



Human Rights Impact Assessment

Canned tomatoes, Italy | Action plan

During 2021, Lidl was part of a sector wide Human Rights Impact Assessment (HRIA) in the Italian tomato sector. The pilot was a collaboration between CBL (retail association) and FNV (Dutch trade union). The report analyses the potential human rights impacted within the Italian canned tomato supply chain. Since the conclusion of the HRIA, Lidl has been working intensively on the findings and has developed concrete actions to address the risks that were identified.

These actions focus on our own operations as Lidl understands its responsibility to proactively minimize the negative impacts identified through the HRIA and use its influence for positive change. We do recognize, however, that many of the identified risks cannot be addressed by Lidl alone and understand that collaboration within the sector will be crucial to address the systemic issues. Therefore CBL has also developed an action plan for sector wide commitments.

Lidl will work with its suppliers to implement the following measures within their tomato supply chain:

1. Strengthening Lidl's human rights due diligence

In addition to our existing Code of Conduct, we will strengthen our human rights due diligence e.g., by including requirements on fair recruitment such as addressing issues of illegal recruitment fees in all supply chains, including Italy, within a Sustainable Purchasing Policy as part of our contractual agreements with suppliers.

2. Striving for transparency

We aim to achieve 100% transparency in the canned tomato supply chain up to the level of growers by the end of Q2 2024.

3. Implementing new requirements

We will introduce new due diligence requirements for all tomato growers within our canned tomato supply chain. All tomato growers within our canned tomato supply chain will have to obtain a GLOBAL.G.A.P. GRASP audit or an equivalent standard as of the beginning of fiscal year 2024.

4. Participating in the ETI Working Group

We will join the Ethical Trade Initiative Working Group in Italy to work jointly with other retailers to work on solutions to address the issues identified in the impact assessment.

We are confident that the implementation of these measures will provide important improvements to the living and working conditions of local workers throughout the Italian canned tomato supply chain. Constructive cooperation with other stakeholders, including civil society and social partners, will continue to play an important role in addressing challenges holistically.