

Human Rights Impact Assessment

Cashew, Côte d'Ivoire | Action Plan

In 2023, Lidl conducted a Human Rights Impact Assessment (HRIA) in the cashew sector in Côte d'Ivoire. The report analyzes the potential impact on human rights within the cashew industry in Côte d'Ivoire. Since completing the HRIA, Lidl has intensively examined the results and developed concrete measures to address the identified risks.

These measures focus on our own activities, as Lidl is aware of its responsibility to proactively minimize the negative impacts identified by the HRIA and to use its influence for positive change. However, we recognize that many of the risks identified cannot be addressed by Lidl alone and understand that collaboration within the sector will be critical to address the systemic issues. We have already discussed the findings of the HRIA with our purchasing department, relevant internal departments and suppliers involved.

Lidl will work with its suppliers and other stakeholders to implement the following measures within the Lidl Foundation cashew supply chain, led by the Quality and Sustainability and Merchandise Purchasing departments:

1. Engage in dialog

From July 2025, we will consult relevant stakeholders on the results of the HRIA with the opportunity to cooperate on measures and feedback on the action plan and consult with them (e.g. suppliers, Rainforest Alliance and Fairtrade, Sustainable Nut Initiative (SNI)) to address the identified fields of action.

<u>Desired outcome:</u> Raising stakeholder awareness of the results, developing an implementation strategy to mitigate the risks identified in the HRIA.

2. Implementation of responsible purchasing practices

From 2026, we will examine options for more sustainable purchasing practices (e.g. increasing local value creation, length of business relationships) together with relevant stakeholders. We are continuing to examine possible approaches to making our product range more sustainable (e.g. increasing the level of certification), including cashews.

<u>Desired outcome</u>: Improvement of living and working conditions in the supply chain through sustainable cooperation.

3. Empowerment at farm level

We will work with an external partner from 2026 to support smallholder farmers and especially women in the supply chain to apply good agricultural and human rights practices. We are also examining approaches to provide farming families with access to health services in order to reduce financial risks in the event of illness.

<u>Desired outcome</u>: Strengthening resilience and sustainability in the supply chain, strengthening the financial resilience of smallholder farmers, capacity building for smallholder farmers (especially women), reduction of identified risks.



4. Income that secures livelihoods

In 2026, we will examine approaches to improve incomes along the cashew supply chain, especially at farm level.

<u>Desired outcome</u>: Identification of concrete, implementable approaches to close the income gap.

5. Measuring impact

We will carry out a further assessment in the supply chain in the medium term, by 2030, to check the effectiveness of the measures taken.

<u>Desired outcome</u>: Collect and analyze supply chain data to assess progress on risk mitigation and identify the most effective actions to optimize future strategy and focus investment on solutions that enable further positive impact.

We are confident that the implementation of these measures will provide important improvements to the living and working conditions of local workers for our cashew supply chain in Côte d'Ivoire. Constructive cooperation with other stakeholders, including civil society and social partners, will continue to play an important role in addressing challenges holistically.