>Δ</sup>
≥ 50 years	-	-

EMPLOYEES IN SENIOR MANAGEMENT	2021	2022
<b>Gender Split (%)</b>		
Female	-	-
Male	100.00%	100.00%
<b>Age Split (%)</b>		
< 30 years	-	-
≥ 30 < 50 years	100.00%	100.00%
≥ 50 years	-	-

EMPLOYEES IN TOP MANAGEMENT	2021	2022
<b>Gender Split (%)</b>		
Female	-	-
Male	-	-
<b>Age Split (%)</b>		
< 30 years	-	-
≥ 30 < 50 years	-	-
≥ 50 years	-	-

1. GRI 401-1. <sup>Δ</sup> Assured indicators \*Due to current policies in place we are not able to disclose employee turnover rates

### Diversity among New Employee Hires Ireland<sup>†</sup>

	2021	2022
<b>Gender Split (%)</b>		
Female	42.10%	45.70%
Male	57.90%	54.30%
<b>Age Split (%)</b>		
< 30 years	61.60%	63.90%
≥ 30 < 50 years	35.70%	33.50%
≥ 50 years	2.70%	2.60%

### Diversity among New Employee Hires Northern Ireland<sup>†</sup>

	2021	2022
<b>Gender Split (%)</b>		
Female	44.00%	42.80%
Male	56.00%	57.20%
<b>Age Split (%)</b>		
< 30 years	71.50%	73.30%
≥ 30 < 50 years	25.70%	22.90%
≥ 50 years	2.80%	3.80%

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# Corporate Citizenship & Local Development<sup>1</sup>

**OUR MISSION IS TO CONTINUE TO SUPPORT AND INVEST IN OUR LOCAL COMMUNITIES TO CONTRIBUTE POSITIVELY TO THE AREAS IN WHICH WE AND OUR CUSTOMERS LIVE AND WORK.**

We believe it is our responsibility to offer the best for our customers, suppliers, communities and the environment. Building a successful, sustainable future, not just for Lidl, but for all those we impact.

**ACTION:** We have established multiple partnerships, initiatives and programmes to help support our communities in areas that matter to them most.



## Jigsaw - The National Centre for Youth Mental Health

Since 2018, we have been proud to partner with Jigsaw – The National Centre for Youth Mental Health. Through this partnership, we have pledged to raise €2.5 million by 2024 and grow national awareness for youth mental health.

Over the course of this partnership we have been committed to delivering meaningful impact for Jigsaw and those we reach each and every day.

In 2022, following a review process seeking submissions from interested charities, our partnership with Jigsaw was renewed for a further two years. This speaks to the huge support for the charity from both staff and customers. As part of this process we increased our pledged amount from €1.25 million to €2.5 million. To date, we have raised over €2 million.

Key highlights for us have been our 'One Good' programmes becoming synonymous with our partnership with Jigsaw.

GRI 3-3 1. GRI 413-1

### One Good School

An integrated programme that empowers schools to strengthen the wellbeing and mental health of all their students and create a safe, responsive environment for the entire school's population. Over 46,000 registered users (students, teachers, parents) are on the One Good School online portal.

### One Good Club

One Good Club™ is a five-step youth mental health awareness programme for local clubs, developed in partnership with the LGFA and Jigsaw. In 2022, 26 clubs completed the programme, with 86% of participants reporting to have worked collaboratively with other organisations in their communities during the initiative.\*

### One Good Adult

We are working to encourage customers and colleagues to be One Good Adult® to a young person in their lives by being there to listen, support and advise when times are tough. We raised over €30,000 through a cause-related marketing campaign which saw us give a percentage of the proceeds of sales of tea bags to Jigsaw.



**Our network of Jigsaw Heroes across the business, have been pivotal to the success of this partnership. We have over 230 charity ambassadors across our offices, warehouses and stores who do incredible work engaging with our customers and raising money for our charity partners.**

**JIGSAW** Young people's health in mind  **€2 million** RAISED TO DATE

\* Source: Jigsaw, 2022



## NSPCC Northern Ireland

**SINCE 2017, WE ARE PROUD TO BE OFFICIAL CHARITY PARTNER WITH NSPCC NORTHERN IRELAND. OVER THE COURSE OF THIS PARTNERSHIP, WE AIM TO RAISE VITAL FUNDS WHICH WILL HELP ENSURE THE CHARITY REACHES CHILDREN ACROSS NORTHERN IRELAND WITH CRUCIAL SERVICES, SUPPORT AND ADVICE ON HOW TO STAY SAFE FROM ABUSE.**

On average, a child contacts the NSPCC childline service every 25 seconds.\* The helpline handled 5,587 contacts each month on average in 2021/2022.\*

We are proud to have worked with NSPCC since 2017 and most recently renewed our partnership with the charity in 2022 and pledged a new target of £1.1 million by 2024. The partnership term has been extended several times due to the success and popularity amongst our staff. To date, we have raised over £840,000 for the charity.

**This would not be possible without our network of NSPCC Champions across the business, every store has one champion ensuring that the presence of the partnership is felt across our stores in Northern Ireland. From our Superhero Saturday as part of the Childhood Day campaign to participating in the Viking Boat Race they work hard throughout the year to raise awareness and vital funds for the charity.**

**NSPCC** NORTHERN IRELAND  **£840,000** RAISED TO DATE

GRI 3-3 1. GRI 413-1 \* Source: NSPCC, 2022



# Corporate Citizenship & Local Development<sup>1</sup>

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## Ladies Gaelic Football Association

**OUR SPONSORSHIP WITH THE LADIES GAELIC FOOTBALL ASSOCIATION BEGAN IN 2016 AND SINCE THEN WE HAVE INVESTED OVER €6.5M IN THE SPORT.**



A key objective of this sponsorship is to invest in the grassroots level of the sport and so far we have supported over 700 schools and clubs with cash funding, new jerseys and playing equipment. In February 2021, we launched our biggest initiative yet, the Lidl Plus LGFA Rewards Scheme that saw us utilise the Lidl Plus Rewards App to give every club in the country the opportunity to earn rewards including new jerseys and cash funding up to a top prize of €20,000 per province. Over the first two years of the scheme, nearly 400 clubs have received new jerseys or cash funding with a total of over €575,000 invested.



### Our progress to date

- **Over €6.5 million** invested in the partnership since 2016.
- Over **700 clubs and schools** have received investment including cash funding, jerseys and training equipment.
- **Fundraising initiative** introduced via our **Lidl Plus app** where all clubs in Ireland can win up to €5,000 in cash funding with a grand prize of €20,000 to be won by a club in each province.
- **56 clubs** have participated in the **Lidl One Good Club** initiative developed in conjunction with our charity partner, **Jigsaw** – the National Centre for Youth Mental Health. The programme encourages positive mental health and better mental health awareness in the clubs and communities based on Jigsaw’s ‘5-a-day for your mental health’ framework.
- **56 schools** have participated in the **#SeriousSupport Schools Programme** which is an athlete mentor-led programme devised with Youth Sport Trust, the UK and Ireland’s leading charity improving every young person’s education and development through sport and play. The programme involves senior inter-county ladies Gaelic footballers deliver workshops in secondary schools focused on building resilience and positive mental health through participating in ladies Gaelic football with a long term goal of decreasing the drop out rate among teenage girls.



**700 clubs and schools**  
received investment



**Fundraising Initiative**  
via Lidl Plus



**€6.5 million**  
invested since 2016

GRI 3-3 1. GRI 413-1

## Charity Gift Cards

Through our Charity Gift Card Programme, registered charities can receive a discount when purchasing gift cards which are redeemable in our stores across the island of Ireland.



### Donations made to our charity partners FY21 and FY22<sup>2</sup>

CHARITY	DONATIONS FY 2021	DONATIONS FY 2022
<b>Jigsaw</b>	€692,500	€327,125
<b>NSPCC</b>	£187,000	£214,889



GRI 3-3 1. GRI 413-1 2. GRI 201-1

### Fundraiser in Focus: Trolley Dash

Trolley Dash is our largest annual fundraiser, which is run in aid of Jigsaw and NSPCC. To date, this initiative has raised **over €3,000,000 since 2014** for local charities across the island of Ireland.

## Period Poverty

In 2021, Lidl Ireland and Northern Ireland, became the first major retailer in the world to offer free period products in stores nationwide to women and girls across the island affected by period poverty in partnership with Homeless Period Ireland, Homeless Period Belfast and The Simon Communities of Ireland and Northern Ireland. Period poverty is described as the lack of access to sanitary products, menstrual hygiene education, toilets, hand washing facilities, and, or, waste management. This initiative features a dedicated coupon for a free box of sanitary pads or tampons per customer each month through the Lidl Plus app. We have also committed to quarterly donations of these products to The Simon Communities to ensure people experiencing homelessness - who may not have access to a smartphone - can access these essential products.



**We are also working with the Ladies Gaelic Football Association (LGFA) to provide free period products in LGFA clubs across the country with the ambition to reach thousands more women and young girls who may not have access to these products on a regular basis. In addition, we continue to provide free access of these products to our employees.**

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# Corporate Citizenship & Local Development<sup>1</sup>

## Autism Aware Quiet Evenings

Bright lights, crowded spaces, noise and sensory overload, can make grocery shopping a very stressful task for people with autism.

**WITH THIS IN MIND, WE HAVE ORGANISED “AUTISM AWARE QUIET EVENINGS” IN EACH OF OUR STORES TO HELP PEOPLE AND FAMILIES WHO MAY STRUGGLE WHEN DOING THEIR WEEKLY SHOP.**

Although all customers are always welcome in our stores at any time throughout the week, these evenings are designed to create a better shopping environment for anyone sensitive to external stimuli.

- **Reduced lighting**
- **No music or announcements**
- **Lower till scan sounds**
- **Priority queuing and additional assistance**
- **Always welcome assistance dogs**



**Our progress to date** (Across all stores since 2018)

- **Sensory map** for all stores designed & available online
- **Autism Assistance Dogs** sponsored for two families
- Educational / **awareness building material** created
- Dedicated **annual sensory toy promotion** – including ear defenders and weighted blankets



Autism Aware Quiet Evenings take place every Tuesday from 6pm to 8pm, offering our customers a more comfortable shopping experience.

- **We joined the Valuable 500!** This is a global movement putting disability on the business leadership agenda. Joining this network of businesses, we are committing to bringing disability inclusion to the fore of our Board’s agenda.
- Lidl Ireland and Northern Ireland are the first Irish Retailer to become **JAM Card Friendly**. JAM cards allow users to let others know that they need an extra minute when it comes to some customer service situations.



## Lidl Sport for Good

**WE HAVE TEAMED UP WITH YOUTH SPORT TRUST, WHICH IS THE UK AND IRELAND’S LEADING CHARITY IMPROVING YOUNG PEOPLE’S EDUCATION AND DEVELOPMENT THROUGH SPORT, TO CREATE THE LIDL SPORT FOR GOOD SCHOOLS PROGRAMME.**



The schools programme educates students on the power of sport for positive mental health, boosting young people’s social skills, self-esteem and body confidence, and the positive effect it has on their mental health. The programme is delivered by specially trained athlete mentors including some of Northern Ireland’s most successful athletes.

**Our progress to date:**

- **Over £400,000** invested in more than 120 schools and sports clubs in Northern Ireland since 2019.
- **73 secondary schools** in NI have taken part in the Sport for Good Schools Programme



## parkrun

**In March 2022, we announced our partnership with parkrun, the free 5km weekly community event, which saw us become their Official Fresh Food Partner in Ireland.** Parkrun’s mission is to create a healthier and happier planet and we are playing our part by promoting healthy eating via the weekly parkrun exclusive Lidl Plus coupons offering a free healthy product that can be redeemed in any of our stores. Our investment helps to ensure parkrun remains free for everybody, forever so there are no barriers to participation. We have pledged to visit every single parkrun in the country to provide the parkrunners present with healthy refreshments when they have finished the course. By the end of 2022, we had provided over 300,000 free healthy products to parkrunners via the Lidl Plus Rewards App and visited 44 different parkrun locations around the country.

## Lidl Helping Hands Volunteer Programme

**WE HAVE A DEDICATED VOLUNTEERING POLICY WHICH ENTITLES ALL EMPLOYEES TO ONE PAID VOLUNTEER DAY PER YEAR.**



We want it to be easy and accessible for all of our colleagues across the business to take advantage of their volunteer day and have a range of worthwhile opportunities to choose from, regardless of their role or where they work or live. Lidl Helping Hands includes opportunities across a range of initiatives from social initiatives to programmes to encourage biodiversity. The aim is to support team-building and knowledge sharing. In 2021, we had over 200 volunteers take part in the Lidl Helping Hands programme, resulting in over 1000 hours spent volunteering.

These are some of our current volunteering programme partners:



# Business Relationships & Integrity<sup>1</sup>

Our business relationships are a key priority across our entire value chain. Ensuring we are compliant with applicable laws and internal guidelines ensures we are protecting our key business relationships.

## Compliance

**COMPLIANCE AT LIDL IS INGRAINED IN OUR CORE VALUES – RESPECT, TRUST, RECOGNITION AND RESPONSIBILITY – WHEREVER WE DO BUSINESS.**

This is the foundation upon which our key business relationships are built. We recognise our responsibility to ensure compliance across our operations. Compliance violations can result in personal liability for damages and possible legal consequences for individual employees or members of the company’s governing bodies. The actions of Lidl Ireland and Northern Ireland and its employees are therefore subject to the following principle: We comply with all applicable laws and internal policies.

Through our compliance programme, we are committed to establishing compliance as a central corporate principle that is binding for all employees. Lidl Ireland and Northern Ireland and its management expressly commit to complying with this corporate principle and ensuring its application in practice.

**ACTION:** Compliance at Lidl means: We comply with all applicable laws and internal policies

## Legal & Compliance Team

The Legal & Compliance Department is responsible for the implementation, continuous review and updating of our compliance programme to support our company principles. In addition, they investigate and clarify all internal and external reports of compliance violations, through our anonymous whistleblowing channel BKMS.

## Compliance Management System (CMS)

The CMS ensures there are appropriate standards in place to ensure compliance requirements are being met. We maintain a ‘zero tolerance principle’ in relation to compliance violations. The main focus areas of the CMS are anti-corruption/anti-fraud, business partner compliance and data protection. The measures available under the CMS include, in particular, issuing and communicating rules and regulations (e.g. rules regarding the handling of inducements and data protection rules), conducting training as well as investigating all internal and external reports of possible legal violations. The Legal & Compliance Department carries out a regular review of any identified risks and the measures implemented to ensure that the compliance programme is adequate, relevant and appropriate to ensure compliance in everything we do.

## Conflicts of Interest<sup>2</sup>

We have an internal conflicts of interest policy which is published on the Legal & Compliance intranet page for all employees to access. All employees are required to comply with this policy and the policy sets out what to do in the event of a conflict of interest arising. Additionally, conflicts of interest are covered in the Basics of Compliance training which is mandatory for all new starters in the business within the first three months and to be refreshed every two years. There are three whistleblowing channels available to all stakeholders to raise concerns in the event of reporting conflict of interests. Matters of significance for the business are required to be reported to the shareholder.

## Employee Training Programmes

Awareness-raising and training are undertaken shortly after employees join the company and are repeated regularly thereafter. All employees are required to complete mandatory training modules in Compliance & Data Protection. These training modules must be completed within three months of starting with the business and are then repeated every two years.

Guidance notes will be issued to the Company or the relevant department on changes in the law in order to raise awareness and ensure compliance. As part of the CMS Programme, the Legal & Compliance Department report to the Board to update them on all compliance measures.

## Whistleblowing Policy

Lidl is committed to practicing the highest standards of conduct and integrity each and every day. This includes acting legally, ethically, and respectfully in our relationships with customers, business partners and Lidl employees. As such we have three dedicated whistleblowing channels in the form of an email, phone-number and online system where customers, consumers, members of the public, business partners and employees can report any concerns involving alleged illegal, unethical or improper conduct, or a violation of Lidl company policies. These are reviewed by the business Compliance Officer and investigated with the relevant department if required. The Compliance Officer reports to the Board of Directors on compliance topics and additionally communicates with the Compliance departments of other Schwarz Group companies on a six-monthly periodical basis which includes the number of reports received and the outcome of any investigation. For privacy reasons and to protect the identity of whistleblowers, we do not make any disclosures in this report regarding the content or quality of the information reported. Whistleblowers will not be disadvantaged in any way by disclosing information. All reported information is treated as strictly confidential.

Due to the global nature of supply chain structures, social, human rights and environmental abuses may arise within supply chains. In complying with its corporate due diligence obligations, Lidl maintains the whistleblower channels described above, which are also available to affected parties in our Lidl supply chains.

## Maintaining Long-term Stakeholder Relationships

Our business relationships are central to our success. We take pride in cultivating long term relationships with our suppliers and business partners. To ensure these relationships remain fair and mutually beneficial to all parties we have implemented specific measures:

- **Pricing:** We ensure conformance with Irish legislation in terms of pricing.
- **Contracts:** All contracts conform to the Unfair Trading Practices (UTP) regulations, which implements the EU Unfair Trading Directive. Contract periods are generally kept to a standard of six months to a year.

“Ireland has a portfolio of amazing producers and at Lidl we strive to find premium products that not only taste great, but that are sourced from trusted Irish producers.”  
**Claire Mulrennan**  
Senior Buyer, Lidl Ireland and Northern Ireland



## SUPPLIER STORY: HONEYVALE

We have worked with Tipperary based supplier, Honeyvale Foods since 2007. Since then, the 15-year partnership has evolved exponentially, with the announcement of a €17 million deal in 2022. This saw a range of premium Irish pork and bacon products supplied to more than 200 Lidl stores across the island of Ireland.

We believe in investing in our suppliers - that is why in 2020, we created our dedicated Supplier Engagement Programme. The programme spanning over five years, sees a collaboration with a cohort of our key suppliers to develop sustainability projects to improve our supplier’s environmental impact and in turn, help our suppliers to grow their future business sustainably.

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GRI 3-3 1. GRI 2-25, GRI 2-26 Lidl specific Disclosure



# Ecosystems<sup>1</sup>

**WE ARE PASSIONATE ABOUT PROTECTING AND PROMOTING BIODIVERSITY ACROSS OUR OPERATIONS. BIODIVERSITY IS ESSENTIAL FOR THE HEALTH OF OUR ECOSYSTEMS.**

The current decline in biodiversity threatens the long-term quality and availability of plant and animal products. Through the promotion of resource conserving cultivation, extraction methods and reduced pollutant inputs, the retail trade can contribute to preserving natural resources and promoting biodiversity.

## Deforestation and conversion free supply-chains

By taking a structural approach to tackling deforestation and land conversion, we aim to make a positive contribution to protecting the climate, respecting biodiversity, sourcing sustainably, and upholding human rights. We have prioritised key supply chains to focus our efforts, these include: logging for wood and timber, the cultivation of palm (kernel) oil, soy, cocoa, and the creation of grazing land for cattle grazing. Examples of action taken within key high-risk supply chains include:

### Wood Products

All of our wood products are certified to the Forest Stewardship Council (FSC) or Programme for the Endorsement of Forest Certification (PEFC) or come from recycled wood sources. Our suppliers work hard to meet these requirements, which ensures we are supporting biodiversity on a daily basis.

### Palm (kernel) Oil

Lidl Ireland and Lidl Northern Ireland requires that Palm (kernel) oil is certified by the Roundtable on Sustainable Palm Oil (RSPO). The palm (kernel) oil used in food production is sourced to the 'segregated' standard. Derivatives and fractions contained in food and near-food products are certified in accordance with the RSPO "Mass Balance" standard at a minimum.

### Industry Collaboration

In addition to the sourcing of certified raw materials, Lidl Group is collaborating on multi-stakeholder initiatives and projects aimed at developing innovative raw material strategies and creating industry solutions to tackle deforestation and land conversion.

For example, for **Soy**, Lidl Group is a member of the Roundtable of Responsible Soy (RTRS) and through this Lidl Group are able to positively influence the strategic direction and support the development of the RTRS standards. Through our membership of Donau Soja, Lidl aims to support the responsible cultivation of soy in Europe.

For more details on certification and additional measures we are taking, please refer to our [Purchasing Policy for Supply Chains free from Deforestation and Land Conversion](#).

## Biodiversity in our Supply Chain

As a food retailer, our biggest impact on biodiversity comes from the sourcing of raw materials for our products. Many of our own-brand products contain raw materials that are linked to increased risks of endangering ecosystems and increasing deforestation. We are committed to understanding the social and environmental impacts of the raw materials used in the production of our products and reporting the impacts to create transparency. As a first step, our commitment has focused on achieving third party certification for those raw materials. Examples of certifications are:

### Cocoa

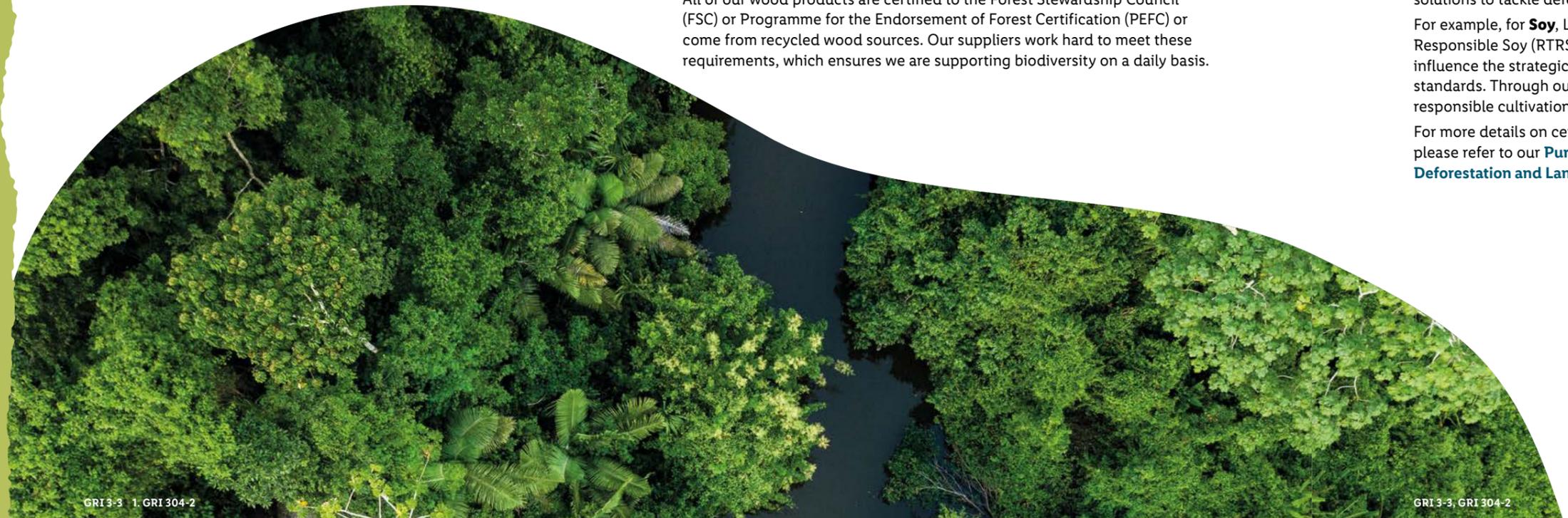
Cocoa used in our own-brand products is certified to Fairtrade, Rainforest Alliance standards and/or certified as organic.

### Fruit and Vegetables

Our fruit and vegetable suppliers require certification to Global Good Agricultural Practices (Global G.A.P.) or to a comparable standard of good agricultural practice recognised by GLOBAL G.A.P. Together with GLOBAL G.A.P. and other partner organisations, Lidl Group developed an industry-first additional module for more biodiversity in conventional fruit and vegetable cultivation in 2021 and 2022. The module has been available to all market participants from producers to distributors since April 2022 and can be accessed on the GLOBAL G.A.P. homepage. In 2022, the companies of the Lidl Group launched a pilot project for the application of the "BioDiversity" module with producers from various European countries. By the end of 2022, more than 250 producers have been successfully certified.

### Pesticides

We have a strict policy concerning pesticides, which indicates that our fruit and vegetables may contain no more than one third of the maximum level permitted by EU law.



GRI 3-3 1, GRI 304-2

GRI 3-3, GRI 304-2

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# Ecosystems

## Pollinator-Friendly Plants and Flowers Range

We are hugely proud of our pollinator friendly plants and flowers range which accounts for approximately 20% of our entire flower range. We continue to work to expand upon this range year on year. This range features an array of plants and flowers such as herbs including rosemary and chives, lavender and viola which are a magnet for pollinators such as bees and butterflies.



We have designed a dedicated 'bee-friendly' logo which is featured in our stores and advertising in our leaflet to highlight this range to our customers.



GRI 3-3, GRI 304-2



## Pollinator Stores

Pollinators are key for ensuring a healthy ecosystem and they are considered an essential part of the team at Lidl Ireland and Lidl Northern Ireland. They are vital for producing food, as they transfer pollen, aiding in the fertilisation of plants and flowers which results in producing seeds, ensuring a new generation of greenery is produced every day.



**ACTION:** In 2020, we signed up to the All-Ireland Pollinator Plan, where we committed to encouraging and promoting biodiversity incrementally across our operations. Since then, we have seen the roll-out of over 30 pollinator stores across the island of Ireland, and to reach 40 stores by 2024.

Pollinator stores are an innovative concept whereby suitable surrounding areas at Lidl Ireland and Northern Ireland store locations are optimised to create a hub for pollinators. These sites feature informative signage, pollinator friendly planting such as installation of native hedgerows and native trees as well as pollinator friendly perennial flower and herb beds.

We are committed to promoting the natural regeneration of wildflowers. At our pollinator friendly-stores we promote short-flowering or long-flowering grass cutting options, to allow for the natural regeneration of native wildflower. These sites may look overgrown but are in fact a haven for pollinators like bees, butterflies and hoverflies which are essential for the production of fresh fruit and vegetables available in store.



GRI 3-3, GRI 304-2



## Lidl Ireland and Gaisce

Gaisce – The President’s Award is a self-development programme for young people which enhances confidence and wellbeing through participation in personal, physical and community challenges. It is a direct challenge from the President of Ireland to all young people aged 14-25 to dream big and realise their potential. In 2021 and 2022, Lidl Ireland partnered with Gaisce - The President’s Award to promote and encourage biodiversity across Ireland.

### #BulbsForBees

In 2021, Lidl Ireland was delighted to support Gaisce Award’s #BulbsForBees pollination campaign - the largest pollination project in Ireland. As part of this campaign, we made thousands of pollinator friendly bulbs available across stores in Ireland. In addition to the bulbs available across our stores, every post-primary school in the country also received bulbs, equating to over 50,000 pollinator friendly bulbs. Bulbs were also sent to other Gaisce award partners like disability services, prisons and volunteer centres.

### #SeeYourBees

In 2022, we teamed up with Gaisce - The President’s Award once again for their See Your Bees campaign. This was a follow-up to their 2021 campaign #BulbsForBees. The See Your Bees campaign offered bee-spotters the chance to win an array of prizes. The aim of the competition was to boost biodiversity awareness, by asking the wider public to take pictures of bees in their natural habitats - in parks, gardens, window-sill pots. The best image was then selected as the winner.

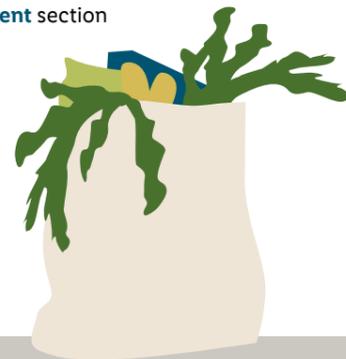


# Stakeholder Dialogue & Cooperation



## COMMUNICATING OPENLY AND TRANSPARENTLY WITH OUR STAKEHOLDERS IS A CORE PRINCIPLE OF HOW WE WORK AS A BUSINESS.

Our stakeholders are at the core of our business and we make it our priority to ensure clear, consistent and effective communication is maintained as outlined in the **stakeholder management** section of this report.



GRI 3-3

### Employees

Communicating in a timely manner with our employees is of vital importance. Our dedicated Internal Communications team are responsible for key communications channels to ensure our employees are kept informed about all things Lidl. From key business updates, to progress on our sustainability initiatives to employee stories to get to know one another better.

- **Employee Intranet**
- **Weekly Business Letter**
- **We Are Lidl App**
- **Insights Magazine**
- **'Lidl Chats' Podcast**



We are also conscious how important two-way communication is. In 2021 we set up our Ideas Hub where employees can share their ideas and feedback on improvements within Lidl.



In 2022, we launched our employee podcast 'Lidl Chats' which started as an employee idea submitted on our Ideas Hub.

Four episodes have now been recorded and launched. The podcast explores all things Lidl-related allowing our employees to get to know different parts of our business they may not encounter on a day-to-day basis. Hosted by two of our own Lidl employees, it features a wide range of guests ranging from various backgrounds across the business. The topics covered so far have looked at Lidl's approach to food waste, a deep-dive into our warehouse operations, the career development of one our senior leaders and the workings of Lidl's middle aisle!

### Customers

**WE ARE COMMITTED TO COMMUNICATING IN AN OPEN AND HONEST MANNER WITH OUR CUSTOMERS. WE SEEK TO EDUCATE CONSUMERS ON OUR INITIATIVES AND LEARNINGS.**

In 2022, we created a dedicated page in our weekly leaflet to highlight our progress on our initiatives, sharing tips and tricks to live more eco-friendly and showcase our local suppliers.



### Suppliers

**SINCE OPENING OUR DOORS IN NORTHERN IRELAND IN 1999 AND IN IRELAND IN 2000, WE HAVE FORGED MANY LONGSTANDING RELATIONSHIPS WITH LOCAL SUPPLIERS SOME OF WHOM HAVE BEEN WORKING WITH US FOR MORE THAN 20 YEARS.**

GRI 3-3

We value their feedback and engage regularly with them on raw material certifications, human rights, ethical trade and environmental standards.

### Supplier Engagement Programme

Launched in 2020 and led by our Responsible Sourcing Manager, our Supplier Engagement Programme runs over a five year period. The programme is dedicated to supporting suppliers on their sustainability journeys through feedback, insight and collaboration. The primary aim of this partnership is to develop long term plans with suppliers to address not only reducing carbon emissions, but also cutting the amount of packaging and instilling circularity, with plans to expand into other areas.

### Sustainability Supplier Event

In 2021, we launched our first ever sustainability supplier event, which has since become an annual event. The focus of this event is to celebrate and reward our suppliers for their contributions and efforts in their journey towards more sustainable operations. In addition, this event is a platform for knowledge-sharing, as our internal teams and external partners such as FoodCloud share knowledge and expertise with our supplier base and vice-versa.

### Communities

As one of the largest retailers in the country, we have a presence in a large number of local communities across the country. Recognising this reach, we engage regularly with local residents, local councils and community groups through formal and informal contact, for example, directly through our store colleagues, community initiatives and commissioned feedback forums. This ensures we are communicating directly with the communities in which we operate.

Our involvement with community initiatives and charity partnerships such as LGFA, Jigsaw, NSPCC, Parkrun - to name but a few, are of fundamental importance to us at Lidl.



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# Stakeholder Dialogue & Cooperation continued

## The Lidl Farm

In 2022, we were delighted to launch The Lidl Farm, an industry-first free educational farm-to-fork experience for primary school students.

**TOGETHER WITH AGRI AWARE, OUR EDUCATIONAL PARTNERS, AND ONE OF OUR KEY FRUIT AND VEGETABLE SUPPLIERS, MEADE, WE TRANSFORMED 8.5 ACRES OF UNUSED LAND AT OUR REGIONAL DISTRIBUTION CENTRE IN NEWBRIDGE CO. KILDARE INTO A FREE EDUCATIONAL EXPERIENCE FOR SCHOOLCHILDREN.**

The Lidl Farm features a custom-built classroom facility where young visitors can learn about how Lidl sources local produce, how crops are grown and partake in practical hands-on activities. Additionally tours of the distribution centre via the 'Lidl Farm Train' are also offered, providing students with an insight into how the retail supply chain works. The tours feature a specially made facility where schoolchildren can learn about the food supply chain.



The tours feature a specially made facility where school children can learn about the food supply chain.



# Enabling

At Lidl, our employees are our greatest asset. We believe in consistently supporting and prioritising their development and learning, both personally and professionally.



**ACTION:** We trust in the huge potential of our employees. We therefore believe that our responsibility to our employees also includes providing them with targeted training opportunities from entry-level to those with many years of experience.

### On-boarding

All new employees receive a detailed and customised induction plan. This includes onboarding details and procedures, customised for every individual role.

### Buddy System

Under our buddy system, all employees are assigned a specific "buddy" as soon as they start work. Buddies help their assigned employee with integration in the company, as well as integration in the employee's specific department and team.

### Talent Management

Our dedicated Learning and Development team have created bespoke courses which are available to employees through our internal talent management portal.

We also offer multiple development programmes to help everyone to fulfil their career potential:

**Feed Your Mind Management Programme:** Since its launch, we have had 127 employees join the Feed Your Mind programme which provides operational managers with the opportunity to obtain a fully funded degree whilst earning an attractive salary package. To date we have invested over €2.1 million into the programme.

**Lidl Bursary:** In 2016, the 'Lidl Bursary Programme' was launched in Northern Ireland, providing business undergraduates at University of Ulster and Queens University, Belfast with direct funding to support their studies, along with a guaranteed 12-month placement at Lidl Northern Ireland and permanent employment opportunities upon graduation. Incorporating this has amounted to an investment of over £470,000 for 20 students since its launch.

GRI 3-3

**Apprenticeships NI:** In 2018, we launched Apprenticeships NI. This new government backed initiative is aimed at new or existing employees who meet certain criteria. We currently have 41 employees completing a variety of apprenticeships including Customer Service Apprenticeship, Retail Apprenticeship, Team Leading Apprenticeship, Warehouse Apprenticeship and Business Administration Apprenticeship.

**Access to the Workplace:** We have partnered with DCU's Access to the Workplace to provide Access Students from a socio-economically disadvantaged background a paid summer internship in our Dublin Head Office. This represents an investment of approximately €45,000 over four years.

**Lidl Graduate Management Programme:** This is an 18-month programme, accredited by City & Guilds/ILM for recently graduated university students. Graduates on this development programme receive a bespoke training plan designed to help them get up to speed with every aspect of our business while also helping them to achieve their specific career goals and develop their unique skills. Since 2018 we have had 44 graduates complete the programme with an additional 24 graduates currently going through the programme.

**Get into Retail:** This scheme with The Prince's Trust in Northern Ireland helps young unemployed people to develop employability skills within retail. We have supported 213 young people and 90 participants have been offered full-time employment contracts on completion, with our length of service increasing to two years and four months.

**Internship Programme:** Internships are designed for current college students who wish to build their career in retail management. We have welcomed another 12 interns over 2021 and 2022.

**Our Leadership Academy:** A suite of development programmes designed to support participants to step into a new role should the opportunity arise.

**International Job Rotation:** The international exchange programme is designed both to provide employees from the junior level up with an opportunity for personal development abroad, and to actively encourage the international exchange of employees. The overseas stay is for between 12 to 24 months, during which time participants complete a language course, are familiarised with the activities undertaken in the host country and then independently perform various jobs.



# Conscious Nutrition

**WE ARE COMMITTED TO ENSURING THE BEST QUALITY PRODUCTS FOR OUR CUSTOMERS.**

Unbalanced diets can lead to numerous health complications, such as diabetes, cardiovascular disease, and strokes. Despite an increased awareness of these issues, 60% of Ireland's population over the age of 15 years are either overweight or obese\*. However, as a society, there is a broad understanding that we need to evolve our habits.

**ACTION:** At Lidl, we have been very proactive in the reformulation of our own-brand products with goals of reducing added sugar and salt, as well as targets for residues, contaminants, and additives in our products.

With our assortment of almost 3,000 own-brand products in Ireland and more than 2,800 own-brand products in Northern Ireland, we offer our customers a wide selection of food that supports a healthy lifestyle. Moreover, we are committed to further developing our product range based on the latest scientific knowledge.

## Targets

Reduce the sales weighted average content of added sugar\*\* by **20%**

ACROSS OUR OWN-BRANDED PRODUCTS BY 2025

Reduce the sales weighted average content of added salt\*\*\* by **20%**

ACROSS OUR OWN-BRANDED PRODUCTS BY 2025

\* Healthy Weight for Ireland: Obesity Policy and Action Plan 2016-2025

\*\* The reduction of sugar focuses primarily on foods that are popular with children. Therefore, the primary focus is on food categories such as breakfast cereals, spreads, sauces, and sweet confectionery.

\*\*\* The reduction of salt first focuses on food categories that are consumed on a regular basis and generally make up a large share of the daily salt intake including ready meals, soups, pizzas, crisps, cakes and meat products.

GRI 3-3

Since 2015, we have already achieved a **36% sales-weighted average reduction in the added sugar in our own-brand products.**

Our Quality team are dedicated to the reduction of sugar and salt by reviewing our own-brand range on an ongoing basis. The Lidl Quality team work closely with our suppliers to develop own-brand recipes in line with our specifications, which take all aspects of nutrition into account to meet the needs of our customers. Our unwavering standard is providing the best quality products to our customers. For this reason, we share our customer's feedback with our Buying team who use this to help to shape our range.



# Occupational Health & Safety



We are committed to ensuring our colleagues' health and safety is our top priority.

**ACTION:** We are firmly committed to maintaining the quality of our health and safety-at-work controls through reviews, continuous assessment, strong and meaningful communication methods and by raising awareness.

Our Environmental, Health & Safety (EHS) department achieve this by:

- Conducting risk assessments on all our activities and ensuring adequate control measures are in place.
- Consistent audit, inspections, and compliance reviews.
- Collaborative Safety Forums and meetings ensuring employee involvement.
- Providing best practice training, supervision, and advice to all departments to ensure health and safety is embedded within all processes and procedures.
- Driving and promoting a positive safety culture within all departments.



All of this is monitored through our Employee Health and Safety (EHS) Management System which highlights any potential risks or areas for concern. This system helps us to ensure our employee safety is managed effectively and areas for continuous improvement are identified.

Enforcing a strict Dignity at Work policy which helps to safeguard employees from any incidents of bullying, harassment or discrimination.

Some other Health and Safety initiatives rolled out in 2022 included:

## Safety Forums

Our Environmental Health and Safety team worked closely with the regional HR, Sales and Logistics teams to organise safety forums for employees to attend in each region. These safety forums provide a time for open communication and consultation with employees at all levels. The feedback from these forums has been very beneficial in establishing open communication and helping employees understand that their concerns are being considered and acted upon appropriately.

GRI 3-3

## Lidl's Top Ten Safety Essentials

We focus on one safety topic a month and communicate it through our employee app, communication screens and safety notice boards. These essentials are now embedded in our management system and we will continue to promote employee health and safety to ensure the safety of everyone who enters a Lidl premises whether it be an employee, customer or contractor.

## European Safety Week

We rolled out a Health and Safety campaign in October 2022, for European Safety Week. This involved communicating important information such as good manual handling practices and preventing incidents such as slips, trips and falls. The campaign also involved employees coming up with ideas and initiatives to improve safety in the workplace. These are now being reviewed by the Operations team as part of our lean and clean project.

## PENN Food & Compliance Safety App

The EHS department developed a food safety compliance app with our Operations team to ensure food safety and occupational safety checks were carried out in store. This app not only removed paper-based checks but it also saved time for Store Managers.

**TARGETS:** Through continued collaboration, Lidl's aim is to always ensure our employees return home safely each and every day. We will continue to evolve our online training and develop modules at a higher level for managers and supervisors.

**In 2022 Lidl Ireland and Northern Ireland were certified to the International Occupational Health and Safety Standard ISO 45001.**

A number of stores and warehouses were audited and employees were interviewed. We were delighted to achieve this certification, as employee and customer safety is a priority, and this certification assists us in streamlining our processes while ensuring compliance and continuous improvement.





# Reporting Overview

## About This Report

Lidl Ireland GmbH and Lidl Northern Ireland Limited has reported in accordance with the GRI Standards for the period 1st March 2021 to 28th February 2023. The GRI is an independent international organisation, whose standards represent global best practise for reporting on a range of economic, environmental and social impacts. This is Lidl Ireland's and Lidl Northern Ireland's third report in accordance with GRI Standards.

### One restatement is included in this report

1. Carbon Footprint – In 2021, Lidl Ireland and Northern Ireland realigned their carbon footprinting tool using updated emissions factors and the removal of 'Capital Goods' category from our Scope 3 emissions calculation, resulting in a 10% difference in our previously reported carbon footprint totals for 2019 and 2020.

## Design and Scope

This report was designed to achieve the following objectives:

- Communicate Lidl's efforts to benefit society through our products, services, and community initiatives.
- Track Lidl's progress across our programmes, initiatives, goals and commitments.
- Share Lidl's plans going forward, including sustainability targets and ambitions.

## Reporting Period

The reporting year for Lidl Ireland and Lidl Northern Ireland is March to February each year. All figures disclosed will be reported based on the Lidl financial years. This report is the third report and is reported in two year cycles.

## Reporting Reach

This report will disclose data collected for all Lidl Ireland and Northern Ireland stores, distribution centres and head office. All indicators reported will specify where the data was collated from for clarity.

## Independent Assurance Statement

To the Management of Lidl Ireland GmbH / Lidl Northern Ireland Limited

### Scope

We have been engaged by **Lidl Ireland GmbH / Lidl Northern Ireland Limited** (hereinafter Lidl or you) to perform a 'limited assurance engagement,' as defined by International Standards on Assurance Engagements, hereafter referred to as the engagement, to report on selected performance data (the "Subject Matter") marked with the symbol Δ in the Lidl 2021/2022 Sustainability Report (the Report). Specifically, our statement is applicable to the following disclosures for the reporting period **1 March 2021 – 28 February 2022** and **1 March 2022 – 28 February 2023**, covering the Lidl financial year 2021 and 2022:

1. **Energy Consumption** (subset of GRI 302-1; share of purchase of electricity from renewable energies in electricity consumption (% calculated), Power generation (kWh calculated), Share of electricity in-house generation in electricity consumption (% calculated), Electricity external procurement of renewable energies (kWh calculated), and Electricity External Purchasing Electricity Mix (kWh Calculated)). This does not include any other form of energy consumed.
2. **Total Food Waste Donated** (Lidl own metric; total volume of food waste donated from store)
3. **Diversity in Management** (subset of GRI 405-1; Management (headcount calculated), Management share<30 years (% calculated), Management share>= 30<50 years (% calculated), Management share>= 50 years (% calculated), Proportion of women in management (% calculated), and Proportion of men in management (% calculated))

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express a conclusion on this information.

### Criteria applied by Lidl

In preparing the Subject Matter, Lidl applied the **Global Reporting Initiative (GRI) Standards and Lidl's specific criteria as available on pages 89-93** (the "Criteria"). Such Criteria were specifically designed by Lidl to guide the measurement and reporting of the Subject Matter. As a result, the Subject Matter may not be suitable for another purpose.

### Lidl's responsibilities

Lidl's management is responsible for selecting the Criteria, and for presenting the Subject Matter based on that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records, and making estimates that are relevant to the preparation of the subject matter, such that it is free from material misstatement, whether due to fraud or error.

### EY's responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

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# Reporting Overview

We conducted our engagement in accordance with the *International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* ('ISAE 3000'), and the terms of reference for this engagement as agreed with **Lidl Ireland GmbH on 17 May 2023**. Those standards require that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter in order for it to be in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

The Subject Matter has been evaluated against the following criteria:

- ▶ **Completeness:** Whether all material data sources have been included and that boundary definitions have been appropriately interpreted and applied.
- ▶ **Consistency:** Whether the Lidl scope and definitions for the Subject Matter Information have been consistently applied to the data.
- ▶ **Accuracy:** Whether the data has been accurately collated by Lidl management, and whether there is supporting information for the data reported by operations to Lidl management.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

### Our Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, and have the required competencies and experience to conduct this assurance engagement.

EY also applies International Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance. Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making inquiries, primarily of persons responsible for preparing the subject matter and related information and applying analytical and other appropriate procedures.

Our procedures included:

- ▶ Interviewed management to understand the key processes, systems and controls in place for the preparation of the Subject Matter.
- ▶ Performed a review of the data management systems, reviewed alignment with the Criteria and conducted analytical review procedures over the Subject Matter.
- ▶ Undertook a remote desktop site visit with Lidl to understand the process of data collection and reporting from store level to head office.
- ▶ Agreed sample selection to supporting documentation and re-performed calculations.
- ▶ Assessed the appropriateness of the Criteria for the Subject Matter.
- ▶ Reviewed the Report for the appropriate presentation of the Subject Matter, including the discussion of limitations and assumptions relating to the data presented.

We also performed such other procedures as we considered necessary in the circumstances.

### Conclusion

Based on our procedures and the evidence obtained, we are not aware of any material modifications that need to be made to the subject matter for the reporting period 1 March 2021 – 28 February 2022 and 1 March 2022 – 28 February 2023, in order for it to be in accordance with the Criteria.

### Use of our Assurance Statement

We permit the disclosure of the final issued Lidl Assurance Statement, in full only, to be published in Lidl's Sustainability Report. Where you include the Lidl Assurance Statement in the Report, you will publish the whole of the Lidl Assurance Statement as a single document without amendments or redaction in the form that we provide to you. The Lidl Assurance Statement will contain language to that effect in respect of the Lidl Assurance Statement.

We disclaim any assumption of responsibility for any reliance on the Lidl Assurance Statement or its conclusions to any persons other than Lidl, or for any purpose other than that for which it was prepared.

Accordingly, we accept no liability whatsoever, whether in contract, tort or otherwise, to any third party for any consequences of the use or misuse of this assurance report or its conclusions.

### Ernst & Young

6th October 2023  
Dublin, Ireland

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<sup>△</sup> This symbol will feature beside all indicators that have received limited assurance.

RMP: Raw Materials Policy

Lidl Ireland GmbH and Lidl Northern Ireland Limited has reported in accordance with the GRI Standards for the period 1st March 2021 to 28th February 2023. For the Content Index - Essentials Service, GRI Services reviewed that the GRI content index is clearly presented, in a manner consistent with the Standards, and that the references for disclosures 2-1 to 2-5, 3-1 and 3-2 are aligned with the appropriate sections in the body of the report.

GRI STANDARD	DISCLOSURE	PAGE	COMMENTS
<b>GRI 1 used</b>	GRI 1: Foundation 2021		
<b>General Disclosures</b>			
<b>GRI 2: General Disclosures 2021</b>	<b>2-1</b> Organisational Details	6, 8, 9	
	<b>2-2</b> Entities included in the organisation's sustainability reporting	87	
	<b>2-3</b> Reporting period, frequency and contact point	6	
	<b>2-4</b> Restatements of information	87	
	<b>2-5</b> External assurance	6, 87-88	
	<b>2-6</b> Activities, value chain, and other business relationships	8-11	
	<b>2-7</b> Employees	8 & 58	
	<b>2-8</b> Workers who are not employees	58	
	<b>2-9</b> Governance Structure	15	
	<b>2-10</b> Nomination and selection of the highest governance body	15	
	<b>2-11</b> Chair of the highest governance body	87	<i>The Chief Executive Officer acts as the chairperson to the Board of Directors.</i>
	<b>2-12</b> Role of the highest governance body in overseeing the management impacts	15	
	<b>2-13</b> Delegation of responsibility for managing impacts	15	
	<b>2-14</b> Role of the highest governance body in sustainability reporting	89	<i>The Chief Executive Officer is involved in the reporting process and is responsible for the final approval of sustainability reports.</i>
	<b>2-15</b> Conflicts of interest	74	
	<b>2-16</b> Communication of critical concerns	74	
	<b>2-17</b> Collective knowledge of the highest governance body	15	
	<b>2-18</b> Evaluation of the performance of the highest governance body	Omitted	<i>Reason for Omission: A report on the evaluation of the performance of the highest governance body is not provided for reasons of confidentiality.</i>
	<b>2-19</b> Remuneration policies	59	<b>Schwarz Group FY21-22 Sustainability Report Pg45</b>
	<b>2-20</b> Process to determine remuneration	59	<b>Schwarz Group FY21-22 Sustainability Report Pg45</b>



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<b>General Disclosures</b>			
<b>GRI 2: General Disclosures 2021</b>	<b>2-21</b> Annual total compensation ratio	Omitted	<i>Reason for omission: No details can be provided on the annual total compensation ratio for reasons of confidentiality</i>
	<b>2-22</b> Statement on sustainable development strategy	2	
	<b>2-23</b> Policy commitments	16	
	<b>2-24</b> Embedding policy commitments	16	
	<b>2-25</b> Processes to remediate negative impacts	75	
	<b>2-26</b> Mechanisms for seeking advice and raising concerns	75	
	<b>2-27</b> Compliance with laws and regulations	Omitted	<i>Reason for omission: For confidentiality reasons, no disclosures can be made in relation to this topic</i>
	<b>2-28</b> Membership associations	21	
	<b>2-29</b> Approach to stakeholder engagement	19	
	<b>2-30</b> Collective bargaining agreements	58	
<b>Materiality</b>			
<b>GRI 3: Material Topics 2021</b>	<b>3-1</b> Process to determine material topics	17-18	
	<b>3-2</b> List of material topics	17-18	

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<b>1.5 DEGREES</b>			
<b>GRI 3: Material Topics 2021</b>	<b>3-3</b> Management of material topics	28-36	
<b>GRI 305: Emissions 2016</b>	<b>305-1</b> Direct (Scope 1) GHG emissions	30	
	<b>305-2</b> Energy indirect (Scope 2) GHG emissions	30	
	<b>305-3</b> Other indirect (Scope 3) GHG emissions	30	
	<b>305-5</b> Reduction of GHG emissions	30	
<b>GRI 302: Energy 2016</b>	<b>302-1</b> Energy consumption within the organisation <sup>Δ</sup>	32	<i>(Assurance provided on electricity only)</i>
<b>Conserving Resources</b>			
<b>CIRCULAR ECONOMY</b>			
<b>GRI 3: Material Topics 2021</b>	<b>3-3</b> Management of material topics	37, 38, 40	
<b>GRI 306: Waste 2020</b>	<b>306-1</b> Waste generation and significant waste-related impacts	37	
	<b>306-2</b> Management of significant waste-related impacts	37-42	
	<b>306-3</b> Waste generated	44-45	
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	<b>306-5</b> Waste directed to disposal	44-45	
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<b>GRI 3: Material Topics 2021</b>	<b>3-3</b> Management of material topics	46	
<b>Lidl Specific Disclosure</b>	Food Waste Management <sup>Δ</sup>	47	
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<b>RAW MATERIALS &amp; RESPONSIBLE PRODUCTS</b>			
<b>GRI 3: Material Topics 2021</b>	<b>3-3</b> Management of material topics	49	
<b>Lidl Specific Disclosure(NEW)</b>	Responsible Sourcing Practices and Management	49-50, RMP 2-9	<i>RMP: Raw Materials Policy</i>

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<b>GRI 3: Material Topics 2021</b>	<b>3-3</b>	Management of material topics	52
<b>LABOUR &amp; HUMAN RIGHTS</b>			
<b>GRI 3: Material Topics 2021</b>	<b>3-3</b>	Management of material topics	54-57
<b>GRI 409: Forced or Compulsory Labor 2016</b>	<b>409-1</b>	Operations and suppliers at significant risk for incidents of forced or compulsory labour	55
<b>FAIR REMUNERATION</b>			
<b>GRI 3: Material Topics 2021</b>	<b>3-3</b>	Management of material topics	59, 62
<b>GRI 405: Diversity &amp; Equal Opportunity 2016</b>	<b>405-2</b>	Ratio of basic salary and remuneration of women to men	61
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<b>GRI 3: Material Topics 2021</b>	<b>3-3</b>	Management of material topics	63-65
<b>GRI 405: Diversity &amp; Equal Opportunity 2016</b>	<b>405-1</b>	Diversity of governance bodies and employees <sup>Δ</sup>	66-67 <i>Assurance provided on 'Management' only.</i>
<b>GRI 401: Employment 2016</b>	<b>401-1</b>	New employee hires and employee turnover	67 <i>Partial Omission: Due to internal policies, no disclosures can be made on turnover.</i>
<b>CORPORATE CITIZENSHIP AND LOCAL DEVELOPMENT</b>			
<b>GRI 3: Material Topics 2021</b>	<b>3-3</b>	Management of material topics	68-73
<b>GRI 413: Local Communities 2016</b>	<b>413-1</b>	Operations with local community engagement, impact assessments, and development programs	68-73
<b>GRI 201: Economic Performance 2016</b>	<b>201-1</b>	Directly generated and distributed economic value	71
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