

Lidl Ireland and Lidl Northern Ireland



Modern Slavery Statement 2025



Contents

| | |
|---|---------|
| Foreword from our CEO | page 3 |
| Introduction | page 4 |
| Organisation Structure and Supply Chains | page 5 |
| Partnerships | page 10 |
| Policies | page 11 |
| Risk Assessment and Management | page 13 |
| Training | page 27 |
| Measuring Progress | page 29 |
| Looking Ahead | page 30 |

This statement is published in accordance with section 54 of the UK Modern Slavery Act 2015*. It details the steps taken by Lidl Ireland & Northern Ireland to mitigate against the risk of slavery and human trafficking occurring in our business or supply chains for the financial year ended 28 February 2025.

*The Irish equivalent legislation in the Criminal Law (Human Trafficking) Act 2008 (as amended) does not require companies to publish an annual statement however Lidl Ireland follows the principles of the UK Act as a means of best practice.



Foreword

At Lidl, our dedicated **A Better Tomorrow** sustainability strategy is designed to protect our planet for future generations. Our strategy is supported by five key pillars – Protecting Climate, Respecting Biodiversity, Conserving Resources, Promoting Health and Acting Fairly – each pillar is equally as important to us as a business. As part of our Acting Fairly pillar, we are committed to ensuring total compliance with labour and human rights standards right across our supply chain. By acting responsibly, we can make an important contribution to global social development.

As a global company, we work with thousands of suppliers from across the world and are committed to working closely with our network of suppliers and business partners to promote living wages and freedom of association. By doing this we are actively contributing to improving conditions for the people along our supply chain. Additionally, by focussing on our supply chain due diligence we can help to uncover and eradicate the occurrence of modern-day slavery. Forced labour, child labour and human trafficking for labour exploitation and other severe forms of exploitation are considered modern-day slavery and it is our view that this has no place in society today. Throughout the course of this report, we outline our policies, risk management and human rights strategy to ensure everyone involved in our global supply chain is treated fairly and with dignity.



Robert Ryan,
Chief Executive Officer,
Lidl Ireland and Lidl Northern Ireland



Introduction

The UK 2015 Modern Slavery Act sets out a range of measures aimed to combat slavery, servitude and forced or compulsory labour and human trafficking. As part of this leading legislation, UK companies with a global annual turnover of over £36 million have a responsibility to report on the activities undertaken to identify, mitigate and remediate risks of modern slavery in their organisations and supply chains.

Within the Republic of Ireland, the legislation overseeing any acts of modern slavery and human trafficking is the Criminal Law (Human Trafficking) Act 2008 (as amended).

Forced labour is the most prevalent form of modern slavery in Europe and Central Asia according to the last **Global Slavery Index Report**, which estimates that 50 million men, women, and children worldwide are trapped in modern slavery. Of these, 24.9 million people were in forced labour.¹

Our eighth modern slavery statement acts as a continuation of our previous statements and outlines the key steps we have taken to further develop our understanding and actions as part of our wider commitment to human rights due diligence. This statement covers Lidl Ireland & Northern Ireland's financial reporting period from 1st March 2024 to 28th February 2025.

¹ Global Slavery Index | Walk Free



Organisational Structure and Supply Chains

Our purpose at Lidl is to make good food accessible to everyone. As a business, we strive to work in a way that’s good for people and good for the planet - from farm to fork.

As part of this, we are committed to protecting and championing human rights across our supply chain. We recognise and embrace our responsibility to ensure that the people who produce our products have access to safe, decent work.

Lidl Ireland

Since establishing ourselves in Ireland in 2000, we have grown to have 186 stores and three regional distribution centres, and more than 5,500 employees, all ultimately serving millions of customers.

For the Financial Year 2024 (52 w/e 23rd February 2025) Kantar figures confirm Lidl Ireland had a year-on-year sales growth of +5.7% and a 13.3% market share.

Kantar Worldpanel Online | IE 5,000 Households | 52 weeks ending 23rd February 2025

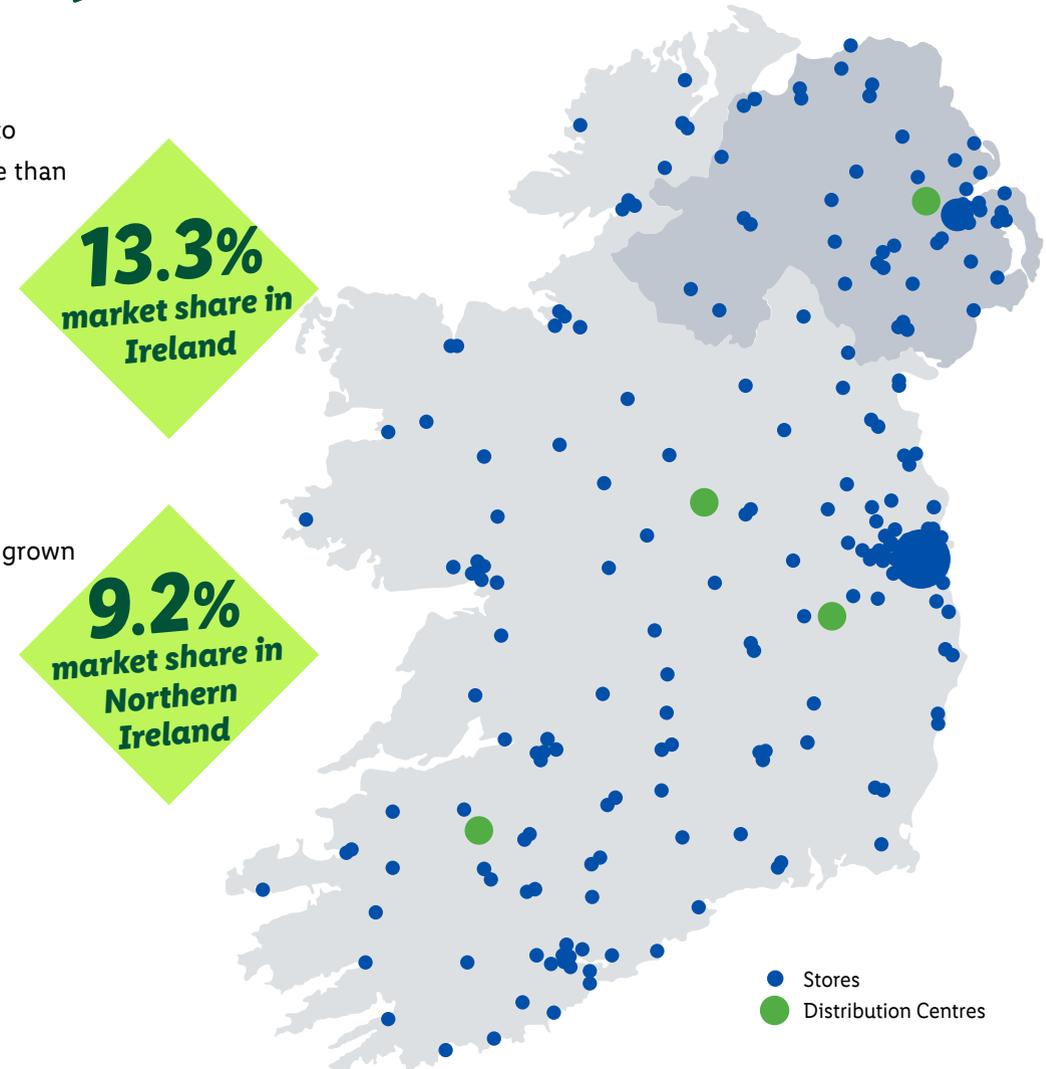
Lidl Northern Ireland

Since establishing ourselves in Northern Ireland in 1999, we have grown to have 43 stores, one regional distribution centre and more than 1,300 employees, all ultimately serving millions of customers.

For the Financial Year 2024 (52 w/e 23rd February 2025) Kantar figures confirmed Lidl Northern Ireland had year-on-year sales growth of +1.9% and a 9.2% market share.

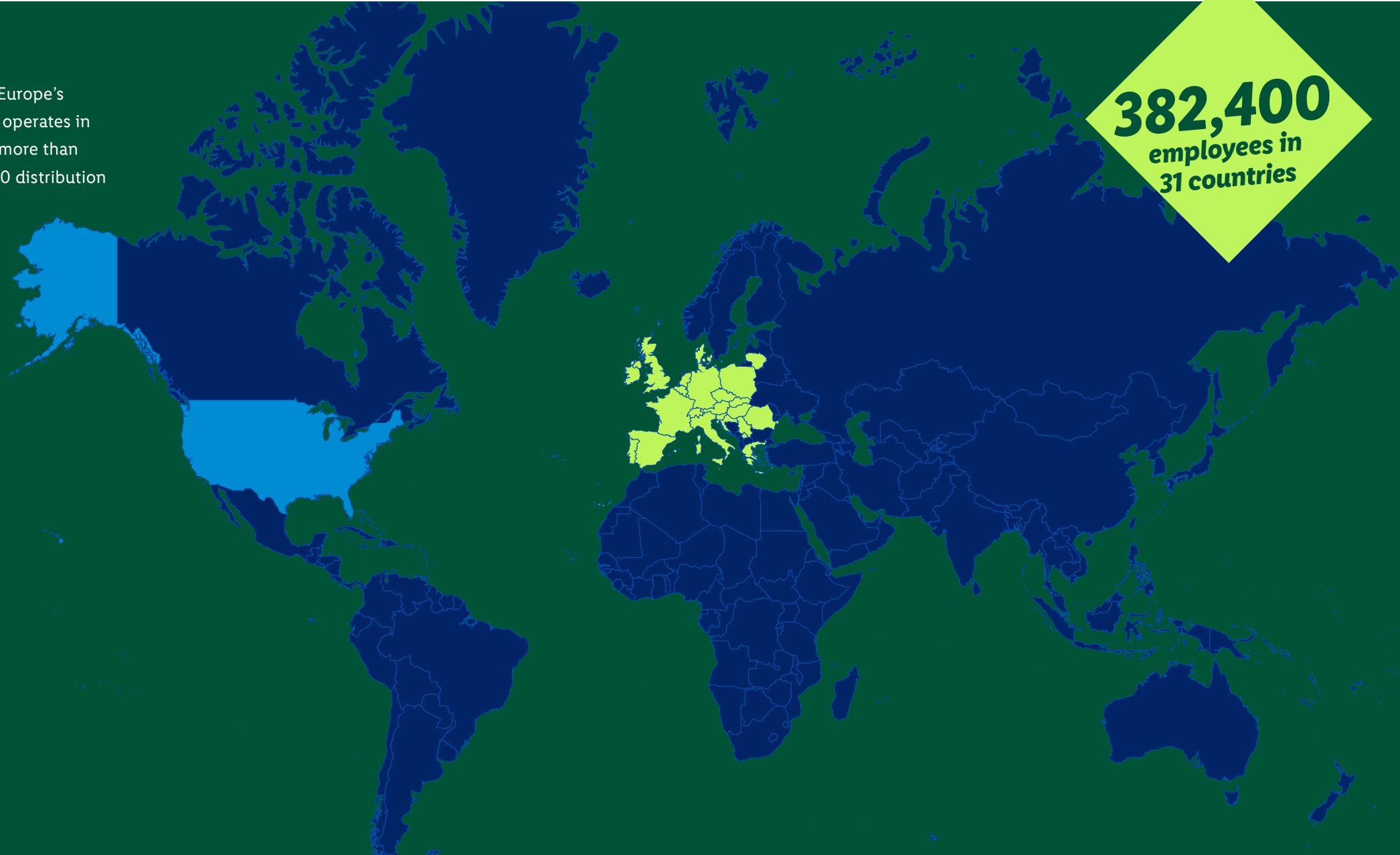
Kantar Worldpanel Online | NI 650 Households | 52 weeks ending 23rd February 2025

More than **6,500** employees and **229** stores on the island of Ireland



Lidl International

As part of the Schwarz group, Lidl is one of Europe's leading supermarket retailers. Lidl currently operates in 31 countries around the world and employs more than 382,400 people across 12,600 stores and 230 distribution and logistics centres.



Our Products and Supply Chains

Thousands of local and international suppliers and partners produce our ingredients, raw materials and finished products. These relationships are instrumental in our success and help us to fulfil our mission of providing the highest quality products at the best possible prices for our growing customer base.

Our products are negotiated by buying teams based in our Lidl Head Office in Dublin, at our international office (Lidl International) in Germany and throughout our network of Lidl markets in Europe. As a business, we understand our responsibility to improve living and working conditions wherever our products are produced or manufactured and we take proactive steps to reduce the risk of modern-day slavery.

Own-brand products make up the majority of the products we offer our customers, so they are the primary focus for our modern slavery strategy and overarching human rights due diligence.

Food

To offer the diverse array of food and fresh produce that our customers expect and enjoy, we source directly from a large pool of suppliers both locally and globally. We are committed to supporting local suppliers and wherever possible, it is our preference to source our products from local suppliers and therefore support the growing local economy.

In 2024 alone, Lidl procured €1.3 billion worth of goods and services from our network of more than 1,800 Irish suppliers and business partners. This is an increase of more than 70% over the last five years as we created more opportunities for customers in Ireland and international markets to buy world-class Irish-made products.

70%
growth in
procurement of
Irish Products
over last 5
years

Lidl Northern Ireland significantly boosted its impact, procuring more than £530 million worth of goods and services from local suppliers across the region. Of this, more than 75% was exported to Lidl stores across the globe, showcasing the best of Northern Ireland produce on the global stage.

Leveraging its global presence, Lidl has expanded its export opportunities for local producers, providing direct access to 27 international markets such as Croatia, France, Germany, the United Kingdom, and the USA, and supporting the growth of Ireland and Northern Ireland vital agri-food sector.

Food Promotions

During themed weeks in our stores throughout the year, we sell limited-time offer food and drink products from a variety of countries. While these are not permanently listed in our stores, these items are expected to meet our responsible sourcing requirements.

Non-Food

As a group, we buy and retail non-food products – found in the ‘Lidl Middle Aisle’ - including clothing, accessories, home textiles and hard goods. Most of our non-food products are bought through Lidl Stiftung who manage the Lidl Group’s global non-food ethical trading programme.

Procurement

Our Procurement department purchases the goods and services used to run our business, managing more than 800 supplier relationships to achieve this. Their orders span a range of items such as store, office and warehouse equipment – from desks, to computers, to store fittings and appliances.

As a business, we have intentionally embedded sustainability specialists in every business area to ensure that we comply with environmental and ethical guidelines.



Human Rights and Ethical trade

Our internal **Responsible Sourcing** team works from within our **Quality & Sustainability** department and supports our **Buying** department with the delivery of the priority topics linked to our supply chains, including plastics and packaging, sustainable agriculture, sustainable raw materials, and human rights.

The Schwarz Group, Lidl's parent company, have an overarching human rights strategy outlining clear human rights objectives, which we have adopted to reflect the human rights priorities of Lidl Ireland and Northern Ireland. This strategy was developed through comprehensive risk assessments and close engagement with specialist stakeholders. This has identified the main risks facing workers across our business operations and global supply chains.

For further information please review our [Schwarz Group Human Rights Policy Statement](#) .

Lidl Human Rights Strategy at a Glance



Governance

Overarching responsibility for upholding human rights due diligence sits with our CEO. A set governance structure exists across all Lidl markets to ensure a robust chain of accountability. Our Board of Directors also formally monitor our progress on key human rights and modern slavery issues. For more information on our full governance structure see our [Human Rights and Environmental Due Diligence Policy](#) and in our [Human Rights in the Supply Chain Purchasing Policy](#).



Partnerships

We have built longstanding business relationships with a number of partners. These partners support our human rights strategy in a variety of ways, like providing guidance, resources, training, audits and certifications to ensure we continue to evolve and embed our strategy.



Policies

We are committed to developing and embedding policies which uphold human rights and protect workers throughout the Lidl Group and global supply chains.

Our Business

We implement a range of policies to protect the colleagues we employ, both directly and indirectly through recruitment agencies, from the risk of modern slavery. Lidl ensures that appropriate recruitment processes and procedures are in place and adhered to in order to safeguard against modern slavery and human trafficking. These policies include our **Working Hours Policy, Break and Rest Periods Entitlements Policy, Equal Opportunity Policy, Dignity at Work Policy, Grievance Procedure, Diversity and Inclusion Policy** and **Domestic Abuse Policy**, which are all outlined in our HR Hub. The Dignity at Work Policy helps to safeguard colleagues from any incidents of bullying, harassment, victimisation, or discrimination.

All employees are given terms and conditions of employment that are monitored and updated on an ongoing basis to reflect best practice and changes to employment law.

We have continued to develop our established health and wellbeing programme, **Work Safe. Live Well**. This programme incorporates our colleague’s physical safety at work, their health and wellbeing, and their financial wellness. The programme focuses on creating an environment where our employee’s safety and wellness is prioritised, from their personal safety at

work right through to their overall sense of wellbeing. Initiatives to date include dedicated mental health campaigns, dedicated safety forums, access to free seminars and programmes and additional support and policies introduced including paid surrogacy leave and domestic abuse policy.

Our **Employee Assistance Programme** offers our people and their immediate family access to 24-7 counselling, legal, financial and consumer information, career guidance, life coaching, mediation, and health information. Through this Employee Assistance programme, we also offer a range of free and confidential services, which include counselling, cognitive behavioural therapy, and a confidential helpline for employees. The programme is a tool that line managers can utilise to get advice on how to support their employees through various workplace and personal scenarios, creating an environment where potential indicators of modern slavery can be more effectively identified.

Our **Diversity and Inclusion Policy** outlines our activities to ensure all employees feel a sense of inclusion and belonging. It sets out our commitment to an inclusive workplace as well as a workforce reflective of the diversity within our communities. At Lidl, we have four dedicated **Employee Resource Groups** (ERGs) made up of volunteers who we consult with on topics related to Gender Equality, LGBTQ+, Disability, and Sustainability.



- Gender Equality
- LGBTQ+
- Disability
- Sustainability

Our Supply Chains

At a group level, Lidl is committed to upholding human rights and protecting workers throughout our business and global supply chains. Due diligence at Lidl is founded upon our commitment to upholding all internationally recognised frameworks, as well as signing up to the specific principles, listed below.

- **International Bill of Human Rights**
- **UN Guiding Principles on Business and Human Rights**
- **UN Convention of the Rights of the Child**
- **UN Convention of the Elimination of All Forms of Discrimination against Women**
- **OECD Guidelines for Multinational Enterprises**
- **International Labour Organization Declaration on Fundamental Principles and Rights at Work**
- **Paris Climate Agreement**
- **Minamata Convention**
- **Stockholm Convention**
- **Basel Convention**
- **The ten principles of the UN Global Compact (UNGC)**

The Schwarz Group Business Partners Code of Conduct (CoC)  outlines the minimum standards expected from our supply chain partners and is included within all commercial agreements. It also outlines Lidl's zero tolerance approach to forced labour, involuntary prison labour and child labour and sets our commitment to end business relationships only when a supplier is not cooperating in improving the situation.

The Sustainable Purchasing Policy (SPP) is an additional contractual document for own-brand suppliers of goods for resale, outlining additional requirements or procedures on a variety of human rights and environmental supply chain topics. It includes responsible recruitment, protecting the rights of children and young people, and grievance mechanisms and redress. This document was developed to support our own brand suppliers to embed increased due diligence standards within their own business and wider supply chain.

ecovadis

To support our suppliers in benchmarking and progressing their human rights and environmental due diligence practices, Lidl has committed to expanding its partnership with Ecovadis to all own-brand suppliers of goods for resale.

Through this platform, suppliers complete a detailed self-assessment across themes such as: human rights, ethics and sustainable procurement. Ecovadis then review and rate the supplier questionnaires and evidence provided, and offers guidance to strengthen procedures or policies, aiming for continuous improvement. By the end of the financial year, all suppliers in scope will be meeting this commitment.

**Zero
tolerance approach
to forced labour,
involuntary prison
labour and child
labour**



Risk Assessment and Management

We structure our **Human Rights Strategy** using a risk-based approach. This means systematically identifying and addressing the most adverse, actual, and potential risks within our business and supply chains as a matter of priority.

This is done through the development of tangible actions, which are implemented within our business practices, buying policies and external programme partnerships, as outlined below. By applying these steps, we take accountability for the adverse impacts of our business and continually review further opportunities. This systematic process is guided by the UN Guiding Principles on Business and Human Rights.

Human Rights Strategy

Our **Human Rights Strategy** is based on five pillars, each aiming to tackle risks across our business and supply chains. These include:

- Training and capacity building
- Responsible Recruitment
- Supply chain programmes
- Effective grievance mechanisms
- Remediation

Regular Engagement and Dialogue with Stakeholders

Communicate

Report transparently on progress and learnings to internal and external stakeholders

Monitor and improve

Monitor and improve requirements and processes
Eliminate, reduce and avoid negative impacts
Provide access to effective grievance mechanisms and access to remedy



Identify risks and opportunities

Risk assess supply chain
Identify risks and opportunities
Assess impacts and organisational opportunities

Define requirements and processes

Define clear requirements, goals and objectives
Establish auditable processes
Allocate roles and responsibilities

Implement and review actions

Implement activities and interventions in the supply chain
Audit assess and develop the supply chain
Engage with stakeholders

2024 Risk Assessment Results

The raw materials risk assessment we conducted in 2024 analysed the human rights risks for a variety of different raw materials present in our supply chains. The risks include issues such as child labour and forced labour.

Identified high-risk raw materials and their associated risks/countries of origin are displayed in the table on the right.



| Tropical Fruits | Cocoa | Plants and Flowers |
|------------------------------|--|--|
| 01 India, Brazil, Türkiye | 01 Côte d'Ivoire, Ghana, Nigeria | 01 Ethiopia, Kenya, Türkiye |
| 02 India, Brazil, Türkiye | 02 Côte d'Ivoire, Ghana, Nigeria | 02 Ethiopia, Kenya, Türkiye |
| 03 India, Brazil, Türkiye | 03 Côte d'Ivoire, Ghana, Nigeria | 03 Ethiopia, Kenya, Türkiye |
| 04 Ecuador, Colombia | 04 India, Cameroon | 04 Costa Rica |
| 05 India, Ecuador, Colombia | 05 Côte d'Ivoire, Ghana, Nigeria | 05 Ethiopia, Kenya, Türkiye |
| 06 India, Ecuador, Colombia | 06 Ghana, Nigeria | 06 Türkiye |
| 07 India, Ecuador, Colombia | 07 India, Ecuador | 07 Türkiye |
| Spices | Tea | Sugarcane |
| 01 India, Türkiye | 01 China, India, Sri Lanka | 01 Brazil, India, China |
| 02 India, Poland, Türkiye | 02 China, India, Sri Lanka | 02 Brazil, India, China |
| 03 India, Türkiye | 03 China, India, Sri Lanka | 03 Brazil, India, China |
| 04 India | 04 India, Indonesia | 04 India |
| 05 India, Türkiye | 05 China, India, Sri Lanka | 05 Brazil, India, China |
| 06 India, Türkiye | 06 India, Sri Lanka | 06 India, Pakistan |
| 07 India, Türkiye | 07 China, India | 07 Brazil, India, China |
| Coffee | Nuts | Palm Oil |
| 01 Brazil, Vietnam, Honduras | 01 Vietnam, Nigeria, India, China, Côte d'Ivoire, Türkiye, Argentina | 01 Indonesia, Malaysia, Papua New Guinea |
| 02 Brazil, Vietnam, Honduras | 02 Vietnam, Nigeria, India, China, Côte d'Ivoire, Türkiye, Argentina | 02 Indonesia, Malaysia, Papua New Guinea |
| 03 Brazil, Vietnam, Honduras | 03 Argentina, Vietnam, China | 03 Indonesia, Malaysia, Papua New Guinea |
| 04 Colombia | 04 India, Burundi, Indonesia | 04 Indonesia, Papua New Guinea |
| 05 Brazil, Vietnam, Honduras | 05 Argentina, Vietnam, China | 05 Indonesia, Malaysia, Papua New Guinea |
| 06 Ethiopia | 06 India, Nigeria, Türkiye | 06 Indonesia |
| 07 Brazil, Honduras | 07 China, India, Nigeria | 07 Indonesia, Malaysia, Papua New Guinea |
| Cotton | Rice | Fish and Shellfish |
| 01 India, China, Pakistan | 01 China, Cambodia, Indonesia | 01 China, Ecuador, China |
| 02 India, China, Pakistan | 02 China, Cambodia, Indonesia | 02 China, Ecuador, China |
| 03 India, China, Pakistan | 03 China, Cambodia, Indonesia | 03 China, Ecuador, China |
| 04 India | 04 Cambodia, Indonesia | 04 n/a |
| 05 India, China, Pakistan | 05 China, Cambodia, Indonesia | 05 China, Ecuador, China |
| 06 India, Pakistan, Türkiye | 06 Cambodia, Indonesia | 06 India |
| 07 India, China, Pakistan | 07 China, Cambodia, Indonesia | 07 Ecuador, India |

01 Child Labour 02 Forced Labour 03 Fair Remuneration 04 Land Rights 05 Occupational Health & Safety 06 Discrimination 07 Freedom of Association

Supply Chain Transparency

Supply chain transparency remains an important feature of our Human Rights Strategy. By continuing to disclose the complex nature of our global sourcing, we are holding ourselves accountable for the impact we have within our food and non-food supply chains.

Our goal is to consistently build on these efforts. Since 2017, we have annually updated our tier one non-food and hardware supplier lists on our [website](#).

In 2021, we began publishing information ‘beyond tier one’. This means disclosing the supply chain actors that we work with indirectly, starting with recognised high-risk product categories: bananas, tea and strawberries. For all of these supply chains, Lidl have conducted and published a Human Rights Impact Assessment.

Third Party Certification Schemes

Third-party certification schemes are a vital initial step in our human rights' due diligence journey. They help to ensure that the sites we source from undergo regular monitoring and operate in line with approved standards across environmental and social criteria.

We have committed to sourcing critical raw materials more sustainably by the end of 2025. For a full list of our identified critical raw materials, as well as the corresponding targets we have set, please see our [Raw Materials Policy](#) ↓.

Fairtrade



In particular, we are proud to have grown our selection of Fairtrade certified products which now includes more than 75 own brand Fairtrade products in our everyday range in Ireland and Northern Ireland. This creates greater security for farmers, from long-term contracts to higher social standards.

It also means more reliable income, independent of fluctuating global market prices, for producers. This is especially important given the economic turbulence seen in the last few years.

Lidl Ireland currently have the highest sales of Fairtrade cocoa when compared to other retailers in Ireland, as well as having the highest sales of Fairtrade bananas in the Republic of Ireland accounting for 27% of total retailer sales.

We sell the largest amount of Fairtrade cocoa compared to other retailers in Ireland

27% of all Fairtrade bananas sold in ROI are sold in Lidl



Lidl have also partnered with Fairtrade to develop a pioneering chocolate bar called **Way to Go**. The first Way to Go project was initiated in September 2019 in collaboration with the cocoa co-operative Kuapa Kokoo Farmers union (KKFU), Fairtrade and Rikolto. The aim of the project was to improve the socio-economic conditions of cocoa farmers within the Kongo area of the Ashanti region of Ghana by increasing their income from cocoa production and boosting income generating opportunities in the area. In 2023, Lidl added a second operative for cocoa – the Kukuom Co-operative Cocoa Farmers and Marketing Union in the Asunafo South District in the Ahafo Region. Way to Go contributes to the creation of living incomes in the producing countries for the quantities of each risk commodity purchased by Lidl by paying, in addition to the Fairtrade minimum price and the Fairtrade premium, a separate Lidl Income Improvement Premium (IIP).

The IIP consists of a direct payment and the financing of project activities within the co-operatives. The latter emphasises our goal of enabling smallholder households to develop and implement income-diversifying and income-increasing measures. Since 2019, the Way to Go bar has benefited more than 4,000 farmers from 76 communities as part of the Kuapa Kokoo and Kukuom co-operatives of whom almost 37% are women. Thanks to agricultural training and easier access to finance, farmers have been able to develop additional sources of income through the production of rice, honey, yams, and soap. More than 969 smallholders also gained access to more favourable financing options. In addition, more than 390 participants in the municipalities are participating in literacy courses. We also promote local assessments on child labour prevention and remediation and have had 759 participants to date.

37%
of our Way to Go
cocoa farmers
are women



Social Compliance Programme

At Lidl, our **Social Compliance Programme** ensures we regularly review the many suppliers we work with which grow, manufacture and package all of our products.

In our Supply Chain

Due to the complex nature of modern slavery, and the fact that we do not directly employ the people who pick, pack and produce our products, it is vital that we take a range of actions in collaboration with our suppliers to protect the most vulnerable people in our supply chains from falling into a situation of modern slavery at both tier one of our supply chain and beyond. We require all nationally negotiated own-brand suppliers of goods for resale to:

- **Connect on Sedex** (a data platform for supply chain assessment) and provide full visibility
- **Complete the Sedex self-assessment questionnaire (SAQ)**
- **Complete an annual audit (if identified as high-risk) and disclose 100% of non-compliances**
- **Attend Stronger Together’s ‘Tackling Modern Slavery in business’** (UK and ROI based suppliers only)

Tier One

Tier one sites are those used for the final packing and production of our own-brand products. To manage the social standards at this level of the supply chain, we implement a social compliance programme, with support from the Sedex platform.

Through the Sedex platform, all own-brand suppliers of goods for resale, negotiated by our buying team based in Ireland, are required to complete a profile and answer a detailed Self-Assessment Questionnaire (SAQ) and update it every six months. This enables us to collect key profile information such as the number, gender and nationality of their employees, the percentage of seasonal workers, whether agency labour is used, the names of labour providers, and what systems are in place to monitor labour providers.



Responsible recruitment | Fair work | Free from exploitation

19% of our Tier One suppliers use agency labour, supplying 577 workers

5,111 people are employed on a temporary or seasonal basis to cover peak production times. 577 of these are employed through agencies

17% of our Tier One suppliers provide living accommodation to their workers*

Figure 1: Tier One own-brand food supply chain overview data (FY24/25) accessed via the Sedex platform

*Accommodation provided by the supplier, 3rd party or labour provider.



Tier One *continued*

| Region | Number of Sites | Number of Workers | Percentage Male | Percentage Female |
|-------------------|-----------------|-------------------|-----------------|-------------------|
| Ireland (incl NI) | 141 | 16,862 | 58% | 42% |
| UK | 34 | 4,516 | 54% | 46% |
| Europe | 149 | 17,177 | 59% | 41% |
| Australia | 1 | 246 | 62% | 38% |
| Total | 184 | 21,939 | 64% | 36% |

Figure 2: Tier One nationally negotiated suppliers of own-brand goods for resale workforce data (FY24/25) accessed via the Sedex platform.

| | Number of Workers | Percentage Male | Percentage Female |
|--------------|-------------------|-----------------|-------------------|
| Permanent | 19,623 | 65% | 35% |
| Temporary | 926 | 58% | 42% |
| Agency | 577 | 63% | 37% |
| Total | 21,126* | 64% | 36% |

Figure 3: Tier One nationally negotiated suppliers of own-brand goods for resale workforce profile (FY24/25) accessed via the Sedex platform.

* on date of publishing some sites have yet to update information on permanent/temporary/agency workers, Lidl IE & NI are working with the Sedex platform to get this information completed.

| | Number of Workers | Percentage Male | Percentage Female |
|----------|-------------------|-----------------|-------------------|
| Seasonal | 783 | 61% | 39% |
| Migrant | 6,981 | 60% | 40% |

Figure 4: Tier One nationally negotiated suppliers of own-brand goods for resale workforce profile (FY24/25) accessed via the Sedex platform.

* on date of publishing some sites have yet to update information on local/migrant workers, Lidl IE & NI are working with the Sedex platform to get this information completed.

Tier One Supplier Relationships

To strengthen the capacity of our supply chain to manage the risk of modern slavery, we recognise that we need to work directly with our suppliers to go beyond the traditional approach of social compliance. We have long-standing suppliers that we have worked with for many years, and they have grown with us through our fair and simple buying practices.

For example, we have worked with our main beef supplier in Ireland for more than 20 years, and with one of our main vegetable suppliers since we started operations in Northern Ireland in 1999. As a result of these stable relationships, we are better placed to achieve supply chain transparency and take collective action to tackle modern slavery.

Non-Food

Within our non-food supply chains, the Lidl Group have an ongoing social compliance programme to monitor the standards of all own-brand suppliers in high-risk countries. It is our requirement that suppliers carry out regular social audits at all factories that manufacture textiles and hardware in countries categorised as high-risk by Lidl. Since July 2023, we also require a valid environmental audit from producers in high risk countries 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. Progress is monitored by human rights managers within the business. In case of grievances, Lidl has a team specifically dedicated to dealing with grievance cases as well as achieving adequate remediation.

Long-standing relationships with our suppliers



Supply Chain Audits

We use **Sedex** to understand key information about our supply base including the number, gender, and nationality of suppliers' employees, use of temporary/agency workers, the labour providers they use and what systems suppliers use to monitor labour providers. Sedex carries out risk assessments on suppliers (ranking them low, medium, or high) based on several factors. This includes inherent risk based on country and sector, and information taken from their SAQ.

We require suppliers who have been identified as high-risk to undertake an independent ethical audit. Ethical audits are closely monitored to ensure that corrective actions are closed off in the agreed timescales. In the last financial year, 17 of our direct food suppliers have been identified as high risk on Sedex. In the same period our supply base conducted 46 ethical audits.

Of the 46 ethical audits conducted by our suppliers in the last year, the majority of issues identified related to health and safety (51%), working hours (11%), regular employment (8%), wages (7%), entitlement to work (7%) and management systems (4%).



Figure 5: Tier One nationally negotiated suppliers of own-brand goods for resale social compliance overview data (FY24/25) accessed via the Sedex platform.

We understand the limitations of ethical audits - particularly their ability to only capture results at a moment in time and their limited capability to address the most adverse instances of labour exploitation, such as modern slavery. However, we consider audits a useful tool to understand suppliers' management systems and measure these against the expectations of our [Code of Conduct and Sustainable Purchasing Policy](#) ↓.



46
audits on National suppliers in the last year

Human Rights Impact Assessments (HRIAs)

HRIAs are a form of human rights due diligence, typically conducted in high-risk supply chains. Their fundamental purpose is to build a picture of where and how specific business and supply chain activities have the potential to impact internationally recognised human rights.

The Lidl Group has a target to complete three HRIAs a year until the end of 2025. These assessments enable us to develop Lidl-specific action plans for each supply chain where we have conducted a HRIA, to address risks which are not typically identified through other forms of due diligence (e.g. social audits). We consult relevant stakeholders and rightsholders in the process.

During this reporting period, we have kicked off three more HRIAs in new sourcing regions, including **meat processing in Germany** and **cashew nuts sourced from the Ivory Coast**. We have also published an action plan following the farmed shrimp HRIA in India, conducted in 2022. To date the Lidl Group have conducted a total of 11 HRIAs, six of which have already been published. For more information you can access all of our HRIA reports, action plans and progress reports [online](#).

11
HRIAs have
been conducted
to date



Responsible Recruitment

Pay and Contracts

We tackle modern slavery within our business through a range of responsible recruitment measures. We have identified three key areas of risk within our business operations: employment stability, decent pay and indirect employment.

We recognise that workers may be more vulnerable to exploitation if they lack employment stability and decent pay, making them more likely to seek precarious employment to fill gaps where work is not available. To improve our employees' working conditions, at the end of FY18 we announced that all our store and warehouse employees will be offered contracts with a minimum of 30 hours. We therefore ensure that the majority of people employed by Lidl are recruited on longer hour contracts. We also ensure that temporary workers are only brought in for periods of high demand, or as a temporary measure until permanent workers can be recruited.

Lidl recognise that our workforce is the backbone of the business and that by investing directly in our colleagues through living wages we are also able to offer greater job security and improved livelihoods for our employees, which is why we are committed to paying our employee's industry leading wage rates.

In 2015 we were proud to become the first major retailer in Ireland and Northern Ireland to commit to paying the real living wage to each of our team members.

Since then, the pay scales continue to be reviewed annually and updated according to the living wage rate as recommended by the Living Wage Technical Group in Ireland, with the last increase in the salaries in March 2024.

From March 2025, we will set a new standard by increasing our minimum rate of pay above recommended living wage in the Republic of Ireland. This competitive salary, alongside our extensive benefit package will reduce the need for employees to seek out extra, often more precarious, work.

Although indirect employment risks are managed through our commitment to employing our colleagues directly where possible, there are instances where we need to use labour agencies to manage wider business needs such as peaks in labour demand. An example of this includes the warehouse operative agency workers in our distribution centre. In order to reduce the risk of modern slavery occurring we have reduced the number of third-party agencies we work with and strengthened our contractual terms.

All store and warehouse contracts are for a minimum of 30 hours



Grievance Mechanisms

Lidl has five dedicated HR Managers who are trained and accountable for supporting the welfare of our employees in Ireland and Northern Ireland. In addition to the HR Managers, we have a **HR Services** team who are dedicated to answering all employee queries and giving them support and guidance through any complaints procedures. We also operate a confidential whistleblowing hotline and online reporting system (called BKMS) that members of the public, employees and business partners can use to report modern slavery or breaches of our policies and procedures. The reporting tool is available in almost all languages worldwide and is operated by a provider independent of Lidl, enabling customers, employees, and business partners to pass on anonymous, and secure information, which is immediately forwarded to the compliance officer, but does not allow Lidl to trace the information against the individual’s wishes. This online reporting tool can be accessed on any device through this [link](#).

During the FY 24/25 reporting period, 17 whistleblowing reports were logged and none of these related to modern slavery indicators.

In instances where we have worked to improve practices and remain unable to confirm adequate protection of human rights, we reserve the right to withdraw our business in a responsible manner.

5 dedicated HR Managers supporting our employees



Cross-Retailer "appellando" Grievance Mechanism in the Fruit & Vegetable Sector

In 2020, Lidl published a Human Rights Impact Assessment, which examined the human rights impacts within the berry supply chain from Huelva, Spain. In response to the findings, Lidl piloted an effective grievance mechanism in the region in 2021.

Building on these insights and recognising that truly sustainable solutions can only be achieved through joint sector-wide engagement, Lidl played a key role in driving the development of the first cross-retailer grievance mechanism in the fruit and vegetable sector. The grievance system, developed in collaboration with a number of major retailers and the European Retail Institute (EHI) under the name appellando, aims to create new effective grievance mechanisms and harmonize existing ones. The goal is to

empower workers at the grower level to report social and environmental grievances without fear of retaliation.

Currently, this system is being rolled out in Spain, with plans to expand appellando to other countries. The ambition is not only to operate in more countries but also to encourage additional retailers and supply chain actors to participate—because we are convinced that only an industry-wide solution can be successful in the long term.



Pilot in High-Risk Supply Chain

In 2022, Lidl collaborated on a HRIA with two US retailers and the consultancy LRQA. Several salient human rights issues were identified, including debt bondage, forced labour, freedom of movement, issues of physical safety and security, forced overtime, sexual harassment and discrimination. The findings also indicated that workers often did not know a grievance mechanism was available and/or did not trust the grievance mechanisms in place.

In response to these findings, the Ungal Kural (Your Voice) helpline, was set up as an effective grievance mechanism in line with the UN Guiding Principles on Business and Human Rights (UNGPs). The aim of the Helpline was to ensure workers have access to appropriate remedies, as well as to prevent and minimise human rights-related risks at farmed shrimp sites. By providing workers with access to an independent, third-party grievance mechanism to report concerns and issues, the Helpline also aimed to promote supportive workplace environments in the supply chain.

The grievance mechanism was established at seven farmed shrimp sites, with 923 workers trained on how to use and report concerns through the grievance mechanism, on average, 77% of the workforce at each site were trained on the Helpline. During the first six months, following the launch of the grievance mechanism:

- 11 cases were reported, indicating awareness of the Helpline's existence.
- 91% of the cases were rated as high-risk.
- 7 out of 10 high-risk cases were reported after the first month of the Helpline operation, implying that enhanced trust and word-of-mouth are resulting in workers to be more willing to report cases.

- The Helpline received reports of various issues that were identified in the HRIA, including wage-related, housing conditions, absence of contracts and sexual abuse and harassment.

The Helpline continued for a further 12 months following the end of the initial six-month pilot. The pilot-farms engaged with this grievance mechanism did not receive any reports to the Helpline in this period, several factors may have contributed to this, including:

- Site management's failure to adequately promote the Helpline to newly hired workers.
- Concerns regarding potential retaliation by management.
- A preference among workers to directly communicate issues to management, or;
- A lack of understanding regarding the functioning of the Helpline.

Learnings from the pilot showed that the grievance mechanism model requires additional modifications to accommodate the inherent complexities and challenges in an informal sector like farmed shrimp, and an industry wide collaborative model is needed to ensure financial sustainability.



**Pilot HRIA -
grievance mechanism
at farmed shrimp
sites**

Gender Equality

Across the world, women and girls are disproportionately affected by modern slavery including forced labour and child labour. They are also more likely to experience workplace discrimination or harassment, be in lower status, casual or non-standard roles, and receive lower pay for equal work. As a result, gender equality is a crucial pillar of our human rights strategy - we are committed to preventing and remediating risks that arise.

In 2019 the Lidl Group signed up to the **Women’s Empowerment Principles**, which is the first global initiative aimed to promote women’s empowerment and gender equality within businesses and their supply chains. By signing up to the following seven principles businesses commit to using these principles as guideposts to integrate broader commitments on the topic of women’s empowerment into their own company policies.

1. Establish high-level corporate leadership for gender equality
2. Treat all women and men fairly at work – respect and support human rights and non-discrimination
3. Ensure the health, safety and well-being of all women and men workers
4. Promote education, training, and professional development for women
5. Implement enterprise development, supply chain and marketing practices that empower women
6. Promote equality through community initiatives and advocacy
7. Measure and publicly report on progress to achieve gender equality

In 2020, Lidl joined the Cotton Made in Africa initiative. As part of the partnership, we not only guarantee the purchase of sustainable African cotton, but also support the initiative in empowering women in African cotton cultivation.

Additionally, in 2021, Lidl joined the multi-stakeholder Ethical Trading Initiative (ETI). As part of its own gender equality strategy, the ETI pursues the vision of enforcing equal rights, freedoms, access and benefits in the workplace in the supply chains of participating companies. To this end, the initiative raises awareness of the issue of gender equality and advocates for greater participation of women in supply chains.

Since 2022 we have been publishing our Gender Pay Gap report for Lidl Ireland. As we pay men and women the same rates there should be no gap in theory, however the gender pay gap is a calculation of the sum of pay for all employees (men and women) and a gap can emerge if there are more men in high paid senior positions in the company. In 2024 we reported a mean gender pay gap of 5.2%, this represents a substantial decrease of 29% year-on-year and is significantly below the Irish average of 9.6%.

We remain committed to working to reduce this figure in the years to come and have been actively working on a dedicated action plan to achieve a 0% gender pay gap through a number of initiatives. The positive change we have seen to date is a result of many workstreams coming together through various programmes and initiatives such as the Leadership Academy, Lupilu Family Leave Programme, menopause supports, Compassionate Leave Policy update and hiring practices.

We are also continuing to work towards the launch of our Women in Leadership Mentoring Programme and have appointed a high-level corporate leader for gender equality. In addition, we now have a dedicated Gender Equality employee resource group (ERG) who focus on promoting a more equitable workforce. We are also founding members of LEAD Network Ireland Chapter whose aim is to attract, retain and promote women in the consumer goods and retail sector.



Prevention of Child Labour

Throughout all of our supply chains, we are committed to preventing child labour and safeguarding children. We work closely with suppliers to achieve this and resolve any instances found connected to our business.

The use of child labour is prohibited in accordance with conventions. Should cases of child labour be discovered in our supply chain, Lidl works with The Centre for Child Rights and Business, a social enterprise owned by Save the Children, to develop its own remediation and redress protocol. Cases that are discovered must be reported to Lidl immediately and must be dealt with in accordance with the protocol.

By the end of 2025, we aim to have child labour training in place for the prevention and remediation of child labour for high-risk supply chains.



Fair Remuneration

Fair remuneration is a fundamental human right enabling workers to secure a dignified standard of living for themselves and their families. Since 2006, we have advocated this in our **Code of Conduct**.

Much of our focus within this topic is on smallholder farmers who are the starting point for many of Lidl’s agricultural value chains – but often only receive a fraction of the overall profit. To tackle this, we’re increasing our efforts to ensure that we enter long-term fair and transparent supply relationships with our agricultural producers. This includes opting for Fairtrade certified products such as cocoa, coffee and bananas, and routinely working to identify the highest-risk products for living wage and living income disparity in our supply chains.

We are also participating in industry partnerships with other retailers. We were the first discounter to join the Action Collaboration Transformation (ACT) initiative in 2019, a global agreement striving for collective industry bargaining for higher wages.

The ACT initiative currently has three country programmes: Türkiye, Bangladesh and Cambodia. Lidl has signed a binding agreement with IndustriALL to commit to supporting collective bargaining agreements for its Cambodian textile supply chain.

Fair and transparent relationships with our agricultural producers



Training

Another important element of tackling modern slavery is raising awareness across our internal departments, among our colleagues and with our direct business partners.

Training remains crucial to addressing the complex and hidden nature of modern slavery within our business and supply chains. Through raising awareness of modern slavery and highlighting potential risks and indicators to our internal departments and colleagues, we aim to continuously improve our approach to identifying and mitigating labour exploitation and risks of modern slavery.

Our Colleagues

Our **Responsible Sourcing** and **Sustainability** teams continue to engage with colleagues across business areas including Buying, Recruitment, Property, Construction and HR, who are located in our distribution centres and head office, to support the welfare of all employees. We want to empower colleagues to understand the risks within our business and industry to take any necessary action to prevent or remediate concerns.

Buying Department

Our **Buying Department** agree contracts with suppliers on a daily basis. The Responsible Sourcing team regularly update the buying department on the actions that Lidl is taking as a business to address these human rights risks with the intention for buyers to feel comfortable to discuss these topics with their suppliers and make informed buying decisions.

To ensure buyers understand the potential risks within their specialist food categories, all buyers are required to attend one of the Tackling Modern Slavery workshops facilitated by Stronger Together. This enables them to understand how to mitigate the risks of modern slavery through purchasing and how to work with suppliers to achieve the changes required to mitigate modern slavery risks in our supply chain.

Committed to having 100% of our buyers trained by 2026





Our Suppliers

Making sure our suppliers build their capacity in ethical trade is a key strategy for us in preventing modern slavery within our supply chains. Our contracts require all our suppliers in Ireland and the UK to have carried out the appropriate training to identify and mitigate the risk of modern slavery and to provide evidence of such training upon request.



“
Lidl Ireland & Northern Ireland continue to work with Stronger Together as the **first Irish sponsor of the Consumer Goods Programme**, a sector-specific programme empowering companies to take decisive action within their operations, suppliers, and beyond to tackle forced labour and mitigate modern slavery. As a sponsor, Lidl Ireland & Northern Ireland and our suppliers have access to free interactive training workshops, resources and tools to support tackling hidden labour exploitation in operations and supply chains.

During 2024, the decision was made for the Stronger Together Consumer Goods Programme to merge with the Responsible Recruitment Toolkit Sponsorship programme. From October 2024, Stronger Together launched a combined Consumer Goods Programme with two thematic workstreams to address forced labour and responsible recruitment. Lidl Ireland & Northern Ireland sponsor of the forced labour workstream to focus on encouraging suppliers to attend Stronger Together training that is delivered by experts from the consumer goods sector to build understanding of sector specific forced labour risks and to embed good practice.”

Anna Norgett, UK & ROI Programmes Manager at Stronger Together

Training our buyers and suppliers is crucial



Responsible recruitment | Fair work | Free from exploitation



Measuring Progress

Measuring progress

By setting clear action-orientated goals and key performance indicators (KPIs), we are able to measure our progress over time and ensure that we are on target to meet our commitments to tackling modern slavery in our business and supply chains.

| KPI | Goal | FY24/25 |
|---|-----------------|-------------|
| Nationally negotiated (ROI & UK based) suppliers of own-branded products trained on Modern Slavery. | 100% by 2026 | 50% |
| National Buyers trained on Modern Slavery | 100% by 2026 | 65% |
| Current tier one suppliers compliant to Lidl Ireland & Northern Ireland's requirements on Sedex | 100% | 88% |
| Tier one suppliers identified as high risk on Sedex | Full disclosure | 17 |
| HRIAs underway or completed | 15 by 2025 | 100% |

In progress ● Complete ●

Progress on 2024 plans *(outlined in previous statement)*

| | |
|--|---------------------------------------|
| Develop programmes providing female and male workers in our high-risk supply chains with access to effective, gender-sensitive grievance mechanisms. We will also develop a scholarship programme and highlight vocational opportunities for women across these supply chains. | ● |
| Continue to monitor and publish our progress in our biennial sustainability report. | ● |
| Further strengthen our commitments to address risks beyond the first tier of our supply chain. | ● |
| Continue to publish the names and addresses of our tier one textiles and hardware suppliers. | ● |
| Continue raising awareness of modern slavery internally with our buying and central services departments and strengthen our actions to address risks in our goods and services not for re-sale (GSNFR). | ● |
| Increase our internal capacity to monitor and manage the human rights risk in our nationally sourced products supply chain as well as continue our request of social audits to our direct suppliers through the Supplier Ethical Data Exchange (Sedex) platform. | ● |
| Roll out trainings to our Responsible sourcing and Sustainability teams on “Ensuring effective Human Rights due diligence in supply chains” and “Tackling Modern Slavery in UK and ROI business” through our partnership with Stronger Together. | ● |
| Continue to collaborate with external partners to build our knowledge and expertise in the area of modern slavery. | ● |
| Expand our training programme on human rights and modern slavery with Stronger Together. | ● |
| Continue to internally communicate our progress towards risk management and social compliance monitoring. | ● |
| Conduct and publish three more HRIAs, based in identified high-risk supply chains, in-line with our commitment to publish three HRIAs a year until 2025. | ● |

Looking Ahead

In 2025/26, we will:

- Complete the roll out of the Ecovadis platform for own-brand suppliers of goods for resale.
- Continue to monitor and publish our progress in our biennial sustainability report.
- Conduct and finalise the final three HRIAs, to meet the Lidl commitment to complete 15 HRIAs by 2025.
- Continue to collaborate with external partners to build our knowledge and expertise in the area of modern slavery.
- Continue working internally to raise awareness of the risks within our business and industry through internal communications and regular department updates.
- Complete the expansion of our training programme to reach more colleagues across our business to increase awareness of modern slavery risks and the necessary action(s) to facilitate remediation.
- Continue the expansion of our training requirements through Stronger Together's Tackling Modern Slavery workshops for nationally negotiated (ROI & UK based) suppliers of own-branded products

This statement was approved and signed by the Board of Directors for Lidl on the 22nd of September 2025.



Thank You

