

Lidl

Human Rights Impact Assessment Kenyan Tea Supply Chain

December 2020



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Introduction

In October 2019, Ergon Associates were contracted by Lidl to undertake a Human Rights Impact Assessment (HRIA) in Lidl's Kenyan tea supply chain. The project was led by Lidl Great Britain on behalf of the Lidl group, with the intention of sharing learnings to support future assessments. Ergon were selected as an independent expert partner to support Lidl throughout the assessment as they had developed a practical, action-focused approach which met the Lidl brief.



The aim of conducting the HRIA was to:

- understand where and how specific business and supply chain activities have the potential to impact internationally recognised human rights;
- expand on information on key risks, including any root causes identified;
- gather feedback from relevant 'rightsholders' and their views related to actual or potential impacts;
- set a framework for robust and workable activities to mitigate or remediate negative potential impacts and enhance positive impacts, consistent with Lidl's overarching policy commitments.

The Kenyan tea supply chain was selected following a scoping process, which considered Lidl's annual risk assessment findings as well as additional factors, including: purchasing volumes; origin country importance; supplier relationships and tender process sequencing. On a more practical level, the scoping process also considered the need and potential for new information about a supply chain to support industry knowledge, scalability of the methodology for future HRIAs and security implications relating to the planned field assessment.

By conducting the HRIA in the Kenyan tea supply chain, Lidl aimed to further develop its existing commitment to the responsible sourcing of tea. This includes commitments to source 100% of Lidl's own brand black, rooibos and green tea from either UTZ, Fairtrade or Rainforest Alliance accredited schemes, and to publish supply chain information to increase transparency across Lidl's tier one suppliers and beyond. More information on Lidl's commitments can be viewed [online](#).

This report:

- outlines Lidl's methodology;
- describes key contextual issues affecting the Kenyan tea sector;
- outlines findings from the impact assessment;
- identifies mitigating actions developed by Lidl and communicates next steps.



Overview of HRIA approach

Methodology

To ensure a systematic approach was taken for the HRIA, Ergon developed a bespoke methodology to investigate human rights impacts in Lidl’s supply chain. The objective was to understand how and where business activities had the potential to impact internationally recognised human rights. The methodology was consistent with international frameworks and stakeholder expectations, notably the UN Guiding Principles (UNGPs) on Business and Human Rights, the OECD Guidelines on Multinational Enterprises and the OECD-FAO Guidance for Responsible Agricultural Supply Chains. The table below provides an overview of the process followed:

Stage 1 Review business activities & processes	Map relevant business activities, processes, and value chain relationships relevant to sourcing tea from Kenya to provide structure for analysis.
Stage 2 Scoping potential human rights	Produce a shortlist of relevant human rights impacted within the supply chain to provide structure for the impact assessment.
Stage 3 Baseline analysis	Undertake desk-based research to use as a reference point for evaluating impact and focusing field visit. Focus on vulnerable groups impacted by human rights issues in Kenya.
Stage 4 Stakeholder engagement	Identify and prioritise known stakeholders and partners to engage in the assessment – including internal and external actors. Ensure potentially impacted workers and communities are represented.
Stage 5 Field assessment	Conduct a field visit to key tea growing regions in Kenya to explore and validate issues identified in the baseline analysis by meeting with relevant stakeholders and conducting site visits to discuss issues with management, workers, and smallholders.
Stage 6 Impact assessment	Collate a registry of potential and identified human rights impacts associated with supply chain activities and the rightsholders they affect.
Stage 7 Mitigation, action planning & communication	Identify the most salient impacts and understand those that are linked to Lidl business activities. Systematically assess findings and prioritise impacts with consideration given to Lidl’s ability to influence outcomes. Develop mitigation recommendations and actions informed by stakeholder and rightsholder feedback. Publish actions and measures to mitigate or remedy adverse impacts, or to enhance positive ones at direct supplier level or through wider stakeholder engagement.

Stakeholders engaged

Stakeholders were consulted at various stages of the HRIA and were selected based on their expertise on, and experience of issues scoped as potentially affecting Lidl's business operations. Testimony from stakeholders across the supply chain guided the field assessment, informed the impact analysis and tested baseline assumptions. They included Lidl business representatives, tea suppliers, trade unions, smallholder groups, civil society organisations, multi-stakeholder initiatives (MSIs) and NGOs, outlined below:

Internal Lidl stakeholders (Stage 1 – Business review)

- Lidl Commercial team: overview of processes for tea buying from buying directors and tea category buyers, including semi-structured interviews and document sharing.
- Lidl CSR team: review of responsible sourcing buying policies, requirements and processes alongside the CSR strategy outlining upcoming priorities.

Representative and expert stakeholders (Stage 4 – Formal stakeholder engagement)

- Trade unions: understand challenges and country/sector context.
- Civil society organisations: review action and remediation activities.
- Multi-stakeholder initiatives: identify challenges and opportunities with engaged businesses and organisations in the sector.
- NGOs: discuss challenges and opportunities with those working directly with rightsholders and the community.

Supply chain stakeholders (Stage 5 – Field assessment)

- Agricultural tea expert, Nairobi based
- Lidl tea suppliers working in Kenya
- Smallholder farmers, hired workers and smallholder groups
- Plantation and factory workers and junior staff
- Kenya Tea Development Agency (KTDA)
- Kenya Tea Growers Association (KTGA)
- Tea Brokers East Africa Ltd
- Kericho Governor's Office
- Kenya Plantation and Agricultural Workers Union (KPAWU)
- East Africa Tea Trade Association (EATTA)
- Ethical Tea Partnership (ETP)

Access to rightsholders

With support from one of Lidl's key suppliers, rightsholders' in the supply chain were directly engaged during the field assessment for Lidl to better understand their views in relation to the key issues in scope. The feedback collected from their testimonies was used to confirm the existence of impacts on human rights, and determine their likelihood and potential severity. The rightsholders engaged included:

- smallholder tea farmers through semi-structured interviews whilst on site;
- tea estate workers on large plantations through informal conversations gathering workers' opinions on site tours;
- direct supplier engagement through semi-structured interviews conducted along the tea supply chain including estates, factory, warehouse and office management staff.



Limitations

The assessment aimed to identify the most salient human rights impacts; however, it does not constitute a comprehensive study of all possible human rights impacts in the sector. The key limitations relating to the HRIA are listed below:

- The HRIA was impacted by the Covid-19 pandemic, meaning the field assessment was shorter than initially planned and some stakeholders could not be directly engaged by the researchers on the visit. Due to global company policy, this also meant that the Lidl CSR team were unable to join the field visit as originally planned.
- The field visit was based on a limited sample of growing regions, estates, and producer groups.
- Access to workers was tightly controlled. Despite support from suppliers, there was limited direct access to rightsholders. Testimony from representative stakeholders including trade unions, producer groups and rights organisations was relied on.

Context

As part of the HRIA, a strong focus was placed on building knowledge and understanding relating to the identified supply chain. This section outlines some of the key insights, providing context for the HRIA as a whole, as well as informing elements of the methodology such as the baseline analysis, stakeholder engagement and the field visit.

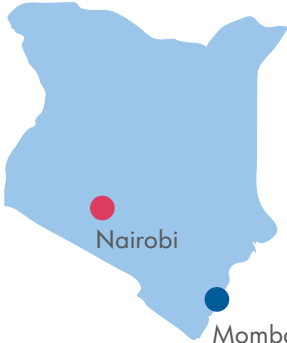
The Kenyan tea sector

Largest black tea exporting country

3rd largest producer of tea globally

10% of global tea trade

Kenya's production volumes:
48.3 million Kg (2019)
40.8 million Kg (2018)



4% of GDP

25% of country's export earnings

Cost of production US\$2.15/Kg (2019)



650,000 farmers directly & 6 million residents indirectly dependent for their livelihoods

Kenyan tea plantation sector

- The plantation sector employs around 50,000 workers (as of February 2020). The KTGA estimates that 200,000 people's livelihoods are indirectly dependent on the plantation sub-sector.
- The majority of workers are permanent or formal temporary workers (with contracts of less than 3 months), approximately 60-70%, whilst up to 30% are casual workers paid on a daily arrangement with lesser entitlement to benefits.
- Tea is plucked traditionally by hand, however mechanisation is increasing as a means for producers to counter the costs of production and labour shortages. The mechanisation push has been controversial among workers and within parts of the industry. Mechanised tea harvesting now accounts for up to 80% of production on some estates and is an integral part of the business model (March 2020).

Kenyan tea production regions

Tea is grown across 21 counties in Kenya. There are two main regions commonly known as 'West of Rift' and 'East of Rift' on either side of the Great Rift Valley.

West of Rift	<ul style="list-style-type: none"> • 62% of green leaf production • 60% large estates / 40% smallholder producers 	
East of Rift	<ul style="list-style-type: none"> • 38% of green leaf production • 5% large estates / 95% smallholder producers 	

Certification schemes

There is a heavy incentivisation for producers to pursue sustainability certification schemes, such as Fairtrade and the Rainforest Alliance. Despite the added costs of implementing the standards associated with these schemes, many major buyers demand these schemes as an entry level market requirement, whether or not it is finally sold as certified to the end consumer. Notable exceptions include buyers supplying Egypt and Pakistan, which represent a significant part of the global market.

Kenyan smallholder sector

- 650,000 smallholder tea farmers in Kenya produce 55% of the total volume.
- Smallholder farmers collectively own the KTDA, which is tasked with buying, processing and marketing their tea, as well as providing support on social development.
- The size of smallholder farms has been steadily decreasing due to the practice of dividing land ownership amongst multiple family members.
- Most areas in Kenya have a structural barrier to women's land ownership and across nearly all smallholder communities most registered members are men, though this is slowly changing in some places (e.g. Bomet County where the proportion of registered women growers has reached 30%).

Global tea pricing

Average tea prices have been on an overall downward trajectory since 2017, as reviewed at the Mombasa auction. Factors contributing towards this include global overproduction outpacing demand, political uncertainties in key markets, heatwaves in Europe reducing demand, currency fluctuations in Egypt and Pakistan and the consolidation of buying power downstream.

Cost of production

The cost of production is estimated at ~US\$2.15/kg, which exceeds the average traded price at the start of 2020 (\$US\$2.00/kg, March 2020). Factors contributing to the costs of production include labour costs, utility costs, and other inputs, including imported fertiliser.

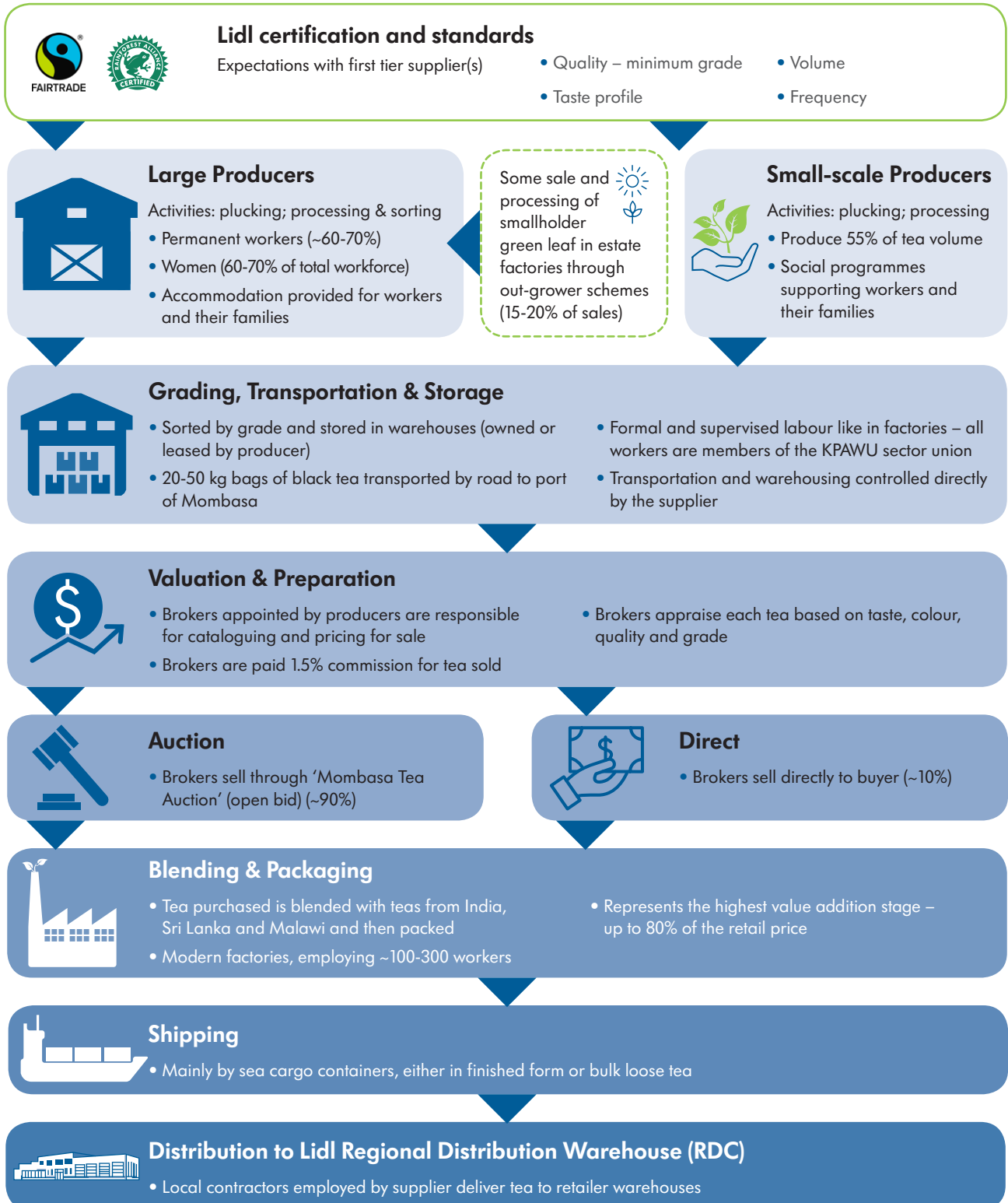
The Mombasa tea auction

The Mombasa tea auction is Africa's largest and the world's second largest tea auction. It is organised by the East Africa Tea Trade Association (EATTA) and has 240 members, trading tea from Kenya, Uganda, Malawi and Tanzania. Over 95% of the tea traded is destined for export markets, some of which is purchased by Lidl's suppliers, based on quality and price specifications.



Lidl's Kenyan tea supply chain

At the time of this HRIA, Lidl had two first tier tea suppliers. As part of the buying process, Lidl outlines requirements through a product specification, which includes information regarding certifications and standards. As part of Lidl's Code of Conduct, it is the responsibility of the first-tier supplier to ensure social and environmental minimum standards are upheld throughout the supply chain. Tea suppliers are contracted to supply Lidl with a variety of tea products, some of which is sourced and packed in Kenya. These suppliers source their tea from traders and brokers via the Mombasa tea auction with limited visibility to estates and producers. The outline of the tea supply chain below represents the business activities at country of origin for the production of tea in Kenya, once a supplier relationship has begun with Lidl.



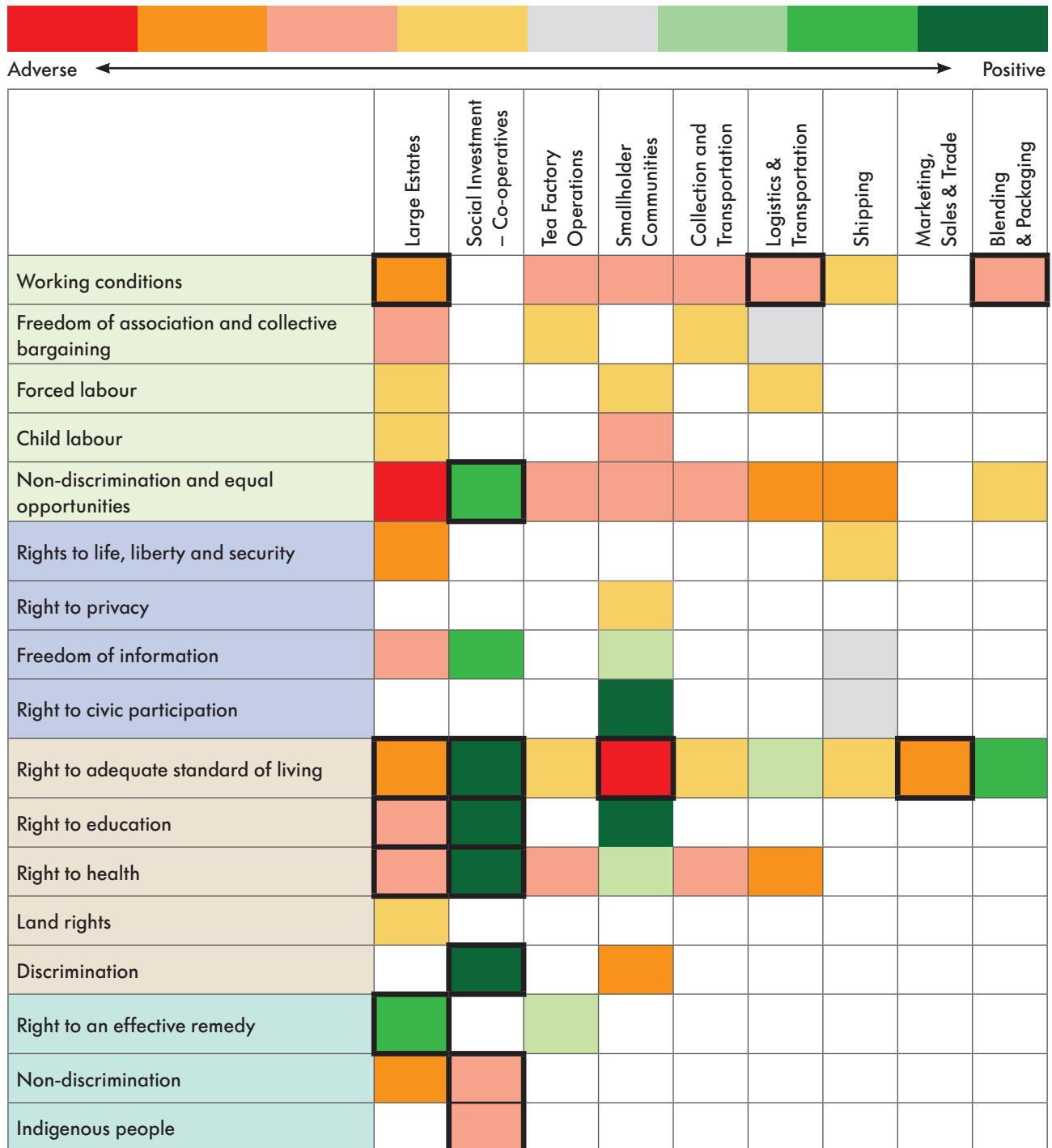
Impact assessment findings

This section focuses on the HRIA findings, which are based on the baseline assessment, enhanced by stakeholder engagement and the field assessment. They have been collated to identify the most salient impacts at different stages of the supply chain, and the impacts that are more closely linked to Lidl’s activities.

Results

The diagram below identifies human rights impacts within the stages of the Kenyan tea supply chain.

Impacts are presented according to the stage of the supply chain at which they occur. The colour represents the impact’s saliency on a sliding scale, with red indicating the most adverse impacts and green indicating the most positive. Most impacts result from market dynamics and the way that suppliers and producers within Lidl’s supply chain operate, as opposed to resulting solely from Lidl’s direct activities. Impacts identified as being potentially directly linked to one or more of Lidl’s business activities are indicated with a bold outline.



Impacts with the potential of a direct linkage to Lidl

The UNGPs and the OECD Due Diligence Guidance for Responsible Business Conduct attribute impacts for businesses to consider in terms of 'cause, contribute and/or linkage'. The identified findings set out below focus on potential linkage based on Lidl's core business activities for tea buying. Lidl does not have direct contractual relationships with tea producers at estate or smallholder level and/or investment relationships to activities where most of the identified impacts occur, and has relatively small buying power within the Kenyan tea context.

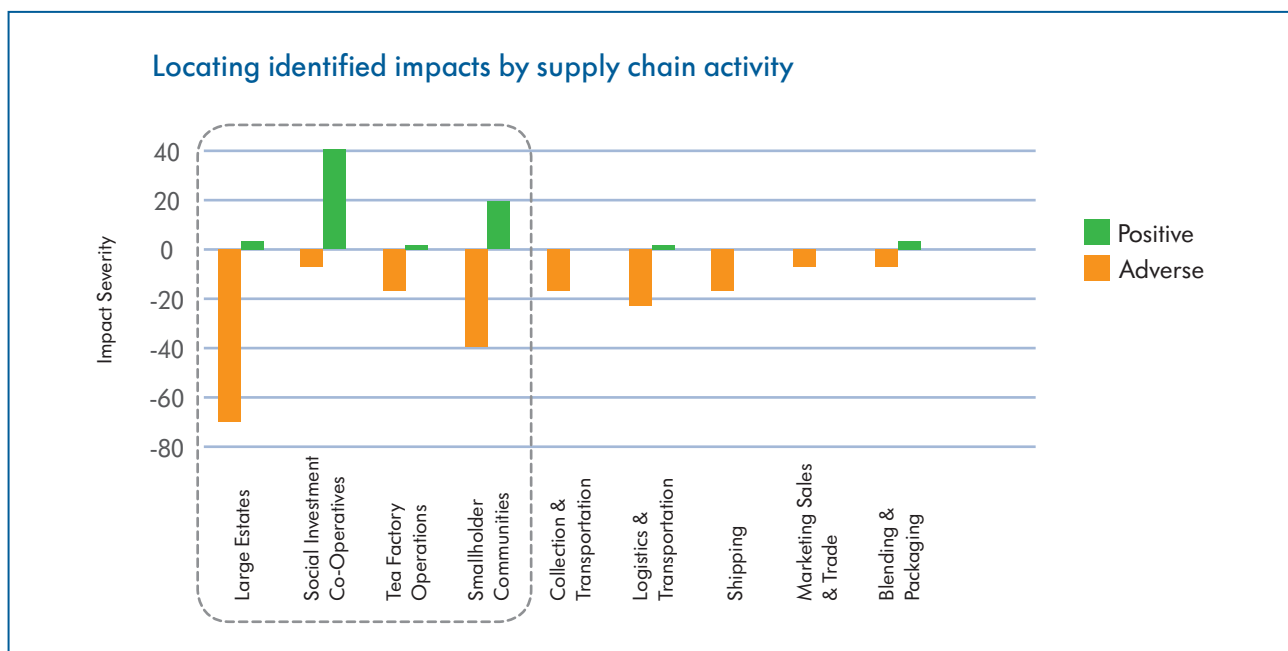
The following categories of business activities were identified as having potential direct linkage to the identified impacts - and therefore merit closer focus in order to prioritise mitigation actions:

- Supplier selection, standards and certification:** Suppliers are selected via a competitive tendering process. The process outlines the expectations for the relationship including social and quality standards to be upheld. Supplier selection has been identified as one of the key linkage areas due to how a supplier's business practices and standards may impact on identified rightsholders within the supply chain and the potential for conflicting social requirements from customers and other business stakeholders.
- Price:** As part of the tender process negotiation, a price is set along with the volume and frequency of product required. Price has been identified as a key linkage area that could potentially have a direct and indirect impact on rightsholders throughout the supply chain as it affects the ability for the supplier, and therefore the producer or estate, to ensure good working conditions.
- Terms and conditions:** The terms and conditions for the supplier relationship are set out in the contract negotiation once a supplier has been chosen and outline the timing and frequency of orders expected for the supplier to deliver the finished product. Terms and conditions are identified as a key linkage that could potentially influence conditions for workers - including hours, overtime and health and safety - by stretching suppliers' capacities.

Trends

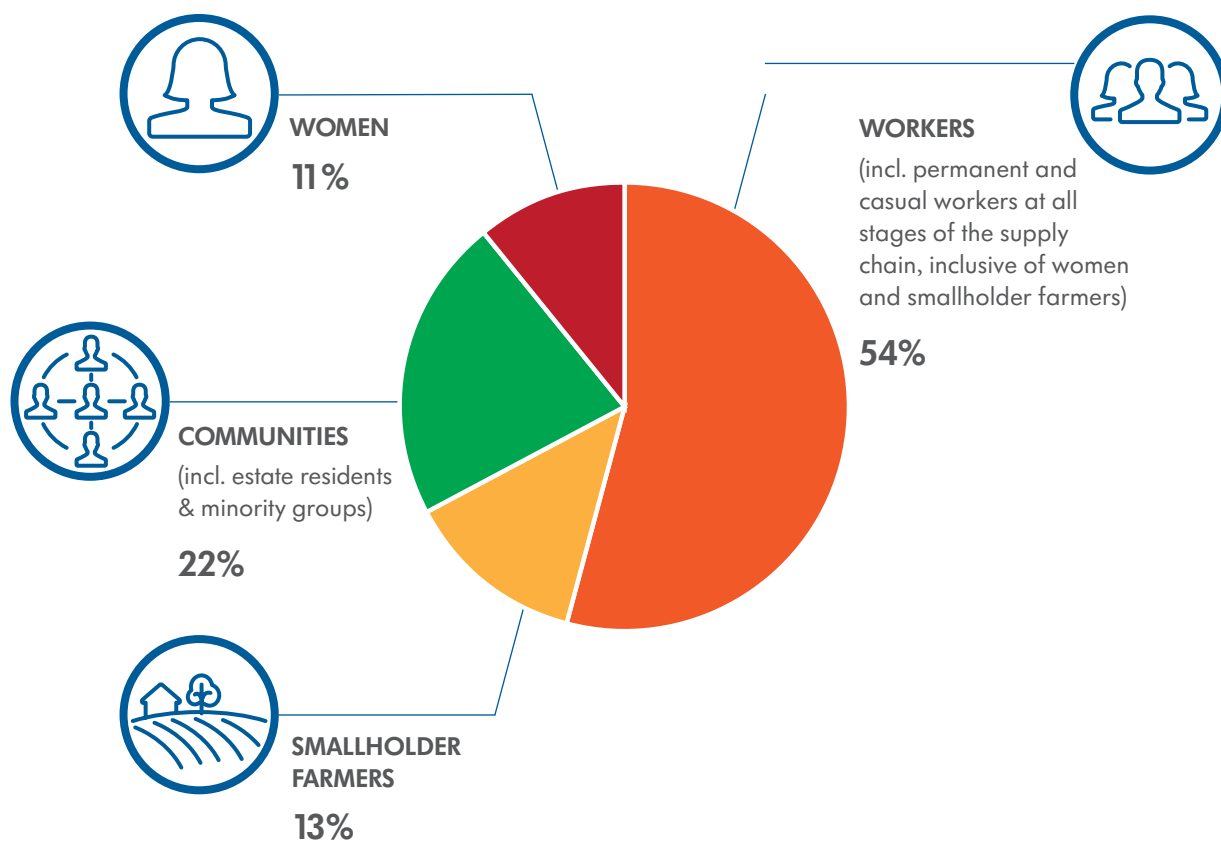
More adverse impacts concentrated in farms and factories

The impacts identified, regardless of whether there is a potential linkage to Lidl, are common to the tea sector in Kenya and are reflective of wider practices within the supply chain. Impacts that have been identified as having a potential linkage to Lidl's business activities have been further analysed to identify where in the supply chain mitigation should be prioritised. As shown in the bar graph, more adverse impacts were identified than positive impacts, and are concentrated upstream within the supply chain on estates. The dotted line indicates Lidl's area of focus for mitigation and remediation.



Most affected rightsholders of impacts identified (positive and adverse)

When analysing the findings further to identify who is most affected by both adverse and positive impacts, the rightsholders outlined in the pie chart were prioritised.



A strategic focus on women and smallholder producers

Most human rights impacts identified relate to workers in fields and factories throughout the supply chain. Within this category, impacts are particularly experienced by women workers and women smallholder farmers. Although both men and women share impacts under the workers category, men do not have additional impacts affecting them uniquely, therefore women have been identified separately on the pie chart. The majority of the tea sector's workforce is female, particularly in field production. Systemic issues associated with gender discrimination and sexual harassment within the Kenyan agricultural industry were identified, prompting women to remain a priority group for mitigation and remediation.

Smallholder farmers are vulnerable to market fluctuations and increases in costs which leave them susceptible to potential social impacts, hence their distinctive position on the pie chart. The impact industry dynamics and working practices have on their families and the community reaffirm the need to prioritise these vulnerable groups.

Human rights impacts and opportunities for mitigation

Both positive and adverse impacts on internationally recognised human rights have been found affecting different groups of rightsholders across multiple business activities. This section outlines Lidl's opportunities for mitigation and supports Lidl's time-bound action plan.

Opportunities for mitigation

Priority opportunities for mitigation have been identified for Lidl to focus on as part of the development of the final action plan. The areas identified as opportunities are categorised as either 'Lidl-driven' action or 'collaborative' action required to address the impact most effectively. Lidl-driven action includes business activities (i.e. supplier selection) where Lidl can supplement changes to current processes. Collaborative action includes actions beyond Lidl's immediate business activities (i.e. engaging with multi-stakeholder initiatives (MSIs)) where Lidl can leverage collective multi-stakeholder intervention to support progress on more systemic issues (i.e. gender equality).

The opportunities for mitigation, along with corresponding potential actions, have been categorised in the table below:

Approach	Opportunities for mitigation	Example
Lidl-driven action	Policies and standards	Set social standards for tea producers that go beyond certification.
	Supplier selection	Evaluate supplier capacity and implementation of standards, and review options for local value addition in existing tender process.
	Supplier engagement	Monitor social standards among suppliers and producers.
	Pricing and purchasing	Understand sustainable tea price benchmarking with suppliers and/or a possibility of excluding teas traded below a certain price from the supply chain, or consider options for direct trade, whilst investigating further the effects product specification has on prices.
Collaborative action	MSIs	Identify relevant MSIs to engage with on sector-wide approaches and specific issues.
	Engage with certifiers	Engage with certifiers to continue and enhance positive systemic impacts of certification on farmers and hired workers.
	Collaboration	Work with other MSIs (e.g. Ethical Tea Partnership, ETP) to promote sector-wide social standards with producer organisations (e.g. KTDA) and producer-level projects.

The following section outlines the HRIA findings relating to prioritised supply chain activities and rightsholder groups. The table includes the rights issue, location, impacted rightsholder, impact details and associated opportunities for mitigation and is designed to act as a transparent summary of the identified impacts.

Selected Findings

Rights Issue	Location	Rightholders	Details	Impact	Opportunities for mitigation
Working conditions 	Large estates	Permanent and casual workers	Casual workers receive fewer benefits and all workers are paid on piece-rate, which can lead to long working hours.	Adverse	Policies and standards Supplier selection
Non-discrimination and equal opportunities 	Smallholder Co-operatives	Women workers Communities	Challenges with sexual harassment and structural barriers due to the informal nature of the sector and ineffective mechanisms to report cases. Gender segregation of roles, which has an implication for wages – e.g. operation of machinery is deemed skilled and therefore earns higher wages. Ongoing challenges to land tenure – a push for land to be conceded to local communities to satisfy historical disputes.	Adverse	MSIs Collaboration
Right to adequate standard of living 	Large estates	Workers Estate residents Tea growing communities	Forced retirement reports due to mechanisation, and failure to honour payment for retiring workers.	Adverse	Supplier selection Pricing and purchasing
	Smallholder Co-operatives	Smallholder farmers	Tea estate wages for hired workers on smallholder farms fall below estimates for cost of living and living wage. Low/volatile prices and high/variable costs of production threaten job availability for hired labourers and constrain smallholder farmers' and labourers' ability to meet their basic needs.	Adverse	MSIs Collaboration
	Producers	Smallholder farmers Workers	Training on a range of issues including: <ul style="list-style-type: none"> • Improving yields and reducing costs – improved earnings • Forest rehabilitation • Reversed water shortages • Financial literacy 	Positive	Supplier engagement Engage with certifiers

Right to education		Large estates	Workers Estate residents	School fees are unaffordable according to workers on some estates.	Adverse	Pricing and Purchasing
		Producer(s) Smallholder Co-operatives	Communities Smallholder farmers	Provision of schools, scholarships, awareness raising of child labour.	Positive	MSIs Collaboration Supplier engagement Engage with certifiers
Right to health		Large Estates	Workers Estate residents	Estates are required to provide medical care as a benefit but is reportedly not made available to casual workers and their families.	Adverse	Pricing and Purchasing Supplier engagement
		Producer(s)	Communities	Requirement to provide access to healthcare facilities for workers, which is extended to non-workers.	Positive	MSIs Collaboration Engage with certifiers
Discrimination		Smallholder Co-operatives	Minority groups Smallholder farmers	Potential non-inclusion of certain groups in social programmes.	Adverse	Supplier selection Supplier engagement
		Producer(s)	Women workers	Projects undertaken by Lidl supply chain actors focus on women's empowerment, reduced discrimination through gender training, establishment of women's organisations, awareness raising and financial inclusion.	Positive	MSIs Collaboration Engage with certifiers
Right to an effective remedy		Large Estates	Workers	Certification programmes require implementation of a grievance resolution mechanism.	Positive	Supplier engagement Engage with certifiers
Non-discrimination & indigenous peoples		Producer(s)	Minority groups	Potential for non-inclusion of certain groups in social programmes due to Kenya's diversity and social cohesion challenges.	Adverse	Supplier selection MSIs Collaboration

Summary and concluding remarks

By conducting this Human Rights Impact Assessment Lidl has developed a better understanding of tea sourcing from Kenya and the potential impact of its business activities on rightsholders within the supply chain. The project has identified issues that go beyond the country risk perspective, provided Lidl with access to stakeholders and revealed potential root causes of the impacts identified. The identified findings have built on Lidl's existing commitments and have reaffirmed existing priorities whilst developing new relationships to support a common cause of upholding human rights within the food supply chain.

Ongoing business and stakeholder engagement have been identified as an essential aspect to the delivery of the time-bound action plan with a commitment to further develop and update the overall plan.

Key learnings taken from this project include:

- The importance of having a focus on a key supply chain and clearly identifying business activities to analyse known risks in detail.
- The need to be open to challenging potential preconceived ideas or misconceptions.
- The importance of engaging with and working closely with direct supplier(s) in an open, transparent way.

By sourcing a large proportion of tea from Kenya, Lidl is supporting one of the largest representative structures for smallholder farmers in the world. By blending and producing packaged tea in-country, the business activities conducted are supporting jobs and livelihoods of producers and workers.

Lidl would like to thank Ergon Associates Ltd, its tea suppliers and all stakeholders and rightsholders who shared their testimonies and welcomes continued engagement with partners on the findings within this report.



Action plan

This time-bound action plan outlines Lidl's commitments to mitigating the most significant adverse impacts within its Kenyan tea supply chain and enhancing the positive impacts identified. Lidl is committed to taking action beyond potential linkage impacts and collaborating with others to support sector level change. The next steps have been formulated independently by Lidl, based on the findings of Ergon's HRIA and recommended areas of focus for mitigation, with consideration of all high risk rightsholders including smallholder farmers and women. Lidl has shaped this action plan based on an appraisal of feasible and manageable steps within a defined timeframe and have also incorporated overarching strategic objectives for the responsible sourcing of tea. Lidl recognises the need for ongoing review and development to ensure progress is being made on a continual basis.



Lidl's overarching mitigation plan to respond to the HRIA findings

To ensure this plan supports Lidl's overarching management approach for CSR the actions have been categorised within four strategic pillars.

Opportunities for mitigation	Engage with certifiers	Collaboration Supplier engagement	Policies and standards Supplier selection Pricing and purchasing	MSIs Supplier engagement
Strategic pillar	1 Scaling up the impact of certification schemes	2 Engaging directly with Kenyan stakeholders	3 Adapting our purchasing practices	4 Supporting systemic change in the tea sector
Objectives	<p>Explore collaborative opportunities to increase positive impacts of certification schemes.</p> <p>Continue sourcing of certified black, green and rooibos tea and increase overall proportion of certified fruit and herbal teas.</p> 	<p>Continue to engage with stakeholders, local partners and MSIs included within the HRIA and feedback learnings.</p> <p>Engage in initiatives and projects with local stakeholders.</p> 	<p>Strengthen buying practices to go beyond certification requirements.</p> <p>Support mitigation of the impact of price volatility on rightsholders through business practices.</p> 	<p>Continue to develop supply chain transparency.</p> <p>Test specific interventions to mitigate risks associated with smallholder farmers and women.</p> 

Delivered strategically through a time-bound road map

Time-bound roadmap

Rights Issue(s)	Opportunity For Mitigation	Strategic Pillar	Objective	Next Steps	Timeline*	Stakeholder(s)
Right to adequate standard of living Right to education Right to health Discrimination Right to an effective remedy	Engage with certifiers	Scaling up the impact of certification schemes	Explore collaborative opportunities to increase positive impacts of certification schemes. Continue sourcing of certified black, green and rooibos tea and increase overall proportion of certified fruit and herbal teas.	1. Share HRIA findings with Rainforest Alliance and Fairtrade 2. Finalise collaboration plan 1. Target 75% certification for fruit and herbal teas as a minimum requirement* <small>*subject to availability</small>	Q1 2021 Q2 2021 Q4 2022	Fairtrade Rainforest Alliance
Non-discrimination and equal opportunities Right to adequate standard of living Right to education Right to health Discrimination Right to an effective remedy Non-discrimination & indigenous peoples	Collaboration Supplier engagement	Engaging directly with Kenyan stakeholders	Continue to engage with stakeholders, local partners and MSIs included within the HRIA and feedback learnings. Engage in initiatives and projects with local stakeholders.	1. Develop an engagement plan to continue dialogue with key project stakeholders and share opportunities for involvement as part of Lidl's mitigation action plan 2. Select focus rights issue and research opportunities to support projects on the ground with local stakeholders 3. Set up formal partnership and engagement	Q1 2021 Q1 2022 Q3 2022	NGOs MSIs Civil society organisations

Time-bound roadmap

Rights Issue(s)	Opportunity For Mitigation	Strategic Pillar	Objective	Next Steps	Timeline*	Stakeholder(s)
Working conditions Right to adequate standard of living Right to education Right to health Discrimination Non-discrimination & indigenous peoples	Policies and standards Supplier selection Pricing and purchasing	Adapting our purchasing practices	Strengthen buying practices to go beyond certification requirements.	1. Further engage with internal buying team on project findings 2. Pilot new pre-tender, performance assessment for supplier selection 3. Review learnings from new supplier performance assessment, understand how this impacts on vulnerable groups within the supply chain and use this insight to establish next steps.	Q1 2021 Q2 2021 Q4 2022	Lidl commercial & CSR team Tea supplier(s) MSIs
			Support mitigation of the impact of price volatility on rightsholders through business practices.	1. Select MSI to engage with on living wage in the context of the Kenyan tea sector 2. Set up formal partnership with chosen MSI and plan collaboration opportunities 3. Understand and compile specific actions Lidl can take unilaterally to mitigate impact of price volatility in the supply chain (e.g. through sustainable tea pricing)	Q3 2021 Q4 2021 Q2 2022	
Non-discrimination and equal opportunities Right to adequate standard of living Right to education Right to health Discrimination Right to an effective remedy Non-discrimination & indigenous peoples	MSIs Supplier engagement	Supporting systemic change in the tea sector	Continue to develop supply chain transparency.	1. Build on existing transparency work by publishing tea supply chain, relating to this HRIA 2. Update publicly available sourcing information on our website, on an annual basis	Q1 2021 Ongoing	Tea supplier(s) Civil society organisations Trade Unions
			Test specific interventions to mitigate risks associated with smallholder farmers and women.	1. Collaborate with selected partners to plan interventions and mitigate identified impacts 2. Roll out interventions that will target identified high risk rightsholders	Q4 2021 Q3 2022	

Lidl project next steps

Action	Stakeholder(s)	Timeline*
Evaluate pilot HRIA process and incorporate key learnings into future assessments conducted within the Lidl Group	<ul style="list-style-type: none">• Lidl CSR team	By end 2020
Publish a project progress update	<ul style="list-style-type: none">• Lidl CSR team	By end 2022

* Timeframes for each action are contingent on developments with the ongoing COVID-19 pandemic.