



Basis of Reporting

Lidl GB is providing a basis of reporting document on its website for selected KPIs related to sustainability reporting.

Human Rights Impact Assessments (HRIAs) & Action Plans

KPI:

By 2025, conduct 15 HRIAs across high-risk supply chains and implement corresponding action plans.

Scope:

The methodology outlined below is used to report on the number of HRIAs completed by the Lidl Group, alongside corresponding action plans.

Timeframe:

Lidl GB report on the number of HRIA's conducted and action plans developed before the end of Lidl's financial year.

Methodology:

- The Lidl Group select a supply chain to conduct a HRIA, based on known high-risk origins and product categories.
- Identified highest risk supply chains are outlined in our Human Rights in the Supply Chain policy - <https://corporate.lidl.co.uk/sustainability/policies>.
- Supply chains to conduct a HRIA are selected during internal meetings and are based on importance of commodity and/ or country of origin to each Lidl market that conducts a HRIA.
- Lidl report on the number conducted in the year the majority of the HRIA assessment takes place.
- Final HRIA reports are written and published on the Lidl corporate website. These reports contain details about the assessment conducted, overall findings and recommendations for follow-up actions.
- Based on these recommendations, the Lidl Group develop HRIA action plans.
- These action plans outline the steps Lidl plan to take to mitigate and/ or remediate the identified risks identified from the HRIA.



Suppliers on Sedex

KPI:

Tier 1 suppliers on Sedex.

Scope:

The methodology outlined below is used to report on the percentage of Lidl GB's, direct (tier one) suppliers that are visible to Lidl on the Sedex online platform.

Timeframe:

Lidl GB report on the percentage of tier 1 suppliers visible on the Sedex platform at a snapshot in time, before the end of the Lidl financial year.

Methodology:

- Lidl GB's ethical trade team keep an internal 'Ethical Database' to track compliance of direct suppliers.
- Suppliers on the Ethical Database are added or removed, based on information provided via an internal document, used by the Buying department.
- The Ethical Database is reviewed and updated on an ongoing, regular basis throughout the year.
- Specific categories are reviewed before range reviews, which happen annually, at a minimum.
- As there are ongoing changes to the supply base, at any point in time, there may be up to 10% difference between the suppliers listed on the Ethical Database and the list of suppliers provided by the Buying department.
- Suppliers on the Ethical Database are reviewed on a regular basis against specific ethical KPIs e.g being on the Sedex platform.
- Suppliers listed in the database are searched for on the Sedex platform, to ensure they are compliant with Lidl GB's requirement to be on Sedex, in which case they are marked as 'on Sedex' in the Ethical Database.
- Suppliers that are given an internal derogation for Sedex membership, are considered 'compliant' and also marked as 'on Sedex' in the Ethical Database.
- The overall percentage is worked out by calculating the total number of suppliers marked as on Sedex in the Ethical Database, divided by total number of suppliers in the Ethical Database.



Suppliers attending Modern Slavery training

KPI:

UK Tier 1 suppliers attending modern slavery training.

Scope:

The methodology outlined below is used to report on the percentage of Lidl GB's UK-based, tier one suppliers who have attended or confirmed upcoming attendance of Stronger Together's 'Tackling Modern Slavery in UK Businesses' (TMSUKB) workshop.

Timeframe:

Lidl GB report on the percentage of tier 1 suppliers that have attended or are due to attend this training workshop at a snapshot in time, before the end of the Lidl financial year.

Methodology:

- Lidl GB's ethical trade team keep an internal 'Ethical Database' to track compliance of direct suppliers.
- Suppliers on the Ethical Database are added or removed, based on information provided via an internal document, used by the Buying department.
- The Ethical Database is reviewed and updated on an ongoing, regular basis throughout the year.
- Specific categories are reviewed before range reviews, which happen annually, at a minimum.
- As there are ongoing changes to the supply base, at any point in time, there may be up to 10% difference between the suppliers listed on the Ethical Database and the list of suppliers provided by the Buying department.
- Suppliers on the Ethical Database are reviewed on a regular basis against specific ethical KPIs e.g. whether they have attended modern slavery training.
- Stronger Together email Lidl a quarterly training log, outlining a list of suppliers who have attended the TMSUKB workshop.
- Suppliers listed in the Ethical Database are searched for on Stronger Together's quarterly training log.
- If a supplier is not included on the training log, the ethical team require email confirmation from the supplier, of the date of their attendance to this training.
- Training dates are input into the Ethical Database, based on the information provided on Stronger Together's quarterly training log or the date emailed to Lidl by the supplier.
- A supplier may not be included on Stronger Together's quarterly training log, if they have not selected that they supply Lidl at the time of the training.
- Suppliers that are not based in the UK, are considered 'compliant' and are included as part of this KPI calculation.



- The overall percentage is calculated by adding the number of suppliers that have attended or are booked to attend modern slavery training, with those that are not based in the UK, and divided by the total number of suppliers on the Ethical Database.