

Buying Policy

Raw Materials

Lidl Great Britain • Last updated 31.01.2024



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Our responsibility for the raw materials in our products

Our responsibility for the raw materials in our products

Our CSR strategy

At Lidl, we believe that everyone should be able to shop sustainably. We have set a clear sustainability purpose to ‘make good food accessible to everyone.’ We deliver against this purpose by embedding our sustainability strategy, the ‘Good Food Plan’, into the core of our business, challenging the common misconception that sustainability equals higher prices and strengthens the notion of what constitutes good food. Good food is more than being high quality and affordable, it is food which is Good for Producers, Good for People and Good for our Planet.

We approach sustainability across these three themes of Producers, People and Planet, with each theme housing priority topics ranging from Human Rights to Sustainable Sourcing. We regularly consult with key stakeholder groups to ensure that our approach remains relevant and ambitious. Changing stakeholder expectations alongside shifting social and environmental factors shape our topic plans. Across each topic we’ve set long-term targets, working with industry leads to build partnerships and strive for greater transparency and accountability. This is the framework of our strategy to provide Good Food.

Our responsibility for raw materials

As a discount retailer, Lidl sells food, non-food and near-food products sourced throughout global supply chains. A variety of raw materials form the basis of all our own brand products. We are responsible for

ensuring that these raw materials are sourced in a way that is Good for People, Good for Producers and Good for the Planet.



Background to raw materials in the supply chain



Background to raw materials in the supply chain

Raw materials are the planet's natural resources and form the basis of the products sold in our stores. Raw materials can be used in their natural form or processed after cultivation. The starting point for the majority of global supply chains is the country of origin, where the raw material is sourced.

Depending on their origin, harvesting method or the way they are manufactured, raw materials can have a negative impact on the environment, people working within supply chains, or in the local communities. The sourcing of raw materials directly impacts 400 million people who work within raw material supply chains.¹ More than 10% of the world's population still live in extreme poverty, and two-thirds of these people work within the agriculture sector, harvesting raw materials.² Cocoa farming alone is the main source of income for over 5.5 million people and secures the livelihoods of more than 14 million people.³ Raw material cultivation is often associated with poor working conditions and human rights violations.

The sourcing and cultivation of raw materials can also have a negative impact on the environment, for example, when excessive quantities of pesticides and fertilisers are used, or when forests are cleared to cultivate a raw material, resulting in areas of deforested land. In 2018, soy cultivation in Brazil covered an area almost the size of Germany

and this area continues to increase.⁴ Deforestation is linked to the cultivation of a number of raw materials such as soy and palm oil, and is known to accelerate climate change. The complexity of food supply chains make it difficult to trace raw materials back to their source. It is therefore challenging to identify risks and investigate specific violations.

These risks highlight the need for businesses to understand where and how they are sourcing their raw materials so that they can find ways to source raw materials in a way that reduces their negative environmental and social impacts.



400
million
people globally work in raw
material supply chains.

¹ Initiative for Sustainable Agricultural Supply Chains: Factsheet, 2019.

² FAO: Ending Extreme Poverty in Rural Areas, 2018.

³ Fairtrade: Fairtrade Cocoa, 2021.

⁴ Our World in Data: Forests and Deforestation, 2021.

**Our
commitment to
sourcing raw
materials
sustainably**



Our commitment to sourcing raw materials sustainably

Due diligence in practice

We understand that sustainable development is essential to future-proofing our business. Our vision to “make good food accessible to everyone” encompasses Lidl’s sustainable development strategy and ensures this is embedded across key business functions. As Lidl moves towards a more sustainable way of doing business, it is imperative that we develop a robust due diligence approach which our key internal stakeholders are implementing within our business practices.

We have developed a comprehensive due diligence approach to systematically monitor and assess progress to our own targets as well as external commitments, such as government legislation or commitments set by NGOs. Our [due diligence approach](#) has been developed to cover all strategic focus areas in our CSR strategy, including our raw materials and ensure that we take accountability for the impacts of our business.

Lidl’s raw materials strategy

The development of our raw material targets and strategy were the result of ongoing communication with a wide variety of stakeholders including internal departments within the Lidl business, our strategic suppliers and relevant NGOs.

We have a clear sustainability strategy with three strategic focus areas: Good for Producers, Good for People and Good for our Planet. Our raw material strategy falls within the scope of Good for our Planet - within

this focus area our overarching aim is to promote the sustainable and efficient use of resources. We have committed to ensuring that all of our critical raw materials are sourced from sustainable sources by the end of 2025.

As we have already achieved our targets for the following raw materials: tea, coffee, cocoa, palm oil, soy, seafood, eggs, plants, flowers, cotton, wood and timber, we are now extending the scope of our commitment to include more raw materials. These are represented in the graphic on the following page. These are our critical raw materials and have been identified through a multi-stakeholder supply chain [risk assessment](#) carried out with the support of industry experts and stakeholders. This risk assessment highlighted raw materials with the biggest impact on the people and environment within our supply chain, and those with the highest volumes within our product range.

A key part of our raw material strategy is to ensure that our buying department is educated on the risks associated with the raw materials in the products relevant to their categories. The CSR-Buying team hold regular training sessions to empower buyers to make more sustainable purchasing decisions in order to achieve our targets.

We recognise that we cannot achieve this alone, therefore we are active members of numerous stakeholder initiatives such as the Retailer Cocoa Collaboration, Sustainable Seafood Coalition, Retail Soy Group and Retailers’ Palm Oil Group. These groups drive industry-wide change and we are committed to continued engagement.

Our critical raw materials at a glance



Lidl has developed a comprehensive raw materials strategy which is outlined in the four pillars below. Adopting and implementing this strategy will ensure that we take a systematic approach to achieving our raw material targets.

Our raw material targets have been developed in line with this strategy and are clearly outlined on [page 16](#).

We are committed to sourcing our key raw materials more sustainably by the end of 2025



1. Understanding our impact:

We identify risks in our supply chains and promote transparency

2. Enforcing standards:

We will source sustainably certified agricultural raw materials

3. Promoting alternatives:

We promote the use of more sustainable alternatives in our product range

4. Driving systemic change:

We engage with multi-stakeholder initiatives (MSIs) and projects

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Communicating our challenges and progress

It is important to have ongoing communication with our internal and external stakeholders. To ensure our suppliers are aware of our requirements, we have developed a CSR-Buying requirements document that is shared during the tender and provides information on our accepted certifications.

We use various channels to keep our external stakeholders up to date with our progress, such as our [CSR Good Food Report](#) and our [website](#). Through these channels, we detail our sourcing practices, targets, the steps we are taking to reach our targets, as well as providing transparency of our supply chains. In addition to this, we publish individual policies for each of our raw materials, such as palm oil, tea, coffee, fish and seafood. Through these policies we are able to provide a more detailed overview of the specific, salient issues relating to the raw material, our corresponding commitments and the progress we are making against our targets. These policies are made publicly available to ensure that we are transparent with stakeholders and we remain accountable for our commitments. These policies are available on [our website](#).

We want to empower our internal stakeholders to make sustainable purchasing decisions that meet our requirements and help us achieve our targets. To do this, we work collaboratively with a variety of departments to improve their understanding of the social and environmental issues linked to our critical raw materials and how they can support us to source raw materials sustainably. We also inform

departments within the business through training sessions that are relevant to their functions, and we have CSR representatives in key departments that we regularly engage with to ensure clear channels of information.

Greater supply chain transparency

At Lidl, we understand how important it is to be transparent about our global supply chain; where we source from, who we source from, the challenges and our progress. We do this for our customers, to support them in making sustainable choices, but also so that we can identify the risks within our supply chains and be held accountable to mitigate them. Lidl was one of the first global retailers to publicly disclose food and non-food supply chain data and we have since made an ongoing commitment to updating this annually. In 2022, we took this a step further and have now published the full supply chains lists for four key food supply chains: tea, bananas, seafood, and strawberries, from producer to tier one supplier.

In 2020, Lidl voluntarily began to annually disclose all nationally purchased farmed seafood sources through the Sustainable Fisheries Partnerships' reporting framework, the Ocean Disclosure Project. Our [ODP profile](#) details the different certifications and fishing methods used in our supply chain as well as providing information on sustainability ratings and notes on environmental impacts.

Understanding our impact

The first step to developing our raw materials strategy was to ensure that we understood the impact of our business operations on our supply chain. Regular, comprehensive assessments help us to understand the risks and opportunities within our business and wider supply chain.

In 2020, we conducted a three step multi-stakeholder risk assessment to examine the raw materials used within our supply chain. As a first step, we used six indicators to assess which of our raw materials had the biggest impact on people and the environment. Once we had identified the raw materials with the most impact, we used an analysis tool to statistically evaluate the environmental and social risks involved in those specific raw material supply chains. Finally, we reviewed the volumes of raw materials used within our product range to understand where we could have the most influence. The result of this was a list of raw materials that we now recognise as our critical raw materials. These critical raw materials are specific to our business supply chain and will be prioritised as part of our strategy.

From this risk assessment we were able to identify the countries in which these social and environmental risks are most prevalent. These are outlined in the graphic on the following page. The risk assessment enables us to take a pragmatic approach to managing our raw material strategy, meaning we can prioritise the most critical risks and take appropriate action. Using this approach, we aim to drive systemic change and long term risk mitigation.

The risk assessment serves as the starting point for a deeper examination of our critical raw material supply chains. Through our risk assessment process we can also continue to promote supply chain transparency and understand the volumes, certification status, processing, and packaging of our critical raw materials.

In line with the **first pillar** of our raw materials strategy, we are identifying risks in our supply chain and are promoting transparency.



Our risk assessment – raw materials, risks, and country affiliation

BANANAS



Social risks

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

Environmental risks

- Biodiversity: Ecuador, India
- Climate change: India, Philippines
- Deforestation & land conversion: Brazil, Ecuador, Indonesia
- Water: Brazil, India

COTTON



Social risks

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

Environmental risks

- Biodiversity: India, Turkey, USA
- Climate change: India, Pakistan, USA
- Deforestation & land conversion: Brazil, China, India
- Water: China, India, USA

PLANTS & FLOWERS



Social risks

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

Environmental risks

- Biodiversity: Ethiopia, Ecuador, Kenya
- Climate change: Kenya, Thailand
- Deforestation & land conversion: Ecuador, Colombia, Malaysia
- Water: Ethiopia, China, Kenya

FISH & SEAFOOD



Social risks

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

Environmental risks

- Biodiversity: China, India, USA
- Climate change: India, USA
- Deforestation & land conversion: Brazil, Malaysia, Vietnam
- Water: Chile, China, India

HAZELNUTS



Social risks

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

Environmental risks

- Biodiversity: Georgia, Turkey, USA
- Climate change: USA
- Deforestation & land conversion: Azerbaijan, China, Georgia
- Water: Azerbaijan, China, Iran

COFFEE



Social risks

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

Environmental risks

- Biodiversity: Indonesia, Honduras, Vietnam
- Climate change: Brazil, India, Vietnam
- Deforestation & land conversion: Brazil, Indonesia, Colombia
- Water: Brazil, Indonesia, Vietnam

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

Environmental risks

- Biodiversity: Ivory Coast, Ghana, Indonesia
- Climate change: Dom. Republic, Nigeria
- Deforestation & land conversion: Brazil, Ecuador, Ivory Coast, Ghana
- Water: Brazil, Ghana, Nigeria

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

Environmental risks

- Biodiversity: Ecuador, Indonesia, Papua New Guinea
- Climate change: Indonesia, Malaysia, Thailand
- Deforestation & land conversion: Indonesia, Malaysia, Thailand
- Water: Indonesia, Nigeria, Thailand

RICE



Social risks

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

Environmental risks

- Biodiversity: China, India, Vietnam
- Climate change: India, Myanmar, Vietnam
- Deforestation & land conversion: China, India, Vietnam
- Water: China, India, Vietnam

SOYA



Social risks

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

Environmental risks

- Biodiversity: Argentina, China, India
- Climate change: India, Canada, USA
- Deforestation & land conversion: Bolivia, Brazil, Paraguay
- Water: Brazil, China, India

TEA



Social risks

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

Environmental risks

- Biodiversity: China, India, Kenya
- Climate change: India, Kenya, Vietnam
- Deforestation and land conversion: China, India, Indonesia
- Water: China, India, Vietnam

TIMBER & WOOD



Social risks

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

Environmental risks

- Biodiversity: Indonesia, Canada, Russia
- Climate change: Japan, Canada, USA
- Deforestation & land conversion: Brazil, China, Indonesia
- Water: Brazil, China, USA

Using certifications to source raw materials sustainably

We support internationally recognised certification schemes to ensure that we are sourcing raw materials sustainably.

Working with third party certification schemes enables us to ensure that raw materials are coming from sustainable sources and provide us with greater traceability of our supply chains. By adding certification logos to product packaging, we are communicating our commitments to customers and helping them identify which of our products include sustainably sourced raw materials. This enables customers to make sustainable choices.

Wherever we can, we source raw materials that are certified to the most relevant and stringent certification scheme. Lidl has carried out a detailed assessment to understand what the priorities, strengths and weaknesses are of each certification scheme across the product groups to understand how they address the risks in our supply chains. We use this assessment as an initial starting point to understand if we want to implement the certification now or in the future.

We are committed to tracing our raw materials back to their source and recognise that certification schemes can provide us with further traceability. For example, we work with our suppliers to source palm (kernel) oil from RSPO segregated certified sources. We support this certification as the certified palm (kernel) oil can be traced back to the certified oil mills and we therefore know the certified palm oil is physically present in our finished product.

Certification Models

There are a variety of different certification models available that are used for raw materials like palm (kernel) oil and soy. Each model has its own requirements, levels of traceability and whether its presence is known in the final product.

Certified raw material not known if present or partially present in the final product:

- **Book & Claim:** no traceability, not present in the final product
- **Mass Balance:** no traceability, but could be present in the final product

Certified raw material known to be physically present in the final product:

- **Segregated:** traceability to certified producers
- **Identity Preserved:** traceability to individual certified producers

Fish and seafood are an important part of a healthy diet and a livelihood for thousands of people globally. At Lidl, we are committed to ensuring that the fish and seafood in our stores are from responsible sources.

That's why we made the commitment to sourcing 100% of our fresh, frozen, and canned seafood from sustainable fisheries or responsibly managed farms, meaning we know where it's come from and how it was fished. We offer our customers a wide range of certified sustainable fish and seafood from the Marine Stewardship Council (MSC), Aquaculture Stewardship Council (ASC), Best Aquaculture Practices (BAP) and Global G.A.P.

In 2021, Lidl was awarded the MSC UK Mid-size Store Retailer of the Year award for the 6th year in a row and were also the first retailer to win the ASC UK Retailer of the Year award. These successes further highlight our ongoing commitment to sourcing our raw materials sustainably.

We will source sustainably certified raw materials in line with the **second pillar** of our raw materials strategy.



Promoting alternative sustainable raw materials

We are committed to promoting the use of more sustainable alternatives in our product ranges and reducing the use of critical raw materials when they cannot be sourced in a sustainable way. For example, within our Vemondo vegan range we are replacing soy from high risk deforestation and land conversion areas with certified soy from Europe. By using alternatives in our product range, it allows us to avoid unnecessary negative impacts and drive systemic change within the industry.

If there are obvious detrimental impacts to the environment or those working in the supply chain and there is no sustainable alternative available, we will review, on a product-by-product basis, whether we can remove the raw material from our supply chain all together. This was an approach we adopted for angora wool and this raw material is no longer sourced for Lidl products. Lidl has defined a clear set of guidelines to ensure that this approach is internally followed.

We communicate commitments like these to our customers to make them aware that by shopping at Lidl, they are supporting raw materials that are sustainably sourced. We do this by clearly labelling information on our own brand product packaging, as well as through our in-store leaflets, our [website](#), [CSR Good Food Report](#) and our [policies](#).

In line with the **third pillar** of our raw materials strategy, We promote the use of more sustainable alternatives in our product ranges when necessary



Our raw material targets




We work continuously to reduce the impact of our critical raw materials. As part of our [due diligence approach](#), we are developing guidelines for our business and buying department which detail our raw material strategy, targets and outline internal roles to support achieving our commitments. These guidelines define the requirements for each raw material, such as the specific certification or reduction target, as well as outlining timescales in which we aim to achieve them by.

The following table outlines the certification and the timebound targets we have set for our critical raw materials in our own brand products.

We certify our critical raw materials and promote more sustainable alternatives in our product ranges in line with the **second and third pillars** of our raw materials strategy.



An overview of our raw material targets

Raw material	Product(s)	Certification(s) and reduction targets		Target deadline
Cotton 	Textiles, hard goods, hardware, more sustainable cotton	GOTS, OCS, CmiA	100 % (Promotional products)	2022
		Organic cotton	20 %	2025
Flowers & plants 	Flowers, plants	GLOBALG.A.P. plus GRASP or equivalent, e.g., Bioland, Biopark, Fairtrade, SMETA, Red Tractor, Naturland and others	100 %	2021
	Compost	Remove peat and use alternatives	100 %	2022
Egg 	Shell eggs, egg as an ingredient	Eggs from cage-free farming methods	100 %	2025

Fish & seafood



Wild-caught, except tuna	MSC where available, otherwise Fishery Improvement Project (FIP)	100 % (Permanent products)	2019
		50 % (Promotional products)	2022
Aquaculture	ASC, GLOBALG.A.P., BAP, RSPCA assured for deluxe Scottish salmon where available	100 % (Permanent products)	2018
		50 % (Promotional products)	2022
Frozen goods, convenience, except tuna	MSC, ASC, GLOBALG.A.P., BAP, where available	100 %	2022
Canned tuna	MSC, Fishery Improvement Project (FIP), FAD free purse seine, pole & line	100 % (Permanent products)	2022
Cat food	MSC, ASC for fish as an ingredient	100 %	2022

Coffee



Capsules, instant coffee / cappuccino	Fairtrade, Rainforest Alliance, organic	100 %	2022
Roasted coffee in selected countries	Fairtrade, Rainforest Alliance, organic	100 %	2025

Cocoa



Cocoa as an ingredient	Fairtrade, Fairtrade Sourced Ingredients (FSI), Rainforest Alliance, organic	100 % (Permanent products)	2022
Chocolate bars	Fairtrade, Fairtrade Sourced Ingredients (FSI)	100 % (Permanent products)	2022

Nuts



Establish supply of certified nuts; Fairtrade, Rainforest Alliance, organic	2025
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Fruit & vegetables



GLOBALG.A.P. plus GRASP or equivalent, e.g., Bioland, Biopark, Fairtrade, SMETA, Naturland and others	100 %	2021
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Palm (kernel) oil



Items containing palm (kernel) oil components (incl. derivatives & fractions)

RSPO, Mass Balance

100 %

2022

Food containing palm (kernel) oil as an ingredient (food)

RSPO, Segregated

100 %

2017

Near-food products containing palm (kernel) oil as ingredient e.g.: cosmetics, detergents, cleaning products

RSPO, Segregated

100 %

2022

Non-food products with palm (kernel) oil as an ingredient (e.g. candles)

RSPO, Segregated

100 %

2023

Rice



Project to add certified rice to product range; Sustainable Rice Platform, Fairtrade, organic

(Permanent products)

2025

Soy



Vegan & vegetarian meat substitute products

European soy: preferred with certification by Donau Soy/ Europe Soy

100 % (Permanent products)

2022

Soy in animal feed in fresh meat, poultry, dairy & fish supply chains

Purchasing certificates: Donau Soy/ Europe Soy, RTRS, ProTerra, ISCCPlus, BFA, CRS, SFAP Non-Conversion

100 %

2025

Tropical Fruits



Banana

Fairtrade or Rainforest Alliance; option: Organic

100 %

2023

Pineapple	Preferably Fairtrade or Rainforest Alliance; option: Organic	100 %	2022
Mango	Preferably Fairtrade or Rainforest Alliance; option: Organic	100 %	2022
Avocado	Preferably Fairtrade or Rainforest Alliance; option: Organic	100 %	2022
Grapes	Expansion Fairtrade, Rainforest Alliance, Organic, SIZA		2025

Tea



Green, black & rooibos tea	Fairtrade, Rainforest Alliance, organic	100 %	2022
Herbal & fruit tea	Fairtrade, Rainforest Alliance, organic, if available	75%	2022

Juice

Refrigerated orange juice from outside the EU	Fairtrade, Rainforest Alliance, organic	100 %	2025
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Wood/ Cellulose



Packaging and items containing cellulose	Recycled material preferred, otherwise FSC if fresh fiber is used, PEFC in exceptional cases	100 %	2025
Kitchen paper & toilet tissue products	Increase recycled content	15 % (Permanent products)	2025
Charcoal / Briquettes	Declaration: Country of origin and type of wood on packaging	100 %	2022
Charcoal / Briquettes	FSC, PEFC, Nordic Swan (if supply chain is FSC certified), SFI (as part of Earthworm Project)	100 %	2022

Driving change with stakeholders and initiatives

We work with key industry stakeholders; governments, NGO's, certification bodies, experts and local communities to drive industry-wide change, improve current standards and support initiatives that are making positive impact on the ground. We recognise that in order to make long-lasting, systemic change we must continue to collaborate with a variety of stakeholders and actors within global supply chains. We have placed a particular focus on high risk areas or groups that are subject to the most detrimental social and environmental impacts such as palm oil and soy.

Human Rights Impact Assessments (HRIAs)

We are conducting [HRIAs](#) in identified high risk supply chains to understand the potential impact our business activities have on the individuals within these supply chains. Using these assessments, we can evaluate our business practices and processes to understand whether we need to make adjustments that would reduce social risks. Since 2020, we have conducted and published three HRIAs in our Kenyan tea, Spanish berry and Colombian banana supply chains.

An important aspect of the HRIA is the development of a remediation plan. The remediation plan aims to mitigate the most salient risks identified, through appropriate, time-bound actions including the review of internal business processes and engagement with key industry stakeholders.

Sustainably sourced soy

Soy is primarily used in animal feed within the poultry, meat, dairy and farmed fish supply chains. The soy that is used in animal feed is linked to concerning levels of deforestation, typically in South America.

As a first step in addressing this issue, in 2018 Lidl was the first supermarket to invest in Roundtable on Responsible Soy (RTRS) Book and Claim Direct Trade credits for their entire soy footprint, and we continue to purchase these credits annually. We are now aiming to create wider change in the industry by working with our suppliers to source sustainably certified soy. We have developed a roadmap that will support our strategy to source 100% of our soy from physical and traceable, zero deforestation and conversion free sources by the end of 2025. As part of the initial stages of the roadmap, we have focused our efforts on the fresh poultry, egg, and dairy sector with the plan to cover all key animal protein categories by 2024.

Alongside this, we are working with suppliers to explore alternative feeds and are continually working with the industry to create greater transparency in the soy supply chains.

To support industry wide initiatives, in 2021 Lidl became a founding signatory of the [UK Soy Manifesto](#) and has committed to ensure that all physical shipments of soy to the UK are deforestation and conversion free by 2025.

In accordance with the **fourth pillar** of our raw materials strategy, we are driving change by engaging in a range of multi-stakeholder initiatives and projects.



Glossary



Glossary

Aquaculture Stewardship Council (ASC) The ASC was developed in 2009 following the WWF campaign to improve the sustainability within aquaculture supply chains. The ASC is now an independent organisation and is supported in an advisory capacity by various global stakeholders. ASC sets standards for different farmed fish species to reduce human impact on the surrounding natural ecosystems and for no prophylactic treatment to be carried out. The ASC has specific requirements for fish feed and working condition standards.⁵

Best Aquaculture Standards (BAP) BAP standards are set and monitored by the Global Aquaculture Alliance (GAA), which was founded in 1997 and is based in the USA. BAP works along the entire supply chain to address species specific issues. The general standards for the different stages of the supply chain are represented by four stars on the label, the different stages are feed production, hatcheries, breeding farms and processors. Products can be certified at individual levels, one to four stars. The BAP standards cover animal welfare, such as the stunning prior to slaughter, sustainability, water conservation, traceability, and food safety.⁶

Better Cotton Initiative (BCI) The BCI is a collaboration of environmental and human rights organisations from the textile industry. The aim of the BCI is to reduce the environmental impacts and improve working conditions within cotton farming. The cotton growers must meet specific criteria set by BCI and are required to evidence their progress towards meeting their criteria. BCI is based on the mass balance model.⁷

Book & Claim The Book & Claim is a chain of custody model that is not connected to the physical flow of raw material in the supply chain. Certificates are given to certified producers once they grow a specific quantity of raw material. The certificates are then purchased by traders to cover the amount of raw material in their supply chain that is uncertified. Certificates are typically managed through an online system which means that this model cannot guarantee that any of the certified raw material is in a specific product and is not physically traceable.⁸

Cotton made in Africa (CmiA) CmiA is an initiative that aims to improve the social, economic, and environmental conditions in cotton production in Sub-Saharan Africa. It is an initiative of the Aid by Trade Foundation, founded in 2005 by Michael Otto, Chair of the Board of the Otto Group. The CmiA label, enables textiles to be produced more sustainably without a significant increase in cost. Cotton produced under CmiA improves working conditions for African smallholders and uses more sustainable farming practices, as fewer pesticides are used during farming and fewer greenhouse gases are generated than in the farming of conventional cotton. CmiA is based on the mass balance model.⁹

Fairtrade Fairtrade is committed to improving the working and living conditions of smallholders and workers in Global South countries. Fairtrade aims to ensure a set of standards are met in the production and supply chain of a product or raw material. Fairtrade promotes better workers' rights, safer working conditions and fairer pay for farmers and workers in the supply chain. Fairtrade is made up of general standards (for smallholder organisations, plantations, or contract farmers), product standards, which set out product-specific regulations, and a trader standard, which contains specific requirements for traders and producers (including regulations for payment methods or mixed products).¹⁰

⁵ WWF: The Aquaculture Stewardship Council (ASC) fish quality label, 2021.

⁶ Aquaculture info: Labels/certificates, 2021

⁷ Siegelklarheit: Better Cotton Initiative, 2021.

⁸ Forum for Sustainable Palm Oil: Trading Models, 2021.

⁹ Utopia: Cotton made in Africa: What is behind sustainable cotton, 2021.

¹⁰ Fairtrade: What is Fairtrade?, 2021.

Forest Stewardship Council (FSC) The FSC was founded in 1993 and is an independent organisation that promotes the sustainable forest management, ensuring that forest are managed in a way that meets specific environmental, social and economic requirements. The FSC label is used on wood, pulp and paper products that have met the criteria. The FSC promotes protection of indigenous groups/land, biodiversity and banning the use of GMOs. FSC has different labels depending on the proportion of certified cellulose in the product or the use of recycled materials.¹¹

GLOBALG.A.P. GLOBALG.A.P. was created in 1997 by EUREPGAP, an initiative by retailers. GLOBALG.A.P. includes standards and programmes for good agricultural practice in three product areas: floriculture (plants and flowers), fresh produce (fruit and vegetables), and aquaculture (fish and seafood). The main standard, IFA (International Farm Assurance), includes requirements for food safety and sustainability. These standards are supplemented with GLOBALG.A.P.+ add-ons such as GRASP (Risk Assessment on Social Practice) or SPRING (Sustainable Program for Irrigation and Groundwater Use). A single label “GGN” (GLOBALG.A.P. Number) identifies all products certified by GLOBALG.A.P.¹²

GLOBALG.A.P. GRASP GLOBALG.A.P. GRASP is an additional standard at operational level as part of GLOBALG.A.P. certification. GRASP is not certification of compliance with human rights criteria, it is an open risk assessment. It helps producers, retailers, and traders to assess the human rights risks in their businesses and supply chains. The standard addresses issues such as health and safety at work, wages, and working hours.¹³

Global Organic Textile Standard (GOTS) GOTS certification is seen as the world's leading standard for organic textiles (clothing, home textiles and textile hygiene products). The GOTS label identifies textiles that have met environmental and social requirements, in line with the core labour standards of the International Labour Organization (ILO) across the entire supply chain.¹⁴

Human rights impact assessments (HRIA) A HRIA is a process applied to systematically identify, predict, and respond to the potential human rights risks of a business operation, government policy or trade agreement.¹⁵

Marine Stewardship Council (MSC) The MSC is an international non-profit organisation that was founded by Unilever and the WWF in 1997. The MSC is now an independent organisation and is supported in an advisory capacity by various global stakeholder groups. MSC aims to prevent global overfishing and promote sustainable fishing methods to sustain healthy global fish stocks. The MSC label identifies products and businesses that ensure fished stocks are kept at a sustainable level, by-catch is minimised, fishing gear is used responsibly, and the habitats of fish and other marine animals are protected.¹⁶

Organic Content Standard (OCS) The Organic Content Standard 100 (OCS 100) and the Standard blended (OCS blended) enable companies to record the specific content of organically produced materials in a product and along the value chain. The overriding Content Claim Standard defines the traceability of goods and transparency in the production chain. Unlike GOTS, the OCS does not dictate any requirements for the use of chemical additives or regarding a company's environmental management and social responsibility.¹⁷

¹¹ FSC: Forest Stewardship Council, 2021.

¹² GLOBALG.A.P.: The History of GLOBALG.A.P., 2021.

¹³ GLOBALG.A.P.: What is GRASP?, 2021.

¹⁴ GOTS: Global Organic Textile Standard, 2020.

¹⁵ The Danish Institute for Human Rights: Introduction to human rights impact assessment, 2021.

¹⁶ MSC: The history of the MSC, 2021.

¹⁷ Conscious shopping: Organic 100 Content Standard, 2021.

Programme for the Endorsement of Forest Certification Schemes (PEFC) PEFC was founded in 1998 by European forest owners and representatives from environmental organisations and the timber industry. The PEFC is an independent system for monitoring sustainable forestry based on national standards. It is also a consumer label that identifies wood and paper products that come from certified sustainable sources.¹⁸

Rainforest Alliance (RA) The RA was founded in 1987 and is committed to maintaining biodiversity, as well as promoting sustainable and fair agricultural practices in over 60 countries. The RA requirements include criteria to uphold human rights, such as access to education or a preventing child labour, as well as environmental standards, such as the promoting biodiversity and safeguarding water sources. In 2018, the RA merged with the UTZ certification programme to form one certification scheme with an aligned message and an updated logo of a green frog with the text people & nature.¹⁹

¹⁸ PEFC: PEFC – International, 2021.

¹⁹ Rainforest Alliance: About us, 2021.

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