



Lidl Denmark

Sustainability Report

2023 and 2024



More to Value.

About this report



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This edition of Lidl Denmark's sustainability report covers all of Lidl Denmark's activities, including logistics centers, stores and offices in fiscal year 2023 and 2024. Lidl Denmark's fiscal year runs from March 1st to February 28th.

This is the fifth sustainability report published by Lidl Denmark and is aimed at providing information about the strategic anchoring and management of Corporate Social Responsibility (CSR) in the Lidl. The report describes strategic targets, goals and activities that have been identified as relevant for our stakeholders and that have a material economic, social and environmental impact for Lidl Denmark.

Date of publication: December 4th 2025.

Reporting guidelines

Lidl Denmark's report for the fiscal years 2023 and 2024 has been prepared in accordance with the GRI

– a set of defining global standards for sustainability reporting. The GRI index on page 104-114 shows where in the report you can find information relating to the standard's various modules.

External assurance

KPMG has verified that there is consistency between the selected KPI's of this report and the GRI standard. KPMG's independent declaration can be found on page 102.

Audit of Schwarz Group KPIs

Selected CSR KPIs presented in this report have already been audited with limited assurance as part of the audit of the companies of Schwarz Group. More detailed information on the audited KPIs and further explanations can be found in the jointly elaborated Sustainability Report of the companies of Schwarz Group.¹

Reporting cycle

Lidl Denmark have been published a sustainability report every second year. Our reporting cycle now changes with the beginning of this year. From fiscal year 2025, we will report every year in a lighter version of the report. Other publicly available information

on the progress of the topics covered by the report is regularly updated on our website www.lidl.dk/ansvarlighed. The last audited report was published on February 14th 2024, and covered the fiscal year 2021 and 2022.

Since then, Lidl Denmark's sustainability strategy has remained the same. It is centralized around five strategic fields of actions:

- Protecting climate
- Respecting biodiversity
- Conserving resources
- Acting fairly
- Promoting health

These topics provide the structure of this sustainability report.

Feedback and contact person for questions concerning the content of the report

We value feedback and input on our sustainability work.

Feel free to reach out to:

Claus Krogh, Corporate Affairs Director

Mail CSR: csr@lidl.dk

¹https://gruppe.schwarz/en/asset/download/30775/file/SchwarzGroup_SustainabilityReport_FY24.pdf?version=9

Welcome to Lidl Denmark's Sustainability Report



Growth and more responsible actions are closely connected at Lidl

2-22 Statement on sustainable development strategy

At Lidl Denmark, our business model is founded on what nature allows us to harvest, produce and process. Either it grows directly from the ground, or we use raw materials from nature and process them into products we can sell in our stores.

That is why we feel obliged to work for the planet, for people and for you. We want to create a business that also consider the well-being of nature, so that nature can continue to thrive.

This is by no means an easy task, nor is it a task we can undertake alone. But it is nevertheless a task that is fundamental for us and our business.

Lidl cannot solve the world's challenges alone – but with focused and hard work, we can make a difference on the agendas that we consider to be business-relevant and where we believe we can make a difference.

Our agendas are centered around five strategic fields of actions:

- Protecting climate
- Respecting biodiversity
- Conserving resources
- Acting fairly
- Promoting health

>>>>>



Georgios Tokatlis,
CEO in Lidl Denmark



... Growth and more responsible actions are closely connected at Lidl

At Lidl, we are ambitious. We want to expand market share and we want to grow further in Denmark.

This report covers the business years of 2023 and 2024. During that period, we opened 24 new stores in Denmark, and therefore we saw an increase in Lidl Denmark's total Greenhouse Gas (GHG) emissions in 2023 and 2024.

We have growth ambitions in Lidl Denmark. The growth ambitions are reflected in our climate targets. We want to grow going forward, but we also want to reduce our GHG emissions. Not only in Denmark.

In September 2024, the companies of Schwarz Group, including Lidl, submitted an official Net Zero commitment to the Science Based Targets Initiative. This means that Lidl Denmark will reduce our absolute GHG emissions in Scope 1, 2 and 3 to as close to zero as possible by 2050. To achieve this goal, we will continue our focus on protecting the planet by implementing new reduction measures and increase sales of products within the Planetary Health Diet.

Health, climate and biodiversity

In 2023 and 2024, we have focused on providing our customers with healthier choices when visiting our stores. For example, we were part of establishing the Legume Partnership, which aims to get Danes to eat the 100 grams of legumes per day recommended by The Danish Official Dietary Guidelines. A Legume Partnership that connects the producers of legumes, to the largest canteen operators and municipalities and to us in retail, who sell the legumes to the consumers.

VAT-free fruit and vegetables was the essence of a campaign we ran in 2024, where we removed VAT on all fruit and vegetables in all our stores. According to our sales figures, the amount of fruit and vegetables in our customers' shopping baskets increased. We shared the insights from the campaign with The Danish Ministry of Taxation, for the politicians to use them in their work when looking at the possibility of introducing a differentiated VAT on fruit and vegetables in Denmark.

Going forward, we will continue to focus on health. We will also launch more initiatives that contribute to our climate efforts and further develop our range

of products that also take climate, improved cultivation methods and human rights into account. We are also increasing our work on biodiversity, both within and beyond our value chain. Various parameters such as use of pesticides, water consumption and cultivation methods that all have an impact on biodiversity are incorporated into our purchasing policies. In addition, our Code of Conduct was updated in 2024 with an expanded responsibility for suppliers on human rights and the environment.

We have also initiated a closer collaboration with our supplier Arla, as part of their Arla FarmAhead™ Customer Partnership. As part of the collaboration, we have initiated a 2-year climate and biodiversity project, the purpose of which is to provide insights and a basis for better biodiversity and lower GHG emissions on Arla's farms and thus for the products they supply us with.

In 2024, 35.41% of our range originated from Danish suppliers. At Lidl Denmark, we want our customers to have a wide selection of products from Danish suppliers, and we are continuously working to expand our range from local suppliers, for example

... Growth and more responsible actions are closely connected at Lidl

through our private label brands En Bid af Danmark and Madværket. A large range of products from local suppliers can, depending on the product and season, both be beneficial for the climate with lower GHG emissions due to shorter transport routes, ensure local security of supply, and contribute to maintaining and creating jobs in Danish.

Employees are essential

Our employees play a crucial role in our work with sustainability, and they are the key to ensuring that new initiatives and processes are implemented successfully and effectively. It is the employees who ensure that we work with our five strategic fields of actions throughout the entire organization, and develop our business bearing in mind the objectives and expectations we have for each field of action. It is also together with the employees that we can make a visible difference in the small things in everyday life.

Our colleagues in the stores meet customers on a daily basis and translate our ambitions into concrete actions. Among other things, they reduce food waste by ensuring optimal treatment of, for example, our fruit and vegetables, by reducing the

price of products that are close to expiry date and by daily packing bags for rescuing food from ending up as food waste, which are sold in the stores. When there is food that has expired, the employees ensure that it is sorted into correct waste fragments, in order for the food to be converted into biogas.

At our logistics centers, our colleagues ensure, among other things, efficient and careful logistics. It is in the interaction between all parts of the organization, from store, warehouse and head office, that we can translate our strategic goals into real change in both the large initiatives and the small actions that make a difference in everyday life. More to Value.

On behalf of the entire team here at Lidl Denmark, I am pleased to present our latest report on our work with sustainability. I hope you enjoy reading it.

All the best,

Georgios Tokatlis,
CEO in Lidl Denmark



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163
stores

in Denmark by the end of fiscal year 2024

4,153
employees

by the end of fiscal year 2024

35.41%

of assortment is comprised of
products from Danish suppliers
by the end of fiscal year 2024



Lidl Denmark

Lidl Denmark's company profile



2-1 Organizational details

2-2 Entities included in the organization's sustainability reporting

2-6 Activities, value chain and other business relationships

Lidl Denmark K/S with headquarter in Aarhus is an indirect subsidiary of Lidl Stiftung & Co. KG. In Denmark, Lidl operates more than 163 stores and 2 goods distribution and logistic centers in Kolding and in Køge and employs 4,153 people by the end of fiscal year 2024.

In Lidl Denmark, customers enjoy a comprehensive and high-quality permanent assortment of 3366 single products for their daily needs. This is complemented by an average of 1846 additional products as part of special offers. In addition to food, we also offer near-food and non-food products such as cosmetics, clothing and small electrical devices.

The wide range of private labels products accounts for 65.61% of the assortment. Brand products accounts for 34.39%. The assortment includes 35.41% products from danish suppliers. We have 5.25% organic products, 2.67% Fairtrade

certified products and 5.34% Rainforest Alliance certified private label products of our total food range.

As a discounter, Lidl attaches importance to simplicity and a process-based approach in stores, goods distribution centers and at the headquarter in Aarhus. This means Lidl is able to offer its customers value for money each and every day.



Lidl Stiftung & Co. KG

Lidl is part of the Schwarz Group and is one of the leading food retailers in Germany and Europe. Lidl currently operates around 12,600 stores and around 230 goods distribution and logistics centers in 31 countries. Overall, Lidl operates with around 382,400 employees, both in Europe, United States and Asia.

Lidl Stiftung & Co. KG, which is headquartered in Neckarsulm, Germany, specifies the framework for the operational business in coordination with the national companies. As a system provider, Lidl Stiftung & Co. KG is responsible for the conception and design of standardized processes worldwide, including Denmark.

Companies of Schwarz Group



2-6 Activities, value chain and other business relationships

The companies of Schwarz Group, with business activities in 32 countries, form together one of the leading retail groups in the world. With about 14,200 stores and 595,000 employees, the companies of Schwarz Group jointly generated total sales of 175.4 billion euros by the end of the fiscal year 2024.

The companies of Schwarz Group thus covers, the entire value cycle, from production and retail to recycling and digitalization. The retail divisions Lidl and Kaufland are the Group's pillars in food retailing. Many private label products on Lidl's and Kaufland's shelves, ranging from ice cream to beverages, are produced by the companies of Schwarz Produktion. Special emphasis is placed on the use of more responsible raw materials as well as the manufacturing, use and recycling of more responsible packaging. The environmental service provider PreZero pursues the vision of closed loop recycling in waste and recycling management and thus contributes to a cleaner tomorrow. Schwarz Digits as IT and digital division offers compelling products and services, which comply with Germany's data protection standards. Schwarz

Corporate Solutions, Schwarz Group's corporate services division, provides administrative and operational services – for example with regard to controlling, finances or personnel – for all other companies of Schwarz Group.

The companies of Schwarz Group share a jointly elaborated sustainability strategy and the sustainability vision "Assuming Global Responsibility. Acting with Diversity". Under the umbrella of this strategy, they together pursue and implement various activities in four focus areas:

- **People**
- **Product quality**
- **Circular systems**
- **Ecosystems**

14,200
stores
worldwide

595,000
employees
worldwide

Schwarz Corporate Solutions

At Schwarz Corporate Solutions, experts support the companies of Schwarz Group with administrative and operational services in fields such as accounting, finances, human resources, and procurement.



Retail

The retail divisions Lidl and Kaufland offer their customers a wide range of products every day in 32 countries. Both divisions are continuously committed to a wide range of measures across the entire value chain, such as climate protection, preserving biodiversity, and conserving resources.



Production

The companies of Schwarz Produktion produce beverages, chocolate, ice cream, baked goods, nuts and dried fruit, coffee, pasta and paper for Lidl and Kaufland. 3 plastics and recycling plants are also part of a unique PET* material cycle.

**Polyethylene terephthalate, a plastic material.*



Recovery and Recycling

In terms of waste and recycling management, the environmental service provider PreZero pursues a vision of closed-loop material cycles in 11 countries, thus investing in a cleaner future.



IT and Digitalization

Schwarz Digits is the IT and digital division of Schwarz Group. The brands of Schwarz Digits provide IT and digital solutions worldwide and develop them further, for example for digital production facilities, stores and e-commerce formats as well as loyalty programs. In addition, they offer external customers superior cloud services, cyber security,

Value chain of Lidl Denmark



2-6 Activities, value chain and other business relationships

As a retailer, Lidl Denmark operates at the interface between producers and consumers. In this role, we have direct and indirect relationships with our customers and a wide range of suppliers and producers in numerous supply chains. Our upstream value creation activities range take place in both the secondary and primary sectors. They extend not only to the cultivation and harvesting of agricultural primary products, the extraction of raw materials and livestock and fishing companies, but also to forestry for packaging as well as for near-food and non-food products. The value chain extends from the processing of raw materials to the transportation of goods to logistics centers and to stores. This is where we offer the finished products to consumers – our key customer group, which is therefore also at the center of our downstream value creation activities.

Raw material production, the processing of agricultural primary products, and the resulting production and transport processes all have environmental and social impacts. We want to contribute to the step-by-step improvement of environmental and social standards.

That is why we work in partnership with suppliers, are reducing our use of raw materials, where possible, and we incorporate the concept of closed loops right from the production stage. Lidl Denmark is also committed to working towards the improvement of living and working conditions for people in production countries.

Lidl Denmark wants to exert its influence in downstream activities. Specifically, we have the opportunity to influence the consumer behavior of a wide range of people and to empower them to make more responsible, informed and more healthy purchasing decisions. We therefore continually review how we can make our assortment healthier and more responsible – and are transparent in informing our customers about this.

Sustainability at Lidl Denmark

Our behavior and actions as a company impact the environment, people and society. At Lidl Denmark, we believe that it is common sense to engage with the society we are part of. As a company, we are constantly moving and always striving to develop. We want to show the way and support initiatives that help promote and enable responsible consumption for everyone.

This is what we have based and developed our CSR strategy on. It clearly defines our commitment to acting responsibly and reflects our desire to actively contribute to a more responsible world through our core business. Our common, company-wide understanding of what it means to act more consciously, healthy and responsibly comprises the following strategic fields of actions:

- **Protecting climate**
- **Respecting biodiversity**
- **Conserving resources**
- **Acting fairly**
- **Promoting health**

These fields of actions describe how we at Lidl Denmark understand and address our responsibility for the environment, people, society and for our customers.

Within each strategic field of action, we have defined 17 CSR topics, that we actively work with. The CSR topics form the foundation of the materiality assessment in this Sustainability Report.

For the Planet

We know that our products leave a footprint – from the sourcing of raw materials to the processing into

... Value chain of Lidl Denmark

products for transportation, consumption and disposal. We are committed to protect the environment and climate, safeguarding and improving biodiversity and ecosystems and preserving the resources we have now and for the future.

For People

As an employer and business partner, we have a responsibility to actively engage in initiatives that benefit society. We offer our employees a good and safe working environment while ensuring that human rights, labor rights and animal welfare standards are respected in our value chains.

For You

We create the framework for conscious consumption with a responsible range of products. Every day, we work to meet our own and our customers' quality standards. Our range is continuously developed in line with our customers' demand, new opportunities in the market and new insight into our products and value chain. We have a responsible selection of fresh fruit and vegetables, organic products, plant rich products, meat, international delicacies and tasty meals that are easy to prepare when you are having a busy day.



Sustainability Management



- 2-12 *Role of the highest governance body in overseeing the management of impacts*
- 2-13 *Delegation of responsibility for managing impacts*
- 2-14 *Role of the highest governance body in sustainability reporting*
- 2-17 *Collective knowledge of the highest governance body*

Social responsibility and sustainability is a strategic and operative core task and is anchored with the Executive Board for Lidl Denmark. The overall responsibility for management of the CSR area in Denmark lies with the Executive Board and with our CEO Georgios Tokatlis. They also handle the coordination of the cross-departmental sustainability activities. Lidl Denmark's overall CSR strategy is defined by Lidl Stiftung & Co. KG. The Danish strategy will be organized and developed accordingly. Lidl Denmark's management approves the CSR strategy at an overall level before implemented in Denmark. Together with Lidl Denmark's Executive Board, the CSR department develops and sets the strategic direction of CSR in Lidl Denmark and sees to the coordination of the interdisciplinary activities and initiatives. As part of the Corporate Affairs, Lidl Denmark's CSR department reports directly to the CEO of Lidl Denmark. The

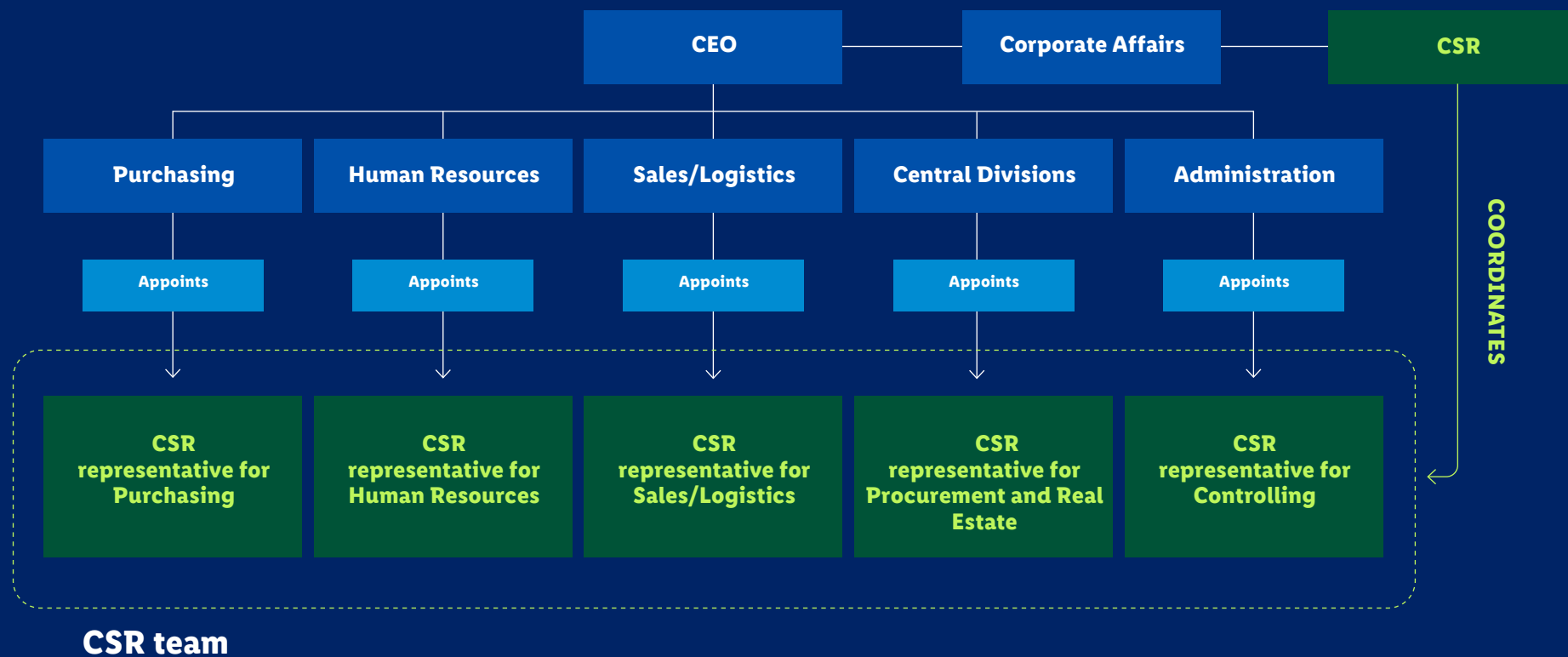
Executive Board is involved in the revision of the CSR strategy and in the CSR reporting process. The CEO is also responsible for the final approval of the sustainability report.

Lidl has decided to run CSR operationally across departments in order to support the business model. The CSR department is supported by the CSR team which is comprised of representatives from all Lidl Denmark departments. Within this CSR team the trends, challenges and opportunities for developing the work with the fields of actions are discussed in the individual departments. Targets and forthcoming initiatives are regularly presented to the Executive Board which then lead the strategic direction and, through their decisions, ensures support for implementing Lidl Denmark's commitment to social responsibility and sustainability.

As part of our Sustainability Management, we also believe it is essential to find solutions together as a company. The engagement of our employees is key to more sustainable actions. Through the "YOU" project, we empower our employees at Lidl to actively participate in shaping a more sustainable future. The "YOU" project raises awareness among Lidl employees of the importance of sustainable action. Through dialog formats and learning opportunities, "YOU" community members expand and deepen their understanding of sustainability and Lidl's CSR strategy. This helps them to make informed decisions and consistently align their actions with the Lidl's sustainability targets. Internally, community members act as role models and inspire their colleagues to act more sustainable. Since 2024, all Lidl Denmark's HQ employees must participate in a mandatory CSR e-learning. In 2025, we will extend this e-learning to employees at store level.

**Thinking
about tomorrow
today
is worth it**

Organisational chart



Our policies and principles



2-23 Policy commitments

2-24 Embedding policy commitments

As a company, we are responsible for avoiding or reducing any negative impacts of our business activities on the environment and society in advance where possible. At Lidl Denmark, this precautionary principle from the "Rio de Janeiro Declaration of the United Nations Conference on environment and development (UNCED)" is reflected in our corporate principles as well as in the Code of Conduct for business partners (CoC) which was jointly elaborated by the companies of Schwarz Group and is an integral part of corporate governance.

The Code of Conduct sets out our basic principles governing cooperation with suppliers. Our Code of Conduct has been part of negotiations with our suppliers for many years, with the aim of ensuring their commitment to these principles and standards. The Code of Conduct contains clear regulations on topics, such as child and forced labor, wages and working hours, fair treatment and anti-discrimination, which are based on the following international standards:

- Principles of the UN Global Compact
- UN Guiding Principles on Business and Human Rights
- UN Convention on the Rights of the Child
- UN Convention on the Elimination of All Forms of Discrimination against Women
- International Bill of Human Rights
- OECD Guidelines for Multinational Enterprises
- International Labour core labor standards Organization (ILO)
- Minamata Convention
- Stockholm Convention
- Basel Convention

Lidl rejects any form of violations against human and labor rights, as stipulated in the Code of Conduct. The focus in this aspect is on workplace-related human rights. The aim of these rights is to protect people from adverse effects during employment. Workplace-related human rights include the ban on child and forced labor as well as discrimination, adequate remuneration, the protection of freedom of association, as well as occupational safety.

For example, our Code of Conduct forms an integral part of corporate governance. The failure to observe employee rights or fundamental human rights in any form is illegal and will not be tolerated at Lidl.

Lidl Denmark is continuously working to integrate its corporate due diligence principles in company-wide processes. We work towards partnership-based and legally compliant behavior with our suppliers and, in particular, demand compliance with human rights and environmental standards.

We also work towards obliging our direct suppliers to appropriately address the regulations of our Code of Conduct along the supply chain and to enforce them against their own contractual partners through suitable contractual regulations. Furthermore, we have developed a human rights strategy in Purchasing that defines clear principles, objectives, standards and responsibilities for the protection of human rights.





... Our policies and principles



Please find our Purchasing Policy "Human Rights in the Supply Chain" on our webpage.¹ We are currently extending the implementation of corporate due diligence to the entire company.

We also use various measures to inform and sensitize our employees to the principles that apply at Lidl. This includes, for example, an internal manual for purchasing, which translates the principles of respecting human rights into concrete measures and goals.

At Lidl, we aspire to live integrity in an exemplary manner. The actions of Lidl and its employees are therefore guided by the principle: "We comply with applicable law and internal guidelines". This central corporate principle is binding for all Lidl employees. Lidl attaches great importance to compliance with laws and regulations and sees it as its social responsibility to act with integrity. Violations of applicable law can also result in financial damage and loss of reputation for Lidl. Furthermore, such violations can lead to personal claims for damages and criminal prosecution for individual employees or board members. Lidl and its managements are therefore expressly committed to complying with and safeguarding this corporate principle.

¹<https://om.lidl.dk/ansvarlighed/holdninger-og-handlinger>

Compliance Management System as a basis



- 2-25 Processes to remediate negative impacts
- 2-26 Mechanisms for seeking advice and raising concerns
- 2-27 Compliance with laws and regulations
- 2-16 Communication of critical concerns

Against the background of the central corporate principle – "We comply with applicable law and internal guidelines" – Lidl Denmark has implemented a Compliance Management System (CMS) that contains binding requirements. These specify certain requirements and elements with which we want to ensure an appropriate level of compliance. The main objective of the CMS is to avoid violations of applicable law and internal guidelines and to consistently pursue and punish any identified violations ("zero tolerance principle"). The CMS focuses on the areas of anti-corruption/anti-fraud, data protection, antitrust law, business partners, HR-Compliance and Product-Compliance.

To fulfill our financial responsibility, we have also focused on tax and accounting compliance. This helps to ensure that Lidl Denmark meets its tax and other financial obligations.

Training and whistleblower system

Compliance measures include issuing and communicating regulations (e.g. on the handling of benefits and data protection rules), conducting training courses and investigating and following up on all substantial internal and external indications of possible compliance-relevant legal violations. The departments responsible for compliance regularly review the CMS for appropriateness, effectiveness and potential for improvement. All employees receive training on compliance-relevant topics shortly after joining the company, which will then be repeated on a regular basis. The training is tailored to the employees' roles. Key areas of compliance are anti-corruption/anti-fraud, data protection, competition law, product safety and business partners, HR, accounting and tax. Our business partners and suppliers are also informed about compliance through contractual compliance clauses.

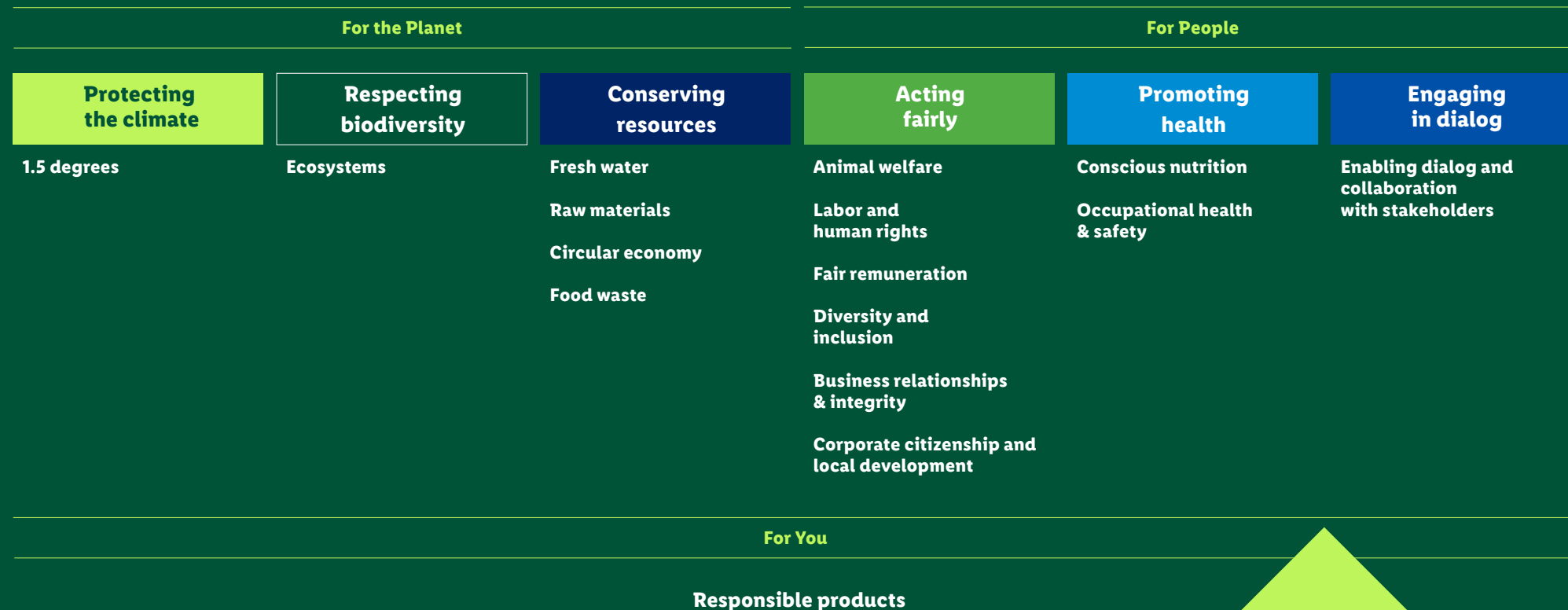
The data basis for this information is only partly available to Lidl Denmark. A consolidated collection and quality assurance for future reporting will be reviewed. It is important to identify potential offences and violations of applicable laws and/or internal guidelines committed by or against an

employee as part of their job as soon as possible. At Lidl Denmark, information about potential violations can be reported to the compliance officer via email: compliance@lidl.dk or telephone, our external lawyer or our online reporting system. Lidl Denmark's whistleblower scheme aims to increase the opportunities for employees, customers and business partners to speak up about compliance violations without fear of negative consequences and to protect persons who submit information to the whistleblower scheme. Findings from whistleblower reports are evaluated to identify risks, improve the CMS, and take corrective actions if necessary. Read more on our webpage.¹ The whistleblower channel is also accessible for external stakeholders and supply-chain partners. When submitting a report to the whistleblower scheme, the whistleblower is protected from the negative consequences associated with a report made in good faith, unless the reporter themselves is involved in the violation. Due to the global nature of supply chain structures, social, human rights and environmental violations can occur within supply chains. In accordance with the company's due diligence obligations, Lidl maintains the whistleblower channels described above.

¹<https://www.lidl.dk/c/compliance/s10014534>

Lidl Responsibility Model

Our 17 CSR topics



Click here
for detailed
version of Lidl
Responsibility
Model

Materiality analysis



3-1 Process to determine material topics

In 2022, Lidl Denmark revised the process for determining its material CSR topics. This allows us to take account of new and amended (regulatory) requirements early on, including the updated materiality definition of the GRI Standards 2021. Our approach also anticipates the issue of double materiality as defined in the European Corporate Sustainability Reporting Directive ("CSRD"). The basis for this process is the updated Lidl Responsibility Model 2.0, which covers a total of 17 CSR topics.

The 17 CSR topics were assessed in two ways:

- Firstly, Lidl's positive and negative impacts on people, the environment and society were considered ("inside-out perspective").
- Secondly, the impact of CSR topics on Lidl's business success was considered ("outside-in perspective").

The Lidl materiality analysis is updated every two years as part of sustainability reporting. This is standardized across all Lidl national companies and simultaneously enables the national perspective to be incorporated.

1. Assessment of the impact of Lidl Denmark

We assess Lidl's overall impact on people, the environment and society for all Lidl national companies in a two-stage process involving exposure analysis and expert interviews carried out by Lidl International.

1.1. Exposure analysis

The exposure analysis is used as a data-based assessment of Lidl's potential direct and indirect impact on people, the environment and society. It considers risks that could potentially arise from Lidl's business activities for people, the environment and society.

The analysis and recording of Lidl's environmental and social impact was done quantitatively based on economic, company and industry-specific data across the international value chain. To do justice to Lidl's international nature, the potential local needs for action were identified in relation to each other. This enabled a comparison to be made between the CSR topics.

To identify the countries in which Lidl potentially has significant leverage, the next stage was to model

Lidl's value chain based on sales data, industry information and economic data. This enabled country-specific direct and indirect economic activities to be determined and an economic weighting to be applied to the analysis. This weighting mainly considers those countries where, based on the data, Lidl demonstrates a high level of activity and therefore has a potentially greater influence on the respective CSR topics. In the final step, the combination of the need to take action and the economic relevance resulted in the materiality scores for the individual CSR topics and thereby the first module of the impact relevance.

1.2. Conducting qualitative expert interviews

Following the exposure analysis, the statistical results were validated by means of a qualitative survey. This mix of different methods makes the analysis more resilient, enables more in-depth conclusions to be drawn and reduces the potential weaknesses of stand-alone methods. To this end, 9 international experts from the relevant Lidl stakeholder groups were interviewed to get an even deeper understanding of Lidl's impact in relation to the 17 CSR topics.

... Materiality analysis

When selecting the experts, the different markets in the countries were considered, as well as the variety of issues involved in sustainability. The interviews were prepared, conducted and assessed by an external partner.

The combination of exposure analysis and expert interviews produced the impact relevance values for the 17 CSR topics, which also represent the values on the x-axis of the materiality matrix. When combining the result, the exposure analysis and expert survey were weighted according to rank. In other words, depending on the quality and availability of the data, the exposure analysis and expert interviews were compared with each other.

2. Assessment of the business relevance of Lidl Denmark

Lidl Denmark held a workshop together with the CSR team. The CSR team assessed each of the 17 CSR topics from the Lidl Responsibility Model in terms of their business-related opportunities and risks. The results were then discussed and transferred to the materiality matrix in the form of the y-axis. The results were then validated by the Executive Board too. This resulted in the business relevance in the materiality matrix.

3. Uniting both dimensions of the analysis

The results show that the CSR topics “Responsible products”, “Food waste” and “Raw materials” are the most relevant for Lidl Denmark. A total of 9 CSR topics are of material importance for Lidl Denmark. This means that the business activities of Lidl Denmark have a significant impact on people, the environment and society in relation to the respective topic or that this is where the greatest business-related opportunities and risks lie for Lidl Denmark. Accordingly, they are within the company’s materiality threshold and form the basis for this report.

The results of the materiality assessments show that the CSR topics

Responsible products,
Food waste,
Raw materials
are the most relevant for Lidl Denmark



Colour code in matrix

- **Protecting climate**
- **Respecting biodiversity**
- **Conserving resources**
- **Acting fairly**
- **Promoting health**
- **Engaging in dialog**

The CSR topics “1.5 degrees”, “Ecosystems”, “Raw materials”, “Circular economy” and “Food waste”, which in the analysis are identified as being material, are reviewed in more detail in the “For the Planet” section from page 32 onwards. The CSR topics “Labor and human rights” and “Conscious nutrition” can be found in the “For People” section from page 72 onwards. The topic “Responsible products” in the “For You” section can be found from page 96 onwards and “Dialog and collaboration with stakeholders” can be found from page 24 onwards.

CSR topic

Impact relevance

Business relevance

● 1.5 degrees	9,0	5,1
○ Ecosystems	5,6	7,0
○ Fresh water	4,8	5,1
○ Raw materials	10,0	8,8
○ Circular economy	9,0	7,1
○ Food waste	7,9	9,5
○ Animal welfare	3,7	6,0
○ Labor and human rights	9,2	6,6
○ Fair remuneration	6,7	3,9
○ Diversity and inclusion	5,5	4,9
○ Business relationships & integrity	1,1	5,6
○ Corporate citizenship & local development	1,0	1,0
○ Conscious nutrition	6,2	5,4
○ Occupational health & safety	5,4	3,9
● Enabling	5,1	5,1
○ Stakeholders dialog & collaboration	3,5	7,0
○ Responsible products	8,4	10,0

Materiality matrix



3-2 List of material topics



Dialog and collaboration with stakeholders

Vision

Lidl Denmark are committed to the community that surrounds us. We believe that courage, concrete actions and perseverance are prerequisites for changing attitudes and creating greater influence.

We know that in dialog and partnerships with stakeholders we can create value that can be beneficial to the environment, the people and society.

Our CSR strategy



Protecting climate



Conserving resources



Promoting health



Respecting biodiversity



Acting fairly

Engaging in

dialog

Dialog and collaboration with stakeholders



3-3 Management approach
2-28 Membership associations

Lidl Denmark is an active partner in the discussion of socio-political issues. Therefore, monitoring laws, developing positions, exchanging ideas with political stakeholders, and association work on opinion-forming processes in the industry are an essential part of our work. We want to make our expert knowledge available to government and political decision-makers and be involved in discussions and decision-making processes in order to shape the issues of the future together. We always keep the promotion of responsible and practicable development in mind when representing political interests at both national and international level. These activities are carried out in coordination with Schwarz Corporate Affairs GmbH & Co. KG, whose office in Brussels is registered in the European Union's Transparency Register and is subject to a corresponding code of conduct. The overriding objective behind these activities is to quickly and smoothly transfer legal requirements into operational practice and to work on changes at an early stage.

In 2023 and 2024, our dialog activities in Lidl Denmark focused on a broad range of different

topics. Our main focus has been centralized around promoting health and conscious nutrition. We have initiated and been active in the public debate on the need for national regulations on VAT-free fruit and vegetables, promoting age limit on buying alcohol and energy drinks and reduce the accessibility of cigarettes and nicotine in stores.

**In the next years,
we will continue our focus
on health and conscious nutrition,
while also intensify focus on
climate and biodiversity.**

The Danish national nutrition guidelines emphasize legumes as key to a healthier and more sustainable diet, supporting both public health and the environment.¹ A key stakeholder initiative for us is working alongside to establish the benefits of legumes to consumers and political stakeholders. We have therefor initiated and funded Bælgrugtpartner-skabet (The Legume Partnership) together with the

think tank Frej. Read more about Bælgrugtpartner-skabet in the section “Conscious nutrition”.

At regular intervals, we evaluate which stakeholders are relevant for the company. This is based on external inquiries and wide-ranging monitoring of topics that feature in social debate. At the same time, we take into account any changes in responsibilities in relation to politics or non-government organizations (NGOs), for example.



¹De officielle Kostråd. 2025. De officielle kostråd 2025: Anbefalinger til sund kost for børn og voksne - Fødevarestyrelsen

Memberships and partnerships



2-28 Membership associations

2-29 Approach to stakeholder engagement

The continuous dialog and engagement with our existing and potential partners is a material part of Lidl's Sustainability Management and engagement.

When working with partners and when initiating new partnerships, we use a 360 degrees perspective to ensuring relevant and valuable partners across our five strategic fields of actions in our CSR strategy. For instance, in Lidl Denmark we collaborate with Plant et Træ (Plant a Tree), and together we plant 1.000 trees for each new store that we open within a fiscal year. This relates to our field of action of "Biodiversity". We collaborate with Save the Children and DGI. Both are a donation option on our reverse vending machines in the stores for our customers to donate their reward amount to either one of the two organizations. These collaborations are within the actions of "Acting fairly" and "Promoting health".



Partners are key to creating the biggest long-term impact, because no single actor can solve systemic challenges alone

Partnership with WWF



In 2024, Lidl launched a long-term international partnership with World Wide Fund for Nature (WWF). This strategic partnership encompasses all 31 countries with Lidl stores. It tackles current global environmental challenges such as biodiversity loss, climate change and depletion of natural resources. WWF supports Lidl in sourcing raw materials responsibly, reduce food waste, and promote sustainable business practices within and beyond our value chain. With the support of WWF, we want to offer our customers worldwide more responsible options. Therefore, the motto of the partnership is:

Working together to provide more responsible choices.

With WWF's experience and expertise as a partner, we are further developing fields of actions in our international CSR strategy. As part of the collaboration with WWF, Lidl published new targets in our field of action of conscious nutrition. Read more in the section "Conscious nutrition" on page 82.

WWF and Lidl partnership

WWF supports Lidl to further transformation,
by reducing the footprint, increasing the handprint
and staying within our planetary boundaries.



CO₂

**Reduce
footprint**

Food waste & Loss

Circularity & Plastic



**Increase
handprint**

Responsible raw materials
Soy, palm, oil, cocoa, coffee, tea,
pulp & paper, fish & seafood

Plant-based diets



**Planetary
boundaries**

Climate

Water

Biodiversity

Communication



... Dialog and collaboration with stakeholders

During the reporting period, Lidl Denmark was a member of the following initiatives, organizations and alliances:

- Bælgfrugtpartnerskabet (The Legume Partnership)
- Climate Alliance Aarhus
- Danish Chamber of Commerce
- Ethical Trade Denmark
- Danish Alliance for Responsible Soy
- Danish Alliance for Responsible Palm Oil
- Danish Alliance for Sustainable Fisheries and Aquaculture
- Danish Alliance for Responsible Coffee
- German Danish Chamber of Commerce
- Røgfri Fremtid (Smoke-Free Future)
- Organic Denmark
- Fuldkornspartnerskabet (The Danish Whole Grain Partnership)
- UN Women's Empowerment Principles

Through Lidl Stiftung & Co KG, Lidl Denmark is also represented in the following international organizations and initiatives:

- ACT – Action, Collaboration, Transformation
- Alliance for Water Stewardship

- The amfori Business Social Compliance Initiative (BSCI)
- Partnership for Sustainable Textiles
- Danube soja
- Charter of Diversity
- Econsense
- Ethical Tea Partnership
- Ethical Trade Initiative
- Food for Biodiversity
- Forest Stewardship Council (FSC)
- German Initiative on Sustainable Cocoa
- Fur Free Retailer
- GlobalG.A.P., GlobalG.A.P. GRASP Technical Committee
- ILO Better Work
- Initiative for Sustainable Agricultural Supply Chains (INA)
- International ACCORD
- International Network of Leading Executives Advancing Diversity (LEAD)
- Leather Working Group
- Round Table on Responsible Soy (RTRS)
- Roundtable on Sustainable Palm Oil (RSPO)
- RMG Sustainability Council (RSC) Bangladesh
- Sustainable Nut Initiative
- Sustainable Rice Platform (SRP)

- Women Empowerment Principles (WEP)
- World Banana Forum

Through companies of Schwarz Group, Lidl Denmark is a member of the following institutions:

- Ellen MacArthur Foundation
- UN Global Compact
- Science Based Target Initiative
- World Wide Fund for Nature (WWF)

Through Lidl Stiftung & Co KG, Lidl Denmark collaborates with the following organizations:

- Aquaculture Stewardship Council
- Compassion in World Farming
- Cotton made in Africa (CmiA)
- Downpass
- Rainforest Alliance
- Marine Stewardship council
- Oxfam
- Save the Children

Stakeholder engagement



2-29 Approach to stakeholder engagement

The continuous exchange of information with our internal and external stakeholder groups – such as customers, non-government organizations (NGOs), political authorities, suppliers, financial stakeholders, and other business partners as well as employees or the media – is a material part of Lidl Denmark's Sustainability Management. We are convinced that the exchange with various stakeholders from politics and society contributes to the plurality of opinions and can enable the development of practical solutions for the most urgent challenges of our time.

This dialog takes place in both directions: We regularly inform our stakeholders about our activities. We use different formats to do this, such as:

- Intranet portals for our employees
- We are Lidl-app for our employees
- Sustainability reports
- Press releases
- Presentations for external stakeholders
- Lidl in dialog events and participation in roundtables

We also facilitate and encourage direct and mutual exchange by organizing a range of events and personal meetings. Through their expertise, observations, and critical as well as constructive interactions with our company, our stakeholders provide valuable feedback that are implemented in our work. In addition, Lidl Denmark is involved in a range of collaborations and networks and participates in dialog and information exchange formats organized by third parties.

Lidl Denmark's ambition is to continuously engage in dialog with our stakeholders and strengthening collaborations that create value for all parties. We want to be involved and active in the public debate across sectors, especially regarding our ambitions and initiatives aimed at the green transition, health and other sustainability agenda. Because we have valuable perspectives to share and a genuine passion for driving positive change. We call it "Lidl in Dialog".

In 2024, we invited stakeholders to participate in our first Lidl in Dialog conference at our headquarter. The headline was "Should retailers involve more proactively in promoting the health of people

From introvert to extrovert discounter

living in Denmark?". Lidl Denmark aims to contribute to promote health through our customers shopping cart e.g. reducing the availability of tobacco and nicotine products, price reduction campaigns for fruits and vegetables and promotion of plant-rich alternatives to meat – good for the health of our customers. But should Lidl get more involved in promoting health? The clear answer to that question from our participating stakeholders was: yes.

In 2024, we also engaged in different dialogs on e.g. Folkemødet Bornholm (The People's Meeting on Bornholm), Madens Folkemøde (Denmark's people's meeting about food, and Folkemøde Møn (The People's Meeting on Møn). We continue to engage in dialog with our stakeholders in 2025.

1.5 degrees

Vision 2050

Lidl will have reduced our greenhouse gas (GHG) emissions to Net-Zero and will be operating in compliance with the 1.5-degree target of The Paris Agreement.

Targets

By 2030, Lidl Denmark want to reduce our absolute operational greenhouse gas emissions in Scope 1 and 2 by 80%. Reduction compared to base year 2019.

Degree target has been achieved: ● ● ● ○ ○

By 2034, Lidl want to reduce our absolute greenhouse gas emissions in agriculture, forestry and other land use (FLAG) by 42.4%. Reduction compared to base year 2022.

Degree target has been achieved: ○ ○ ○ ○ ○

By 2034, Lidl want to reduce our absolute greenhouse gas emissions in the energy and industrial sectors (E&I) by 35%. Reduction compared to base year 2022.

Degree target has been achieved: ● ○ ○ ○ ○

Lidl Denmark are committed to maintaining the EDGE certification standard across 100% of our properties, ensuring all new buildings and significant refurbishments meet this requirement.

Degree target has been achieved: ∞

100% of Lidl Denmark's open stores, logistics centers and national head-quarter buildings are certified in accordance with the ISO 50001 energy management system.

Degree target has been achieved: ● ● ● ● ●

Our CSR strategy



Protecting climate



Conserving resources



Promoting health



Acting fairly



Respecting biodiversity

Engaging in

dialog

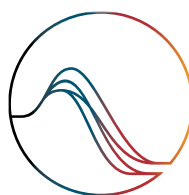
1.5 degrees



3-3 Management approach

According to the World Economic Forum's Global Risk Report 2024, climate change is one of the greatest global risks. As one of Europe's largest food retailers, Lidl takes responsibility for climate protection and is aware of its importance for the future success of its business model. Extreme weather events can also directly affect our locations, warehouses and stores, such as the devastating rainfall and flooding in Slovenia in 2023 and in south-western Germany and southern Spain in 2024. Climate change is accelerating the loss of biodiversity, altering ecosystems and leading to extreme weather events. This has far-reaching social and environmental consequences, including for the business model of Lidl as a food retailer: a lack of availability of raw materials leads to higher commodity prices for cocoa, coffee, oranges and olive oil, for example. Rising sea levels and coastal erosion also affect us, as both are causing habitats for people, plants and animals to disappear. At the same time, the warming and acidification of the oceans is threatening marine life. All of this has an impact on our food chains, our supply chains at Lidl – and ultimately on our global food security.¹

Environmental destruction and climate change also jeopardize human rights worldwide. This is evident, for example, in the right to the best possible health: according to the World Health Organization (WHO), around 12.6 million deaths per year are attributable to avoidable environmental risk factors. Social inequalities are increasing; developing countries in particular are more severely affected by the consequences of climate change and have fewer resources to adapt. Climate change is forcing millions of people to flee their homes, leading to social tensions and humanitarian crises. And intergenerational justice is also being undermined.² Today's children and young people have to live with the consequences of climate change, even though they have contributed little to it in their lifetime.



SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

In September 2024, the companies of Schwarz Group together submitted an official Net-Zero commitment to Science Based Targets (SBTi). With their Net-Zero commitment at SBTi, the companies of Schwarz Group undertake to reduce all GHG emissions caused to net zero by 2050 at the latest. In February 2025, the short-term climate targets for Scope 1, 2 and 3 were validated by the SBTi. Net-Zero is a long-term vision for Lidl and requires a clear strategic direction.

As part of the companies of Schwarz Group's new and updated climate targets, Lidl have set the target of reducing absolute operational emissions across all Lidl countries in Scope 1 and 2 by 70% by 2030. Reduction compared to base year 2019. In Lidl Denmark we have set the target of reducing absolute operational greenhouse gas emissions in Scope 1 and 2 by 80% by 2030. Reduction compared to base year 2019.

Since base year, we have reduced
our operational GHG emission
in Scope 1 and 2 by

-63.21%

¹WEF. 2024. Global Risks Report 2024. Global Risks Report 2024 | World Economic Forum | World Economic Forum

²WHO. 2016. An estimated 12.6 million deaths each year are attributable to unhealthy environments. An estimated 12.6 million deaths each year are attributable to unhealthy environments

Lidl have defined **new targets for the upstream and downstream value chain (Scope 3)**

– By 2034, Lidl want to reduce absolute greenhouse gas emissions in agriculture, forestry and other land use (FLAG) by

42.4%

Reduction compared to base year 2022. In fiscal year 2024, Lidl Denmark's GHG emissions within our FLAG target increased by 11.64%. This increase is mainly caused by the opening of 24 new Lidl stores in Denmark since 2022, and therefore an increase in volume of purchased products. Lidl will continue our efforts to reduce our GHG emissions in order to achieve our FLAG target.

– By 2034, Lidl want to reduce absolute greenhouse gas emissions in the energy and industrial sectors (E&I) by

35%

Reduction compared to base year 2022. In fiscal year 2024, Lidl Denmark's GHG emissions within our E&I target decreased by 7.85%. The decrease is caused by reductions of GHG emissions in Non-Food products and packaging materials.

Lidl also work closely with partners and suppliers.

75%

Lidl have committed largest suppliers, who are responsible for 75% of product-related Scope 3 GHG emissions, to reduction targets in accordance with the criteria of the SBTi by the end of 2026.

Lidl also supports and enables its suppliers to achieve the targets through appropriate measures such as training.

Organization

Comprehensive climate protection is a complex task. Its management requires cooperation between different areas of the company. At Lidl, Corporate Affairs, Purchasing, Operations and Real Estate work together on implementation. Each with individual tasks, but a common target – reducing emissions.

Infrastructure investments and promoted services



203-1 Infrastructure investments and services supported

We are able to provide a charging infrastructure for e-mobility and expand existing charging options through our store network. 76 of the stores in Lidl Denmark are equipped with electric charging points for e-cars. The electricity for this is obtained exclusively from renewable energies.



... 1.5 degrees



Energy consumption

302-1 Energy consumption within the organization

302-3 Energy intensity

In addition to the increased use of renewable energy sources, the more efficient use of energy is also key to reducing emissions. All of Lidl Denmark's open stores, logistics centers and national headquarter buildings are certified in accordance with the ISO 50001 energy management system. As well as recording consumption and evaluating the energy used, training is given to employees to raise awareness about energy. The management system helps to identify inefficiencies and potential optimizations at an early stage.

Total energy consumption for Lidl Denmark increased in the reporting period from 83,145.085.7 kWh in fiscal year 2023 to 96,328.136.3 kWh in 2024. The total increase is primarily caused by the opening of 24 new Lidl stores in Denmark. There is an increase in the energy intensity due to an increase of sales promotional activities in the stores. This gives a slight increase in the energy intensity from 570.08 tCO_{2e}/m² of sales area to 598.30 tCO_{2e}/m².

Direct energy consumption by primary energy source in kWh	2023	2024
Direct energy consumption		
Self-generated electricity from renewable sources (photovoltaic systems)	157.609	177.123
Natural gas	3,244.666	3,337.042
Energy consumption by the vehicle fleet ¹	7,344.691	6,562.987
Of which energy consumption by electrified vericle fleet	0	712.948
Indirect energy consumption		
District heating	7,956.491	9,399.545
Electricity	0	0
Energy consumption emergency power- /sprinkler system	22,791	22.791
Proportion of electricity from renewable energy ²	100%	100%
Of which electricity from mixed renewable sources	64,418.838	76,828.648
Total energy consumption	83,145.085.7	96,328.136.3

¹ Includes own logistics and non-logistics vehicle fleet, and the consumption of both diesel and petrol.

² Excluding any purchase agreements that Lidl cannot influence, such as those for individual leased properties with a binding electricity procurement clause. For more information, please visit www.gruenstrom.schwarz.

... 1.5 degrees



Reduction of energy

302-4 Reduction of energy consumption

To protect the climate, we focus on efficient energy consumption. For new buildings, we focus on an energy-efficient standard right from the start, in terms of construction and equipment. The energy efficiency of our existing property portfolio is continuously improved through modernization and the replacement of technical equipment. In this way, we are gradually increasing the proportion of energy efficient buildings in our real estate portfolio. As part of our ISO 50001 certified energy management system, we have prepared an action plan that contains numerous energy efficiency measures.

Modernization of real estate

Lidl Denmark has increased energy efficiency at many of its locations by modernizing the technical equipment at its properties. Existing technologies that were inefficient were replaced with new, more energy-efficient technologies. In doing this, we followed our internal standard for building. Examples in the reporting period include the installation of LED lights for artificial lighting, the switch to more efficient chiller equipment, and the modernization

of boilers by converting them to condensing boilers or heat pumps.

We have set ourselves the target of achieving EDGE certification for 100% of our properties. By the end of fiscal year 2024, 134 of our 163 stores had achieved an EDGE certification. In the reporting period we took over older store facilities in Denmark, we are currently working on certifying these to achieve our target.

**76 of the stores
in Lidl Denmark
are equipped with
electric charging
points for electric
cars**





... 1.5 degrees

Edge Certification



Edge Certification consists of three main parameters: water, energy and materials. A number of specific readings are taken of, for example the store's energy and water consumption, with the store's area divided into points such as cooling and freezing areas.

DGNB

DGNB is a certification scheme designed for buildings and urban areas. The system is based on a holistic approach to sustainability with three main pillars: environmental, social and economic sustainability.



New headquarter in Aarhus city center

In 2023 we opened a new headquarter in Aarhus city center. The headquarter has been DGNB Platin certified – the highest certificate among certification standards for sustainable building. Our headquarter was also honored with DGNB Diamond – an award for outstanding design and architectural quality. The new headquarter is equipped with a large atrium centered in the building, rooftop overlooking Aarhus skyline, spacey open office facilities, well-equipped fitness room, child-friendly office space and game room.

... 1.5 degrees

Heat pumps

High-efficiency heat pumps are increasingly helping to improve the energy efficiency of our properties. They draw a large proportion of their energy from the environment, e.g. in the form of environmental heat from the air or ground, and therefore represent an energy-saving way of heating buildings. 94 of our stores have heat pumps installed.

Building automation

The use of building automation reduces energy requirements. It includes regulation to optimize energy use and monitoring of building technology. Lidl Denmark uses timer switches for lighting and ventilation systems as well as a lighting control system that is dependent on the amount of daylight or the presence of people. Similarly, an interlocking circuit prevents heating and cooling at the same time. Stores and the new headquarter in Aarhus are being built with glass fronts to maximize natural daylight, the stores have sensor-controlled sun blinds to reduce unwanted heat from the sun and have light sensors in all welfare areas such as staff rooms, toilets and changing rooms.

In our energy monitoring system, we are constantly analyzing the energy consumption for all stores and warehouses, this enables us to respond quickly to any deviations, e.g. lights on at night, open coolers or running water.

Reductions in energy requirements of products and services



302-5 Reductions in energy requirements of products and services

To gain a better understanding of the climate impact of our assortment, we have been regularly determining the carbon footprint of our product groups as part of a risk analysis ever since 2019. Animal products, which include meat and dairy products, and non-food items, such as electronic appliances during their use phase, were identified as particularly emission-intensive product groups. In the food product groups, emissions are largely impacted by agricultural processes and livestock farming. For electronic appliances, the main driver of emissions is the use phase, depending on the grid mix and energy efficiency of the products.

99.49%

of GHG emissions in Lidl Denmark
are generated in our Scope 3

Based on the results of the carbon footprint, we then work together with our business partners and suppliers to develop reduction measures.

99.49% of emissions in Lidl Denmark are generated in our Scope 3. Within Scope 3, Category 3.1. Purchased goods and services in the Greenhouse Gas (GHG) protocol stands for 89% of our total emissions in Scope 3. This is an area in which we are taking specific steps and are working together with our business partners and suppliers to gradually reduce Scope 3 emissions.

As part of these activities, we require our suppliers, who are responsible for 75% of product-related scope 3 emissions as defined by the GHG Protocol, to independently set a climate target based on the criteria of the SBTi by 2026. We offer these suppliers digital support opportunities on our supplier climate platform, such as training on the reduction of greenhouse gas emissions, development of reduction measures. The supplier climate platform also gave us an insight on our supplier's maturity level and progression on reductions on their emissions.

... 1.5 degrees

In Lidl Denmark we have, and will continuously, intensify dialog with our suppliers in order to decrease our Scope 3 emissions. We will offer our national food suppliers an extensive supplier program in make climate accounting and setting climate targets according to SBTi during 2025. Lidl Denmark is also collaborating with Arla on their FarmAhead™ Customer Partnership. The aim of the program is to give farmers incentive to reduce emissions on farm level in order to reduce Arlas' product emissions, which will contribute to a reduction of our Scope 3 emissions. As part of Arla FarmAhead™ Customer Partnership, we have initiated a joined peatland project that contributes to reducing emissions and to increasing biodiversity in farm level. Read more on the section "Ecosystems" on page 46.

In Lidl Denmark we stopped all air freight of fruit and vegetables in 2023. And we make use of seasonal produce in the fruit & vegetables assortment to prevent long transport routes. Our raw material and packaging targets contribute to reducing the energy consumption of our products.

We offer a growing selection of lower-emission alternative items. We have continued to expand our assortment of vegan and vegetarian alternatives, which currently includes 50 vegan and vegetarian substitute products under our "Vemondo" private label. We have expanded the range of legumes in our product range and are testing their location in our stores to increase our customers' intake of legumes both good for health and climate. We are constantly working to identify and implement further opportunities to reduce emissions.



Lidl Denmark's carbon footprint

Greenhouse gas emissions are calculated in accordance with the market-based approach of the GHG Protocol. We have used various sources to determine the emission factors of Lidl Denmark's carbon footprint, including publicly accessible databases (e.g. ecoinvent, Ecotransit), international and intergovernmental organizations (e.g. IPCC, IEA, DEFRA), as well as models from the ifeu Institute for Energy and Environmental Research.

Total emissions since 2019, has increased. This is both due to the opening of 37 new stores in Lidl Denmark, and due to an improved data basis that have affected emission factors.

We stopped all air freight of fruit and vegetables in 2023

Categories according to the GHG protocol	GHG Emissions (in CO ₂ equivalents) Base year 2019	GHG Emissions (in CO ₂ equivalents) 2023	GHG Emissions (in CO ₂ equivalents) 2024
Scope 1	3,095	2,598	2,584
Fugitive emissions	643	213	546
Mobile combustion	1,695	1,787	1,424
Stationary combustion	756	597	614
Scope 2 [Sum according to market-based approach]	10,207	1,956	2,310
District heating	2,059	1,956	2,310
Electricity: Market-based approach	8,148	0	0
Electricity: Location based approach	7,860	7,024	7,639
Scope 3	823,308¹	862,674	960,614
3.1. Purchased goods and services	764,443	712,060	812,518
3.2. Capital goods ²	N/A	44,932	13,490
3.3. Fuel and energy-related emissions	3,703	3,858	4,155
3.4. Upstream transport ³	6,109	50,263	58,031
3.5. Operating waste	2,539	1,020	2,071
3.6. Business trips	1,100	738	819
3.7. Employee commute	3,602	4,835	5,198
3.11. Use-phase of sold products ⁴	40,791	16,108	31,619
3.12. Recovery of sold products	1,021	28,859	32,712
Total emissions	836,277	867,227	965,509

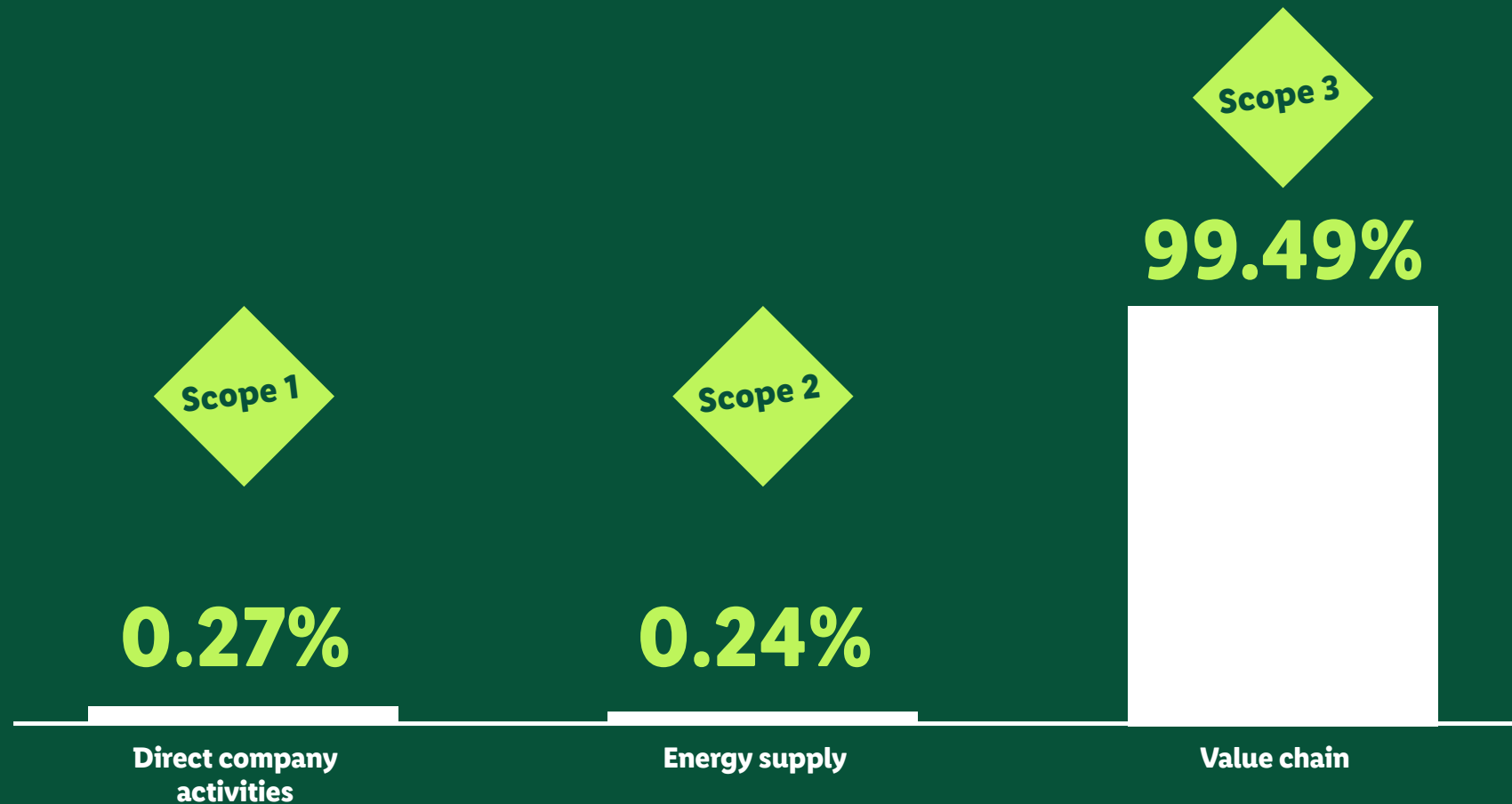
¹Scope 3 reduction targets is calculated based on base year 2022. Total Scope 3 emissions in 2022 was 939,634 tCO₂e.

²Since fiscal year 2024, category 3.2 "Capital goods" has been included retroactively to the base year 2022.

³From fiscal year 2023, free deliveries are included in category 3.4 "Transportation".

⁴In fiscal year 2022, the emission factors for category 3.11 "Use-phase of sold products" were adjusted retrospectively. However, the emission values for the 2022 financial year itself were not changed retrospectively.

Lidl Denmark's GHG emissions in Scope 1, 2 and 3



Scope 1

Scope 1

 GRI 305-1 Direct (Scope 1) GHG emissions

The carbon footprint shows the GHG emissions for Lidl Denmark in metric tonnes of CO₂ equivalents and relates to operational stores, logistics centers and national headquarter. The calculation is based on the requirements of the GHG Protocol. Our operational GHG emissions include direct GHG emissions (Scope 1) and indirect GHG emissions from the purchasing of energy (electricity, heating, steam and cooling) (Scope 2), but also the indirect upstream and downstream GHG emissions in our value chain (Scope 3).

We collect all of the required usage data for operational GHG emissions ourselves (e.g. quantity of diesel for refueling company cars) and the necessary GHG emission factors are provided by an external service provider that also calculates the carbon footprint for us.

Lidl Denmark has been able to save 520 metric tons of CO₂ equivalents in our Scope 1 since 2019, corresponding to a reduction of 16.51%. From fiscal year 2023 to 2024, only a small reduction on 0.53% has occurred.

Scope 2

Scope 2

 305-2 Energy indirect (Scope 2) GHG emissions

We use a location-based and market-based approach to report our Scope 2 GHG emissions. The latter bases the conversion on emission factors that we obtain directly from our electricity supplier. The location-based approach, in contrast, uses the emission factors for a geographic region for the conversion, in our case for Denmark. We used the market-based approach to calculate the total GHG emissions for Scope 1, 2 and 3. Lidl Denmark has been able to save 7,897 metric tons of CO₂ equivalents in our Scope 2 since 2019, corresponding to a reduction of 77.37%.

From fiscal year 2023 to 2024, Scope 2 GHG emissions have increased by 18.14%. The increase is both caused by opening 12 new stores in old buildings, that haven't yet been made more energy efficient.

Scope 3

Scope 3

 305-3 Other indirect (Scope 3) GHG emissions

For Scope 3, the data collection makes it more complex. We request the required activity data from external service providers (e.g., kilometers traveled by truck for store logistics), collect it ourselves for individual categories (e.g., purchased products), or make assumptions in conjunction with our external consultants (e.g., employee commutes). We take the emission factors for calculating the activity data from common LCA databases (e.g. ecoinvent). We work on improving the data year on year and increasing our share of primary data, so that we can make the right decisions once assessed. Lidl Denmark's Scope 3 has increased with 20,981 metric tons of CO₂ equivalents since 2022, corresponding to an increase of 2.23%. There is an increase from 2022 to 2024 in a large share of the categories within Scope 3. This increase is due to the opening of 24 new stores in Lidl Denmark in 2023 and 2024. In Categories 3.5. Operating waste, 3.6. Business trips and in 3.11. Use-phase of sold products there is a decrease of GHG emissions. We do not have a direct influence on our Scope 3 GHG emissions, however collaboration with suppliers

-77.37%

Reduction of GHG emissions in Scope 2 since 2019



... 1.5 degrees

and business partners is a central component of our climate strategy working towards our target of reducing our greenhouse gases effectively by 2050 according to our Net-Zero target. The increase in GHG emission for Scope 3 two previous years is due to an improved data basis. From fiscal year 2023 to 2024, Scope 3 GHG emissions have increased by 11.35%. The increase is both caused by opening 12 new stores combined with an improved data basis that have affected GHG emission factors.

GHG emissions intensity



305-4 GHG emissions intensity

The intensity of our Scope 1 and Scope 2 GHG emissions is related to m² of sales area: GHG emissions per m² of sales area (market-based approach): 598.30 tCO₂e/m² in 2024. This calculation includes all m² owned by Lidl Denmark, including rental properties and own Lidl sales area.

Reduction of the GHG emissions



305-5 Reduction of GHG emissions

Lidl Denmark has been purchasing 100% electricity from renewable energy sources since 2020.¹ The

switch from electricity from fossil fuels to electricity from renewable energies plays a key role in avoiding GHG emissions in Scope 1 and Scope 2. Lidl Denmark therefore purchases renewable energy from the grid and produces its own electricity from renewable sources.

Lidl Denmark has been using photovoltaic systems for generating electricity, thereby driving forward the expansion of renewable energy since 2013. This means that we purchase less electricity from the public grid. In 2024, 40 of Lidl Denmark's properties were fitted with photovoltaic systems.



In 2024, we expanded our warehouse and logistics center in Køge, by installing a new 4,542 m² photovoltaic system on the roof.

Thereby, we increased our production of self-generation electricity. 20% of the warehouse and logistics center's electricity is now covered by its self-generated renewable energy. The system's capacity corresponds to the annual con-

sumption of over 200 Danish households. We will continue to increase the number of photovoltaic systems.

Lidl Denmark gains an installed output of 177,123 kWh from these systems. In total 0.23% of the electricity used by Lidl Denmark was self-generated in fiscal year 2024 – for example, through photovoltaic systems. However, the actual percentage of self-generated electricity through photovoltaic systems is higher. The lower number is due to a replacement of data loggers, and we are therefore not able to document the larger production of self-generated electricity. In the reporting period of 2025, we will report on this.

For the renewable energy demand, which we are currently not able to cover from our own generation, guarantees of origin are being used. Guarantees of origin are certificates that certify the generation of electricity from renewable sources. They state how, when and where the energy was generated. Guarantees of origin can be traded independently of the electricity generated and purchased.

¹Excluding any purchase agreements that Lidl cannot influence, such as those for individual leased properties with a binding electricity procurement clause. For more information, please visit www.gruenstrom.schwarz



59% of all stores are
using natural refrigerants for
product cooling

Natural refrigerants

Lidl Denmark follows its internal building standard and uses natural refrigerants, such as propane (C3H8), carbon dioxide (CO₂), or ammonia (NH₃). They are used as operating materials for generating heat/cooling for the air conditioning of buildings and for product cooling.

Lidl has set the target of using natural refrigerants for product cooling at 100% of its (own) logistics centers and 100% of stores by end of fiscal year 2028. In 2024, 59% of all stores were using natural refrigerants for product cooling. None of our logistics centers were using natural refrigerants for product cooling. We are currently replacing all cooling systems with synthetic refrigerants (GWP value of above 2500) to natural refrigerants and expect to reach 100% natural refrigerants for product cooling by end of fiscal year 2025, five years ahead of the requirements of EU legislation.

In relation to the refill quantity, natural refrigerants accounted for 88% of the refrigerants used by Lidl Denmark in the 2024.

Ecosystems

Vision 2050

We will introduce a new long-term 2050 vision and new strategic goals by 2030 within the overall field of action of "Respecting Biodiversity". The 2050 vision and strategic goals will be followed by medium and long term operational targets and measures.

Targets

We plant 1,000 trees for every new Lidl-store opened in Denmark, and minimum 10.000 trees yearly.

Degree target has been achieved: ● ● ● ● ●



Ecosystems



3-3 Management approach

Challenge

The climate crisis and loss of biodiversity are the greatest global risks of our time.¹ As a food retailer, Lidl bears a particular responsibility as a large part of our assortment stems from agricultural production and our business is highly dependent on functioning ecosystems. Nevertheless, our business activities do contribute to the transformation of natural habitats into agricultural land and therefore to climate change and the loss of biodiversity. Lidl not only has a considerable influence on these developments, but it is also threatened by associated business risks.

Solution

Lidl's central goal is to make raw material value chains socially and environmentally compatible. We are focusing on reducing the negative ecological and social impact of our primary products as much as possible – from the farming to harvesting and the subsequent processing and right through to the transportation to our stores. Specifically, we are focusing on making the procurement of raw materials defined as “critical” more responsible sourced by 2025. Respecting biodiversity is included in our

Code of Conduct for our suppliers, in our raw material targets and in our purchasing policies. In addition, Lidl is focusing on nature conservation worldwide beyond our value chains in selected projects with partners such as the WWF.

We are pursuing this goal with our raw materials strategy, which is based on four pillars:

1. Understanding the effects
2. Establishing standards
3. Promoting alternatives
4. Driving change

Organization

The Central Construction and Procurement unit supported by CSR Logistics and Real Estate are responsible for respecting biodiversity in the construction of logistics centers or stores. Lidl Stiftung & Co. KG in the Quality and Sustainability units as well as Lidl Denmark in the Quality Assurance and Purchasing CSR are responsible for respecting biodiversity when purchasing products.

Impact on biodiversity



GRI 304-2 Significant impacts of activities, products, and services on biodiversity

Raw materials form the basis of our products. By using and selling these raw materials, we have an influence on biodiversity. In particular, the loss of forests due to the use of land for agricultural products, such as soy, palm oil, coffee and cocoa, has a negative impact on natural ecosystems and biodiversity.

”

In response, we have introduced certification and traceability targets for the major high-risk raw materials in relation to deforestation.

These are part of our due diligence activities with regard to the EU Deforestation Regulation (EUDR) and go beyond legal requirements for deforestation-free value chains in many areas.

¹WEF. 2022.The Global Risks Report. Global Risks Report 2022 | World Economic Forum | World Economic Forum



Arla and Lidl's Peatland-project

In 2024, Lidl Denmark initiated a 2-year climate- and biodiversity project within our value chain with our supplier Arla, as part of Arla's FarmAhead™ Customer Partnership. The project aims to identify solutions and break down barriers in how to restore peatland on 10 Danish Arla Farms. Peatland is carbon-rich and therefore both an opportunity to reduce GHG emissions on farms and to use restored peatland to protect and increase biodiversity. As a part of the project, each farmer will get a tailor-made action plan focusing on renaturation and improving nature on their farm. After the project period, the unique learnings from each farmer will be collected and shared with a broader range of Arla farmers as well as other farmers in general. The overall target for the intensified collaboration with Arla is to reduce Arla's product emissions.

”

"We have some very ambitious climate goals in Arla, and we believe that we can achieve them by collaborating with our customers. That's why I'm looking forward to seeing the results of the peatland project, and to use the knowledge to reduce GHG emissions on all Arla farms. Initially in Denmark, but in the longer term also among Arla farmers in other countries,"
says Mette Ulsø Kristensen,
Head of Sustainability for Arla Denmark.



”



"I want to continue as a dairy farmer for many years to come, and that requires that we here on my farm can reduce our GHG emissions. That's why I think it's exciting to be part of the project, and I'm looking forward to learn more,"
says Knud Erling Birch, Arla cooperative member and farm owner.



... Ecosystems



Habitats protected or restored

304-3 Habitats protected or restored

As part of our raw materials strategy, we have established reliable certification systems in our risk value chains that, among others contribute to the protection and renaturation of ecosystems and habitats. These include, for example, FSC with regard to wood and paper, Rainforest Alliance with respect to deforestation, the MSC Standard with regard to fishing. Together with GLOBAL G.A.P. and other partners, Lidl has developed an industry-wide standard for the protection and promotion of biodiversity in conventional fruit and vegetable cultivation in Europe - the GLOBALG.A.P. Add-On BioDiversity. Lidl was the first European food retailer to work with the standard and already applies it to over 900 producers from various European countries.

Plant et Træ (Plant a tree)

Lidl Denmark has a collaboration with the non-profit organization Plant et Træ whose mission is to plant trees beneficial for children and future generations. As part of the collaboration, we plant 1,000 trees for every new Lidl-store opened in Denmark, and minimum 10,000 trees yearly.

In 2023 we planted 10,000 trees, and in 2024 we planted 20,000 trees, due to the opening of the many new Lidl-stores in Denmark. Plant et Træ is an example of how we work with protecting habitats beyond our value chain.



“Plant et Træ and Lidl have been collaborating since 2019. Trees require time and patience, which Lidl and Plant a Tree’s collaboration also reflects. Since the start of the collaboration, we have planted more than 60,000 trees across Denmark, beneficial of both children, adults, future generations and biodiversity. In 2024, we have planted a record number of trees in collaboration with Lidl, which I am very proud of,” says Hans Skou, Chairman for Plant et Træ.





... Ecosystems

Protected species in areas affected by operations



304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations

Our strategy uses recognized certification systems to protect threatened and protected species on our suppliers' areas of land related to risk-related raw materials in our value chains. In this context, we take responsibility for species on the red list of the International Union for the Conservation of Nature (IUCN) and on national lists living in areas affected by our business activities. These commitments and partnerships include FSC, Rainforest Alliance, MSC Standard, and GLOBALG.A.P.

We have introduced various measures that ensures the protection of threatened and protected species. Amongst others, we collaborate with our suppliers to eliminate products made from threatened animals listed by the IUCN from our assortment. Moreover, we concentrate on non-threatened fish species and seafood, and do not offer fish species that originate from threatened or

overfished stock, fish at risk of extinction, stock and fishing practices that cannot be monitored, or which are included on national as well as international protected species lists. We use the labelling scheme MSC to ensure our purchased wild-caught fish and shellfish meet a number of quality requirements including protecting fish stocks and preserving marine ecosystems. 100% of wild-caught fish and shellfish (except tuna) in our standard listing is MSC certified.

**100% wild-caught
fish and shellfish in
our standard listing
is MSC certified**
(except tuna)



Raw materials

We have targets for critical raw materials to ensure a more responsible procurement of raw materials. The target date spans from 2016-2025, yet the targets are not outdated or irrelevant, since all targets are important when sourcing new products or making changes in our product range, therefore we are continuously reporting on the targets.

Targets

Since 2021, 100% of our fruit and vegetable suppliers have been certified according to GlobalG.A.P. with GRASP add-on or equivalent.

Applies to private labels in the standard range and promotion range.

Degree target has been achieved: ● ● ● ● ● ●

Since 2022, fresh wild-caught fish and shellfish have been 100% certified with MSC. Tuna excluded.

Applies to own labels in the standard range.

Degree target has been achieved: ● ● ● ● ● ●

Since 2022, fresh fish and shellfish from aquaculture have been 100% certified with ASC, organic or GLOBALG.A.P. or BAP certified.

Applies to own labels in the standard range.

Degree target has been achieved: ● ● ● ● ● ●

Since 2022, 100% of wild-caught fish and shellfish and fish and shellfish from aquaculture in frozen and convenience products have been MSC- or ASC- (preferred), Organic- (preferred), GLOBALG.A.P.-, or BAP certified.

Applies to own labels in the standard range

Degree target has been achieved: ● ● ● ● ● ●

Since 2022, at least 50% of the wild-caught fish and shellfish as well as fish and shellfish from aquaculture in our promotion range both fresh and frozen, have been MSC certified or ASC, organic, GLOBALG.A.P. or BAP certified. Tuna is excluded.

Applies to private labels in promotion range.

Degree target has been achieved: ● ● ● ● ● ●

Our CSR strategy



Raw materials

Since 2022, canned tuna have been 100% certified with MSC, Fishery Improvement project (FIP), FAD free or Pole&line.

Applies to own labels in the standard range.

Degree target has been achieved: ● ● ● ● ●

By the end of 2022, 100 % of our cat food in the fish category will be ASC or MSC certified.

Applies to private labels in the standard range and promotion range.

Degree target has been achieved: ● ● ● ○ ○

Since 2022, 100% of the cocoa in our chocolate bars have been certified with Fairtrade or according to the Fairtrade cocoa standard.

Applies to private labels in the standard range.

Degree target has been achieved: ● ● ● ● ●

By the end of 2025 a range of certified (Fairtrade, Rainforest Alliance, organic) nuts and nut mixtures must be made available.

Applies to private labels in the standard range and promotion range.

Degree target has been achieved: ● ● ● ● ●

Since 2020, 100% of capules, instant coffee and cappucino have been Fairtrade, Rainforrest Alliance or organic certified.

Applies to private labels in the standard range and promotion range.

Degree target has been achieved: ● ● ● ● ●

Since 2020, 100% of roasted coffee have been Fairtrade, Rainforrest Alliance or organic certified.

Applies to private labels in the standard range and promotion range.

Degree target has been achieved: ● ● ● ● ●

Since 2016, 100% of products with cocoa ingredients have been Fairtrade raw material label, Rainforest Alliance or organic certified.

Applies to private labels in the standard range and promotion range.

Degree target has been achieved: ● ● ● ● ●

Since 2017, 100% of the palm (kernel) oil fractions and derivatives in food and near-food products have been certified to at least the RSPO standard "Mass Balance" level.

Applies to private labels in the standard range and promotion range.

Degree target has been achieved: ● ● ● ● ●

By the end of 2025, we will offer certified rice according to the Sustainable Rice Platform, Fairtrade or organic.

Applies to private labels in the standard range and promotion range.

Degree target has been achieved: ● ● ● ● ●

Since 2016, we have offered barn eggs as a minimum standard. This includes egg products and products containing eggs.

Applies to private labels in the standard range and promotion range.

Degree target has been achieved: ● ● ● ● ●

Since 2022, 100% of all soy as an ingredient in vegetarian/vegan substitute products have originated from the EU and must also be certified according to the recognized standards (RTRS, Donau Soja, Europe Soya, ProTerra, ISCC+, organic). Additives/ingredients (e.g. emulsifiers) are excluded.

Applies to private labels in the standard range.

Degree target has been achieved: ● ● ● ● ●

Since 2018, 100% of Green tea, Black tea and rooibos tea have been Fairtrade, Rainforest Alliance or organic certified.

Applies to private labels in the standard range and promotion range.

Degree target has been achieved: ● ● ● ● ●

Since 2020, 75% of Herbal and fruit tea have been Fairtrade, Rainforest Alliance or organic certified.

Applies to private labels in the standard range and promotion range.

Degree target has been achieved: ● ● ● ● ●

Since 2022, 100% of our cotton (in textiles and hardware) have been certified according to GOTS, OCS, Fairtrade, CmiA or BCI.

Applies to private labels in promotion range.

Degree target has been achieved: ● ● ● ● ●

By the end 2025, 20% of our cotton (in textiles, hardware) will be certified organic according to GOTS or OCS.

Applies to private labels in promotion range.

Degree target has been achieved: ● ● ● ● ●

Raw materials

Since 2021, we have used 100% certified leather, (for textiles, shoes and hardware gold or silver level as standard, according to Leather Working Group (LWG).

Applies to private labels in promotion range.

Degree target has been achieved: ● ● ● ● ●

By the end of 2025, we want to use 20% certified polyester (for textiles and hardware) according to rPET, GRS, RCS.

Applies to private labels in the standard range and promotion range.

Degree target has been achieved: ● ● ● ● ●

Since 2021, 100% of our flower and plant suppliers have been certified according to GlobalG.A.P. with GRASP add-on or equivalent.

Applies to private labels in the standard range and promotion range.

Degree target has been achieved: ● ● ● ● ●

Since 2022, the amount of peat in our plant compost have been reduced so that when compacted it contains maximum 50% peat. Wherever possible, we avoid peat.

Applies to private labels in promotion range.

Degree target has been achieved: ● ● ● ● ●



Raw materials



3-3 Management approach

Challenge

Lidl offers a broad range of products based on a multitude of raw materials. These form the basis of our products and can be divided into agricultural resources, animal products, metals and energy sources. Depending on their origin, as well as the nature of their production and further processing, these raw materials may be associated with negative environmental impacts that differ in terms of both their nature and severity. We therefore consider it our responsibility to help preserve natural resources and reduce the negative impacts of the cultivation, production and mining of raw materials on people, the environment and society. Our core focus is preserving ecosystems and complying with human rights. The reason for this is that the production of raw materials in particular is associated with resource consumption and often with critical working conditions and other human rights aspects.¹

Solution

We focus on the so-called critical raw materials. They are the result of a systematic risk analysis that we have carried out together with experts. Accord-

ing to this analysis, critical raw materials not only have the greatest impact on people and the environment, but are also highly relevant as customers demand for products containing these raw materials is high. We are committed to make the sourcing of critical raw materials even more responsible by 2025. One way we will ensure this is using certifications to make the sourcing of raw materials more socially and environmentally responsible. Most certifications appear on the packaging and aim to help our customers make a more informed purchase decision. Read more about our work with certifications in the "Responsible products" section on page 96.

We use various analyses to systematically determine potential risks and derive specific measures based on the results. To continue to strategically improve the handling of critical raw materials, we have set ourselves corresponding, specific critical raw material targets.

We use internationally recognized certifications on products within our product range, such as The Danish organic label "Ø-mærket", the EU organic Logo, Bio, Fairtrade, Donau Soja, Forest Steward-

ship Council (FSC), Marine Stewardship Council (MSC) and Rainforest Alliance.

In order to be compliant with the EU Deforestation Regulation (EUDR) we establish supply chains free of deforestation and conversion and are particularly committed to a reliable certifications and transparency in our supply chains of palm oil, cocoa, coffee and cellulose. By establishing targeted programs and through involvement in partnerships, as well as multi-stakeholder working groups, we are taking charge of our responsibility and have comprehensively documented this in the "Raw materials" purchasing policy. We have implemented a number of purchasing policies, defining our standards for e.g. sourcing products of animal origin or fruit and vegetables. We pay particular attention in these documents to the environmental impact of cultivation and breeding. Find all of our purchasing policies on our website.²



¹IISD. 2021. *The Sustainable Use of Natural Resources: The Governance Challenge*. The Sustainable Use of Natural Resources: The Governance Challenge | International Institute for Sustainable Development

²<https://om.lidl.dk/ansvarlighed/holdninger-og-handlinger>

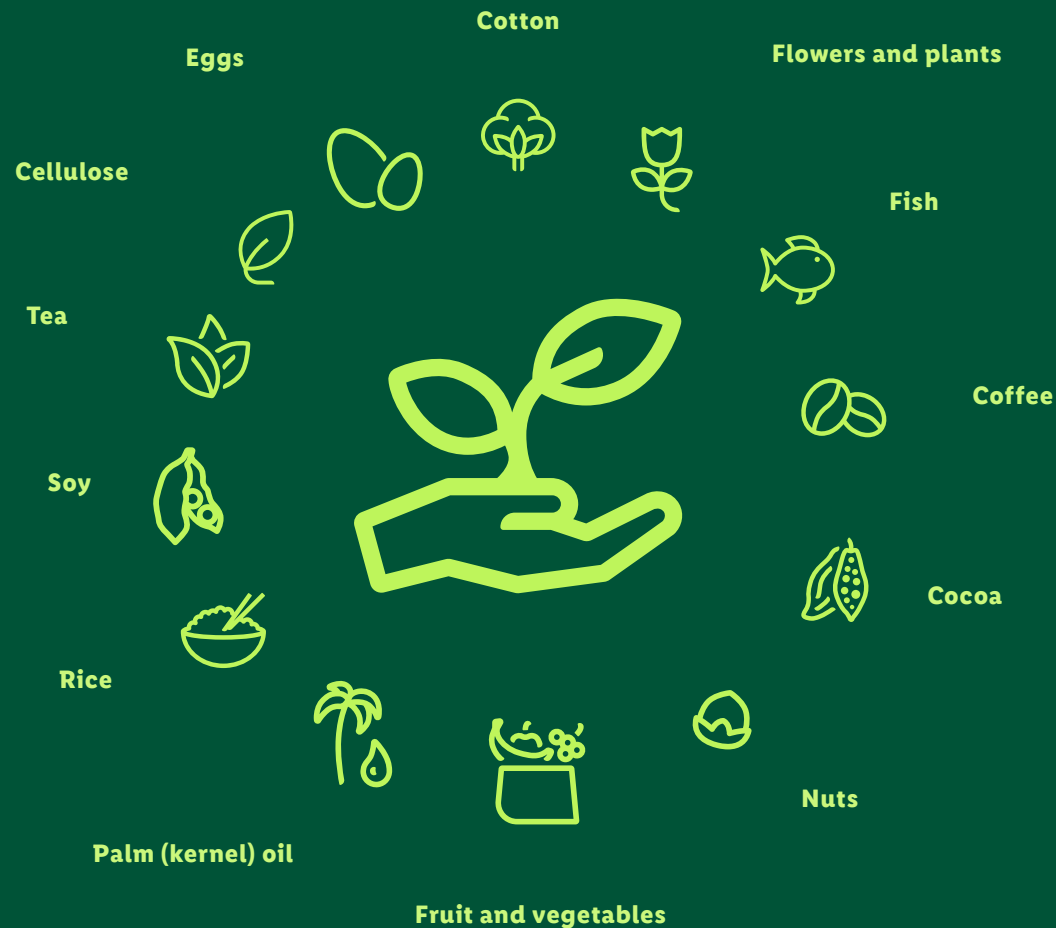
... Raw materials

We have been incorporating our Code of Conduct (CoC) into contract negotiations for many years with the aim of obliging our business partners to comply with these principles and standards. If business partners fail to cooperate, we take appropriate action, including terminating the business relationship as a last resort. Regular exchange with labelling schemes enables us to review the effectiveness of our actions. The Sustainability Steering Committee monitors the progress made in achieving the targets throughout the company and conducts an annual assessment.

Organization

Lidl Stiftung & Co. KG is responsible for the topic of raw materials in the area of quality and sustainability, where it is handled in the Programs and Standards unit by the Raw materials, Biodiversity and Animal Welfare team.

Overview of our critical raw materials



... Raw materials

Status of target achievement

We have achieved almost all of our targets. However, we have two targets which we unfortunately could not be completed by the originally planned target year. This is our target of 100 % of our cat food in the fish category will be ASC or MSC certified by 2022. The reason for not achieving this target is availability of MCS or ASC certified fish in cat food, therefore we only reached 57.14% by 2024. Also, we have not achieved our target that by end of 2022, 100% of our cotton (in textiles and hardware) will be certified according to GOTS, OCS, Fairtrade, CmiA or BCI*. The reason for not achieving this target for market reason. We are continuing to work on implementing both targets.

For some targets, we have exceeded our target ambition. We reached 80.68% in 2024 for the following target: by the end of 2022, at least 50% of the wild-caught fish and shellfish as well as fish and shellfish from aquaculture in our promotion range both fresh and frozen, will be MSC certified or ASC, organic, GLOBALG.A.P. or BAP certified. Tuna is excluded.



... Raw materials

Dialog

To strengthen responsible sourcing practices, we continuously work to enhance the understanding of social responsibility, environmental considerations, relevant labelling schemes, and our Code of Conduct among our employees. In 2024 we therefore invited Fairtrade Denmark to Lidl Denmark's headquarter to give our employees an introduction to the Fairtrade certification, and a meeting with all our purchasers.

The global food trade needs to share knowledge, partnerships and action across the entire value chain. That's why Lidl Denmark engages with several players from the Danish alliances for responsible, deforestation-free imports with a focus on products that contain critical raw materials, such as palm oil, soy, coffee, fish etc. Discussions concerning developments and solutions are held in the individual alliances. The purpose of the alliances is to generate joint action for a responsible, resilient and fair value chains. At Lidl Denmark, we ensure that the targets we work within the alliances are also compatible with our CSR strategy. Read more about this in the "Responsible products" section on page 96.



Circular economy

Vision 2050

We will introduce a new long-term 2050 vision and new strategic goals by 2030 within the overall field of action of "Conserving resources". The 2050 vision and strategic goals will be followed by medium and long term operational targets and measures.

Targets

By the end of 2030, we will reuse, recycle, ferment, or compost 95%* of our waste. The certification** will be carried out by an independent organization.

Degree target has been achieved: ●●●●●○

* Necessary infrastructural conditions available in the country.

** Accordingly DINSpec 91436.

By the end of 2022, we are phasing out black plastic from our packaging.

Applies to private labels in the standard range.

Degree target has been achieved: ●●●●●●

By the end of 2025, 100% of our plastic packaging will be recyclable. Provided there are existing and operational recycling streams.

Applies to private labels in the standard range.

Degree target has been achieved: ●●●●○●

We will cut the consumption of plastic packaging by 30% for our private labels by the end of 2025. Base year 2018.

Applies to private labels in the standard range.

Degree target has been achieved: ●●●●●●

By the end of 2025, there will be an average of at least 25% recycled material in our plastic packaging.

Applies to private labels in the standard range.

Degree target has been achieved: ●●●●●○



Circular economy



3-3 Management approach

Challenge

For decades, humankind has been using more resources than the planet is able to renew naturally. At the same time, increasing amounts of waste are being produced as a result of rising consumption and the use of packaging materials. The consequences of these developments have a particular impact on the environment. While raw material production and processing are making climate change worse, the increasing amount of waste is also endangering biodiversity and water quality. Companies therefore face the challenge of conserving resources. The business activities of Lidl Denmark are directly linked to the use of resources. These include various materials like plastic or paper.¹

Solution

PreZero, part of Schwarz Group, closes loops through comprehensive waste and recycling management. We collaborate with PreZero at certain sites and through projects to close our loops, such as through recycling.

We use an efficient resource and waste management system to ensure that we use resources more respon-

sibly. We record the resource flows in our operational processes in order to follow the ideal of the circular economy. The efficient separation and proper disposal of the resulting materials enables the reuse or recycling of the resources used and minimizes the proportion of non-recyclable waste.

In 2026 we will initiate our project Road to Zero Waste. With the help of our waste management system (in logistics centers, stores and administration buildings), we will increase the percentage of reuse, recycle, ferment, or compost in our waste from existing 88,29% to 95%. The implementation of new optimization of existing disposal concepts complements each other with the promotion of new waste avoidance and waste separation concepts. We have our waste management system, including the corresponding measures, audited and certified by an independent auditing company in accordance with DIN SPEC 91436. With Road to Zero Waste, we can safeguard strategic resources for the future. We are pursuing the following target by 2030: ———→

Lidl Denmark continuously share knowledge and collaborate with suppliers which means we can work jointly in order to find a better way of optimizing packaging to reduce both plastic and waste.

By the end of 2030, we will reuse, recycle, ferment, or compost 95%* of our waste.

95%

The certification will be carried out by an independent organization.**

* Necessary infrastructural conditions available in the country.

** Accordingly DINSpec 91436.

¹EEA. 2021. Improving the climate impact of raw material report. Improving the climate impact of raw material sourcing | European Environment Agency's home page



... Circular economy

This creates value for both us and our suppliers. To reduce the amount of plastic and waste by optimizing the packaging design, we have issued a plastic guide to our suppliers. Just like the previous version of the guide, there are guides for packaging made of paper, cardboard, glass and metal, in addition to instructions on how to improve the design, the need for recyclability and the need for recycled materials in plastic packaging.

Lidl Denmark try to prevent plastic waste from ending up in the nature. We do this by having accessible garbage bins in and outside of all of our stores. Since 2015 we have been accepting deposit-free cans and bottles in our reverse vending machines. In 2023 and 2024, Lidl Denmark in total accepted 10,549.139 cans and bottles without deposit.

Since 2018 we have collaborated with Danish environmental organization Plastic Change on our common goal on reducing plastic waste and preventing plastic from ending up in the nature. Through our collaboration with Plastic Change, we have supported World Cleanup Day, the world's largest cleanup, both in 2023 and 2024. The World

Cleanup Day is taking place in 191 countries, with 60 million volunteers participating.

In 2024, we held two waste events aiming to collect nicotine and tobacco products that has ended up as waste in nature. The events were centered around two of our stores in Copenhagen and Aarhus, under the slogan "No Judging, just a Lidl nudging".

REset Resources: The jointly developed holistic circular economy strategy of the companies of Schwarz Group

Together, the companies of Schwarz Group are setting ambitious targets and are further developing their REset Plastic strategy into a holistic circular economy strategy called REset Resources. REset Resources shapes the resource management within Schwarz Group along the five action areas REdesign, REduce, REuse, REcollect and REcycle. Further information on REset Resources can be found in the jointly elaborated sustainability report of the companies of Schwarz Group.¹

Organization

The Logistics department at Lidl Denmark is responsible for the flow of recyclable materials. Water consumption is the responsibility of Facility Management.



¹SchwarzGroup_SustainabilityReport_FY24.pdf



... Circular economy



Consumption of plastic and paper

301-1 Materials used by weight or volume

301-2 Recycled input materials used

Plastic is mainly used for our packaging, garbage sacks and stretch film. In addition to the materials used by Lidl Denmark itself, the stores generate waste materials that result from deliveries, such as outer packaging for products from suppliers.

”

We continuously keep our focus on conserving resources e.g. by offering our customers paper bags instead of plastic bags, reusable plastic bags to minimize our use of plastic and reusable “Green Bags” for fruit and vegetables. In 2023 and 2024, we sold a total of 49,842 Green Bags. We are also using electronic price tickets and giving the customer the option of turning down paper receipts to minimizing our paper use.

At Lidl Denmark, we are increasingly using recycled materials as starting materials. Leaflets and in-store flyers are already partly produced from recycled paper, as are the bread bags and printer paper. We are constantly working to increase the amount of recycled materials that we use.

Use of plastic and paper increased in comparison to 2023. The reasons for this, is that we in Denmark in fiscal year 2023 opened 12 new stores and 2024 also opened 12 new stores.



Consumption of plastic and paper in tonnes	2023	2024
Paper	2,166	2,484
Of which is recycled material, paper	2,166	2,484
Plastic	3,969	4,345
Total	6,302	6,997

... Circular economy

Reused products and materials



301-3 Reclaimed products and their packaging materials

In 2023 and 2024 Lidl Denmark sold Too Good To Go Surprise Bags in all of our stores to prevent edible food from ending up as waste. This way, we reduce food waste on store level. Our customers have rescued more than 1 million Too Good To Go bags since the beginning of our partnership with Too Good To Go. Read more about our collaboration with Too Good To Go on page 70.



Lidl Denmark passes on goods that are still edible but are no longer fit for sale to the social non-profit organization Blå Kors (Blue Cross). Since 2017, redistribution of surplus food has happened in collaboration with Blå Kors during Easter, Whitsun and Christmas. The surplus food was passed on to people in need, and Blå Kors collects food from the stores depending on their needs.

In order to close the loops, we sell cardboard, foil, iron, textiles and non-food to different service providers. Non-food and textiles products that we were not able to sell in our stores are redistributed to our GreenCycle facility in the Czech Republic, and from here sold to a service provider that resells the products. In Lidl Denmark we sell our broken electronic inventory to a service provider who recycle the components.





... Circular economy



Waste generation and significant waste-related impacts

306-1 Waste generation and significant waste-related impacts

306-2 Management of significant waste-related impacts

306-3 Waste generated

306-4 Waste diverted from disposal

The rise in consumption and associated use of packaging material is generating increasing quantities of litter in the environment. This is particularly true for disposable packaging. This does not just include visible waste, but also microplastics, which are contained in many products or are generated by the granulation of plastic material. In light of the associated environmental impacts, companies are therefore faced with the challenge of reducing the effects of their waste.

The waste generated by Lidl Denmark is disposed of in accordance with national regulations. We are working together with our suppliers to reduce the amount of disposable packaging and general packaging waste and make our customers aware of

the responsible handling of waste e.g., by adding information on how to sort packaging materials on a wide range of our products.

Use of resources are related directly to the business activities of Lidl Denmark. We use a resource and waste management system to ensure we use resources responsibly. We track the resource flows in our operational processes to increase the circularity in our resource and waste management. We separate and dispose the materials correctly which enables the reuse or recycling of the resources used and minimizes the proportion of non-recyclable waste.

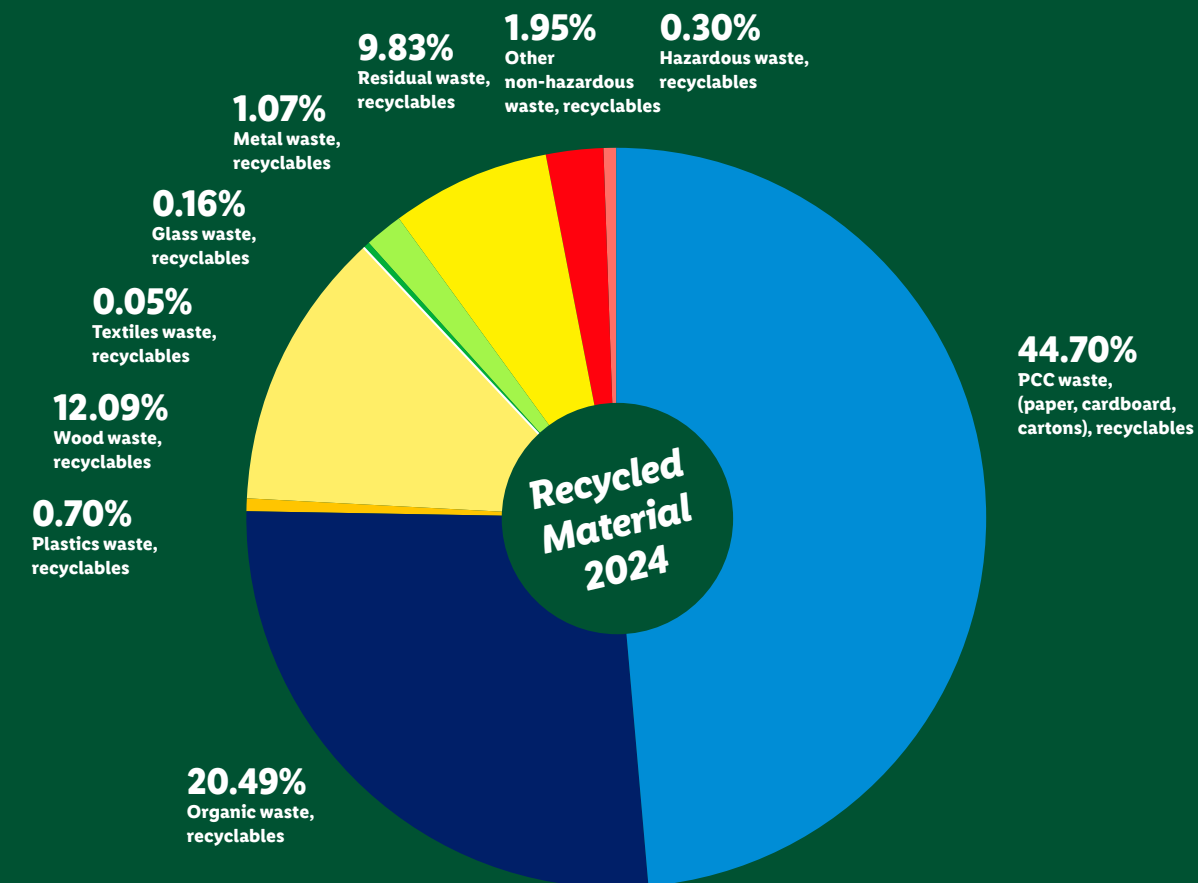


Material	2023	2024
Volume in tonnes (Proportion of the particular material in the total material volume)		
PCC waste (paper, cardboard, cartons)	9,677	10,511
Recycled in %	48.63%	44.70%
Organic waste	5,306	4,819
Recycled in %	26.67%	20.49%
Plastics waste	144	166
Recycled in %	0.73%	0.70%
Wood waste	2,417	2,845
Recycled in %	12.14%	12.10%
Textiles waste	21	11
Recycled in %	0.10%	0.05%
Glass waste	48	37
Recycled in %	0.24%	0.16%
Metal waste	315	252
Recycled in %	1.58%	1.07%
Other non-hazardous waste	498	459
Recycled in %	2.50%	1.95%
Hazardous waste	57	70
Recycled in %	0.29%	0.30%
Residual waste	1414	2,312
Recycled in %	7.10%	9.83%
Total	19,896	23,515

Despite our best efforts with our processes, it is not possible to completely avoid waste from being generated (e.g., cardboard boxes, stretch film, wood, etc.), which is transferred to various reutilization channels. The total volume of waste increased in comparison to last year from 19,896 metric tons to 23,515 metric tons. The reasons for this were the opening a total of 24 new stores in Denmark in the reporting years. There is a decrease in the recyclable percentage across different categories of materials. The largest decrease is in organic waste, due to challenges with the quality of our waste sorting in beginning of fiscal year 2024. Therefore parts of our organic waste was recategorized as residual waste.

Of the total of 23,515 metric tonnes of materials, we were able to reuse, recycling, ferment or compost 88.29% of our total waste.

In 2026, we initiate the project Road to Zero Waste project aiming to reuse, recycle, ferment, or compost 95% of our waste.



Volumes in tonnes

<div></div> PCC waste (paper, cardboard, cartons), recyclables 10,511	<div></div> Textiles waste, recyclables 11	<div></div> Other non-hazardous waste, recyclables 459
<div></div> Organic waste, recyclables 4,819	<div></div> Glass waste, recyclables 37	<div></div> Hazardous waste, recyclables 70
<div></div> Plastics waste, recyclables 166	<div></div> Metal waste, recyclables 252	
<div></div> Wood waste, recyclables 2,845	<div></div> Residual waste, recyclables 2,312	

Food waste

Vision 2050

We will introduce a new long-term 2050 vision and new strategic goals by 2030 within the overall field of action of "Conserving resources".

The 2050 vision and strategic goals will be followed by medium and long term operational targets and measures.

Targets

By the end of 2030, we will reduce food waste by 50%.
Compared to base year 2018.

Degree target has been achieved: ● ● ○ ○ ○

Our CSR strategy



Protecting climate



Conserving resources



Promoting health



Respecting biodiversity



Acting fairly

Engaging in

dialog

Food waste



3-3 Management approach

Challenge

Billions of tonnes of edible food are thrown away every year. These high levels of food loss mean that valuable resources, such as water and soil, are being used unnecessarily, and production and transportation are causing avoidable GHG emissions that are damaging to the climate. Food losses also cause unnecessary costs for companies and consumers.

The Danish Environmental Protection Agency have mapped the amount of food waste across sectors. The surveys show that the total food waste in Denmark amounts to approx. 873,014 tonnes each year. The food industry accounts for an estimated 457,172 tonnes. Households account for the second largest share of food waste with around 235,000 tonnes of food ending up as trash in private homes. It is estimated 103,906 tonnes of the food waste each year comes from retail, while primary production account for an estimated 42,984 tonnes and hospitality industry account 42,000 tonnes of the total food waste.¹

Solution

Food waste occurs throughout the value chain: in

manufacturing, during processing and transportation, in retail stores and by consumers. In retail, it happens because perishable foods are sorted and removed after stores close or because their best-before date has expired. Food waste can occur if consumers don't understand the difference between use-by date and best-before date, with the result that food, that is still edible, ends up in the garbage.

”

Offering top-quality fresh food is one of Lidl Denmark's top prioritizations. To reduce food waste and prevent, as far as possible, foods with a limited shelf life from being thrown away, Lidl has set the target that by the end of 2030, we will reduce food waste by 50%, compared to base year 2018.

In order to reduce food waste, Lidl Denmark uses a demand-based scheduling system, effectively stock management practices, have an efficient supply chain with short transport routes, daily deliveries of fruit and vegetables, end-to-end adherence to cold chains and stock monitoring. Lidl Denmark continuously checks

the freshness and shelf life of food products. By using price reductions, we try to promote the sale of food approaching its best-before or use-by date to avoid food waste. 30 minutes before closing our bake-off products are reduced in price by 50%. At the same time, we aim to reduce food waste in private households by increasing consumer awareness, which we supported through several targeted campaigns during the reporting period

In Lidl Denmark we use Too Good To Go Surprise Bags and food redistribution to Blå Kors (Blue Cross) to reduce food waste. In the circumstances where food waste can't be prevented, we have implemented waste handling measures in all our stores to utilize the food waste for biogas.

Lidl Denmark's food waste intensity was on 2.28% of our total sales in base year 2018. In 2024 Lidl Denmark reduced our food waste intensity to 1.84% of total sales by implementing the above reduction measures. We calculate our food waste intensity by dividing our tonnes of food waste with tonnes of food sold + tonnes of food waste + tonnes of food to food redistribution, animal feed and industrial use.

¹Fødevarestyrelsen. 2023. Madspild i tal. <https://foedevarestyrelsen.dk/kost-og-foedevare/start-og-drift-af-foedevarevirksomhed/hygijne-og-indretning/madspild-i-foedevarevirksomheder/madspild-i-tal>



... Food waste

Over the next years, through our international partnership with WWF, we will develop reduction strategies and measures to reduce our food waste further to achieve our 50% food waste target. Read more about partnership with WWF page 28.

Organization

Supply Chain and Sales department, in collaboration with the Purchasing department, is responsible for food waste.

Collaborations

Lidl Denmark has continuous dialog with external stakeholders who have access to and professional knowledge within the areas of food waste. We are also collaborating with other Lidl countries to exchange knowledge and experiences in our work of reducing food waste both internally in the organization and along the links in the food value chain, which we have no direct influence over.





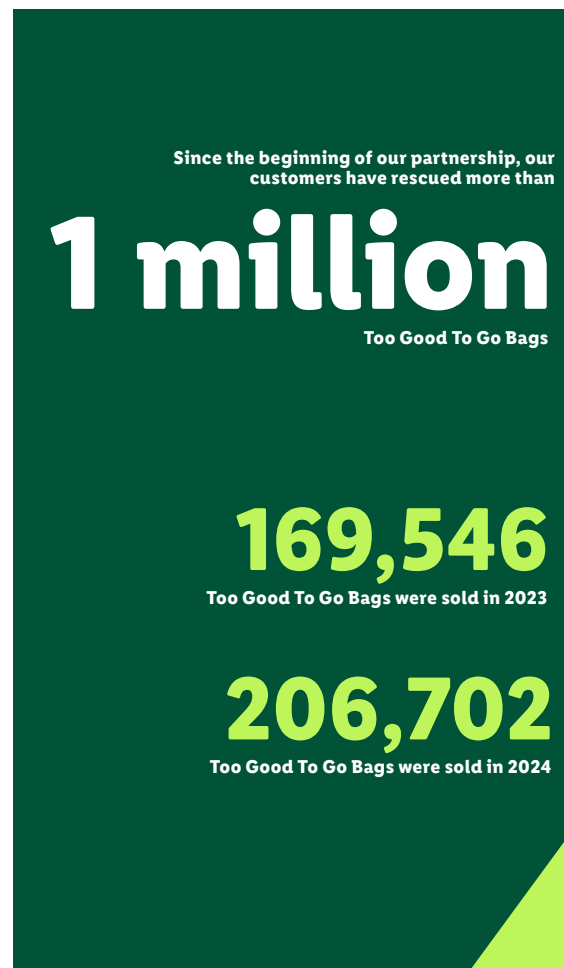
... Food waste

Since 2019 Lidl Denmark has collaborated with Too Good To Go on multiple initiatives to combat food waste. Together, we have launched various campaigns aimed at increasing consumer awareness about food waste and providing tips and tricks to help reduce it at home. In 2023 and 2024, we ran an influencer campaign under the name "Hver Bid Tæller" (Every Bite Counts), focusing on inspiring school lunch ideas for children to help prevent unappetising food from being thrown away. In collaboration with Too Good To Go and Mad-kulturen, we developed educational materials for schools. These materials aimed to raise children's awareness about commonly wasted foods and how to prepare them into tasty meals, fostering early awareness of how to prevent food waste. The materials were part of the campaign "Smag på Overskuddet (Taste the surplus food).

On selected private label products, we feature Too Good To Go's "Se, Duft, Smag-label" (Look-Smell-Taste label). This label encourages customers to use their senses to assess whether food is still good to consume, even after the best-before date.

In all our stores, we've offered Too Good To Go Surprise Bags containing items close to their use-by or best-before dates. Since the beginning of our partnership, our customers have rescued more than 1 million Too Good To Go bags.

Lidl Denmark will be launching our own Lidl food waste bag in all stores during 2025. This new food waste bag is based on an international Lidl concept, aiming to offer our customers even more food that has reached its best-before date, soon will reach its use-by date or is just slightly damaged or discolored, yet is nonetheless edible. The Lidl food waste bags allow our customers to buy fruit and vegetables and bake-off products that do not fully meet our quality standards, yet are still suitable for consumption at a fixed, low price.



... Food waste

Blå Kors (Blue Cross)

Lidl Denmark passes on goods that are still edible but are no longer fit for sale, to not-for-profit organizations that distribute the food to those in need. We redistribute surplus food during Easter, Whitsun and Christmas. Lidl Denmark has been collaborating with Blå Kors Denmark since 2017 in this regard. Together, we have over the years donated surplus food to many vulnerable individuals and families who benefitted from the donations.

”

"Since 2017, Lidl Denmark has been a valued partner of Blue Cross Denmark. While the donation of surplus food is an important part of our collaboration, our partnership goes much further. Together, we are strongly committed to bring joy and a sense of community to children and families in vulnerable situations. For us, it truly matters to stand alongside Lidl in making a meaningful difference – both socially and sustainably",
says Thomas Røddik, Head of Communications, Blue Cross Denmark.



Labor and human rights

Commitments

We are committed to taking actions to mitigate the (adverse) impacts of our own business activities in relation to human rights. We continuously review the potential and actual risks in the production of our products through:

- Conducting Risk Assessments
- Conducting three annual Human Rights Impact Assessments (HRIAs) in high-risk supply chains per year
- Increasing transparency in our supply chains

Our CSR strategy



Protecting climate



Conserving resources



Promoting health



Respecting biodiversity



Acting fairly



Engaging in



dialog

Labor and human rights



3-3 Management approach

Challenge

Companies have an obligation to ensure the protection of people at the workplace. This includes protecting the fundamental rights of their employees. Over and above the statutory regime, companies are responsible for establishing working conditions that promote a respectful and responsible working environment.

An increasing number of people seek to better balance their family responsibilities, leisure time, and work. Through appropriate initiatives, companies can contribute to promoting the physical and mental wellbeing of their employees and to aligning work more closely with the individual needs of employees and their different phases of life.

As an international food retailer, Lidl has leverage to promote respect for human rights among its direct business partners and throughout our supply chains. We are actively committed to strengthening human rights and making industry-wide improvements.

Solution

As an employer in the food retail sector in Denmark, we want to provide our employees with a safe and attractive work environment.

At Lidl Denmark, the respect and protection of employee rights form the basis of a relationship of trust. They underpin all our activities and are therefore also firmly entrenched in our corporate principles, policies and procedures. The HR department is responsible for managing compliance with applicable law requirements and for ensuring structural compliance. To ensure compliance with all our business processes in relation to our employees, the HR department uses the “HR Compliance” CMS program, which is a key area of Lidl Denmark's Compliance Management System (CMS). Compliance with the applicable law and internal guidelines forms the basis for and influences our actions. Read more about our CMS in the section on compliance on page 18. As mentioned in the section regarding our policies and principles on page 16, we have a Code of Conduct. We continuously assess our labor and human rights practices and procedures and evaluate them to ensure they comply with international standards and national regulations.

Lidl Denmark rejects any form of violation of human and labor rights. We attach great importance to ensuring that our business partners also respect human rights as well as social and environmental standards, address them in their supply chains and ensure compliance with them. We have been incorporating our Code of Conduct (CoC) into contract negotiations for many years with the aim of obliging our business partners to comply with these principles and standards.

Organization

The HR department of Lidl Denmark is responsible for the topic of labor and human rights, life balance, and the implementation of all associated measures while taking country-specific requirements and laws into consideration. With a view towards the supply chain, CSR Purchasing manages the topic. Purchasing is responsible for implementation and the department regularly share knowledge across countries. External experts advise and support Lidl as it strives to define measures and targets for implementing corporate due diligence.

... Labor and human rights

Our employees

Lidl Denmark aims to help its employees achieve a better balance between their work and private lives. We are continually developing and introducing various options to facilitate this.

To align work with family commitments, Lidl Denmark has set up a child-friendly office space at its headquarter in Aarhus. Employees have the option of bringing their child to work with them. The space is equipped according to the needs of children and their parents, for example with play corners, furniture at child height, so that the children can be active while dad or mom is working, and there is a small kitchen in close proximity.

Lidl Denmark promotes flexible working arrangements to take account of the individual needs of our employees, if the job can be effectively carried out at another location.

Employee health and well-being

We support the health and development of our employees through targeted initiatives. These include free flu vaccinations, opportunities to apply for internal qualifications and training, and participation in the annual DHL Run, which combines physical activity with team building and social engagement.



... Labor and human rights

Together in the job market

As part of the cooperation with KLAPjob, Lidl Denmark aims to facilitate access to the job market for people with cognitive impairments, such as, but not limited to, autism, ADHD, or learning disabilities. The initiative supports these individuals in finding regular employment. The partnership enables employees to contribute their skills in an inclusive environment while considering individual support needs. The collaboration is part of Lidl Denmark's commitment to workplace inclusion, with a special focus on individual abilities and a safe working environment.


Temporary employment arrangements

Lidl Denmark also employs an average of around 31.9% of its total workforce under temporary employment arrangements. This enables us to cover temporary periods of peak workload and to respond effectively to short-term situations. Temporary workers are treated equally to our employees. To ensure legal compliance, we also ensure that temporary employment agencies consistently comply with employment and labor law requirements within the scope of our "HR Compliance" CMS program. All employees of Lidl Denmark, regardless of the

work they do, have access to a Person of Trust. The employee advisor is an independent interlocutor to whom employees can turn and ask for support if they experience concerns or are in a difficult situation that affects the work situation and/or well-being at the workplace. The employee advisor can act as a conflict mediator or attend talks as an assessor if an employee seeks this.



Employees by employment type at Lidl Denmark

	2-7	Employees
	2-8	Workers who are not employees
	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk
	2-30	Collective bargaining agreements

Lidl Denmark also employs people who are not directly employed by Lidl Denmark and are therefore not included in the employee statistics. This includes, among others, workers in temporary employment situations/temporary agency workers. These workers help us to cover temporary peak demand periods and to effectively respond to short-term situations. We are currently developing a uniform calculation methodology to enable the quantitative reporting of this figure.

As stated in our corporate principles, temporary workers must be treated equally to employees. To ensure legal compliance, we ensure that temporary employment agencies consistently comply with employment and labor law requirements within the scope of our "HR Compliance" CMS program. In addition, we are committed to the fair payment of temporary employees.

In fiscal year 2024 Lidl Denmark employed 4,153 employees

	2023	2024
Full-time employees	1,349	1,272
Part-time employees	2,680	2,881
Permanent employees	3,059	2,825
of whom women	1,375	1,236
Temporary employees	970	1,328
of whom women	468	645
Management	337	321
of whom women	95	91
Proportion of managers of whom women	28.19%	28.35%
Proportion of whom men	71.81%	71.65%

Our stores, administration offices and warehouses are located in Denmark. Statutory requirements in Denmark states form the basis for guaranteeing the right of freedom of association and collective bargaining and for ensuring the protection of human rights at our sites.

We have entered into collective agreements for store employees (National collective agreement for shops), office assistants (Salaried Employees Collective Agreement for Trade, Knowledge and Service) and warehouse employees (The joint Collective Agreement) respectively. The rights of our employees are protected by collective agreements and/or labor agreements. Collective bargaining agreements are entered into by both employer and employee representatives alike. In 2023, 3,486 employees equivalent to 86.5% were covered by a collective agreement, while in 2024 this figure was 3,631 equivalent to 87.4%.

Ensuring human rights in our supply chain



408-1 Operations and suppliers at significant risk for incidents of child labor

409-1 Operations and suppliers at significant risk for incidents of forced and compulsory labor

Code of Conduct

In 2024 The Code of Conduct for Business Partners was jointly updated. The companies of Schwarz Group expect legally compliant behavior from our suppliers and service providers, in particular compliance with human rights and environmental standards. The Code of Conduct for Business Partners of the companies of Schwarz Group describes The companies of Schwarz Groups' basic principles for cooperation with suppliers and service providers. The Code of Conduct contains clear regulations on topics such as child and forced labor, wages and working hours, occupational health and safety, fair treatment and anti-discrimination, which are all based on relevant international standards. In addition, we state specific expectations for business partners and are committed to measures to strengthen and comply with the International Labor Organizations (ILO) core labor standards¹. We are also guided by the UN Guiding Principles on Business and Human Rights (UNGPs). We expect

our suppliers to guarantee fair pay and occupational safety and to prevent corruption and money laundering. This includes, among other things, organizing a whistleblower system on site and passing on the standards to subcontractors. In the event of a breach of these standards, we expect a willingness to cooperate. We also provide our business partners with a training video on the content of the Code of Conduct. At the same time, we recognize that many of our business partners have invested time and effort in developing their own Code of Conduct.

In addition to the principles and standards set out in the Code of Conduct for Business Partners, we have defined more extensive risk-oriented expectations for suppliers in our Sustainable Purchasing Policies for the purchase of private label products.

In the event of increased human rights and environmental risks for certain product groups, we can

define specific expectations with regard to indirect suppliers.

To enable us to better identify risks, we carry out regular and ad hoc risk analyses. For us, these are a key element in fulfilling our human rights and environmental due diligence obligations in our value chains. We see the identification and analysis of corresponding risks as an ongoing task and as a central starting point for the design of our risk-based approach. If we identify risks as part of such an analysis, we take appropriate preventive measures, which we anchor in our own business area or vis-à-vis direct suppliers. These must be selected in such a way that they adequately address potential negative impacts on human rights and the environment and thus contribute to their avoidance or reduction.

Since we know that risks of human rights violations are increasingly occurring in the deeper supply chain, we not only work with our direct business partners, but also with their upstream suppliers in a number of projects.

¹International Labour Organization. 2025. International Labour Standards International Labor Standards / International Labor Organization

... Ensuring human rights in our supply chain

We continuously develop projects to promote living incomes and wages in our global supply chains and thereby further reduce wage and income gaps through fostering the implementation of collective bargaining agreements together with the "ACT initiative" (Action collaboration, transformation) – supporting workers in the textile supply chain towards a wage improvements, Way To Go – supporting small-scale farmers towards a living income and Cotton made in Africa – supporting small-scale farmers towards a living income. Read more about our projects in the report on human rights in our supply chain¹.

**Thinking
about tomorrow
today
is worth it**

¹<https://om.lidl.dk/ansvarlighed/holdninger-og-handlinger>



Human Rights Impact Assessments



414-2 Negative social impacts in the supply chain and actions taken

Risks concerning human rights violations primarily occur in the lower supply chain, therefore we work not only with our direct business partners, but also with their upstream suppliers on a variety of projects to improve labor conditions at the lower supply chain levels.

Lidl continuously checks for human rights risks in the production of our products by conducting regular and ad hoc risk analyses. This takes the form of Human Rights Impact Assessments (HRIAs) for high-risk supply chains for merchandise. We plan to carry out three HRIAs per year by 2025. In this way, we are increasing transparency in our supply chains by expanding internal systems for recording supplier data and through collaboration with external stakeholders.

In 2020, Lidl was the first German retailer to conduct HRIAs. A total of nine HRIAs has been conducted and three are in progress in the high-risk supply chains for tea, berries, bananas, tinned tomatoes, wine, and shrimps.



... Ensuring human rights in our supply chain

Based on the recommendations resulting from the HRIA process, an action plan with time-bound measures and targets is developed. In 2023 a progress report on human rights in our supply chain was published. Find the report on our website.¹

If, despite the measures taken, a compliance violation occurs or a corresponding risk exists, we offer both employees and external parties the opportunity to submit information to us via our whistleblower system BKMS.²

We work closely with our suppliers and external stakeholders to develop and support access to effective grievance mechanisms in our business and in global supply chains. This can be particularly challenging for complex supply chains and for smallholder structures at producer level. Nonetheless, our work aims to give as many as possible people involved in the production of goods for Lidl the opportunity to contact Lidl in the event of violations.

In order to improve the effectiveness of our grievance mechanisms, we analyze them based

on the UNGP principles, legal requirements and key figures such as the number of complaints received. We use these findings to actively adapt the mechanisms within the scope of our influence in order to increase their effectiveness. In principle, grievance mechanisms must be legitimate, freely accessible, legally compliant, transparent and comprehensible.

All complaints are carefully investigated, and we check whether we can avoid these complaints through suitable additional measures and adapted guidelines.



Overview of risks analysis 2024

The risk assessment at the raw material level, which Lidl carried out in 2024, analyzed the human rights risks for a large number of different raw materials in our supply chain. The risks include areas such as child labor and forced labor. The most important high-risk raw materials as well as the associated risks and countries of origin are listed in the table on the following page.

Codes:

- **01 Child labor**
- **02 Forced labor**
- **03 Fair remuneration**
- **04 Land rights**
- **05 Occupational Health & safety**
- **06 Discrimination**
- **07 Freedom of association**

¹<https://om.lidl.dk/ansvarlighed/holdninger-og-handlinger>

²<https://www.bkms-system.net/bkwebanon/report/clientInfo?cin=12ldl12&c=-1&language=eng>

Risk analysis 2024

Tropical fruits



- 01 – India, Brazil, Turkey
- 02 – India, Brazil, Turkey
- 03 – India, Brazil, Turkey
- 04 – India, Ecuador
- 05 – India, Ecuador, Columbia
- 06 – India, Ecuador, Columbia
- 07 – India, Ecuador, Columbia

Cotton



- 01 – India, China, Pakistan
- 02 – India, China, Pakistan
- 03 – India, China, Pakistan
- 04 – India
- 05 – India, China, Pakistan
- 06 – India, Pakistan, Turkey
- 07 – India, China, Pakistan

Rice



- 01 – China, Cambodia, Indonesia
- 02 – China, Cambodia, Indonesia
- 03 – China, Cambodia, Indonesia
- 04 – Cambodia, Indonesia
- 05 – China, Cambodia, Indonesia
- 06 – Cambodia, Indonesia
- 07 – China, Cambodia, Indonesia

Nuts



- 01 – Vietnam, Nigeria, India, China, Ivory Coast, Turkey, Argentina
- 02 – Vietnam, Nigeria, India, China, Ivory Coast, Turkey, Argentina
- 03 – Argentina, Vietnam, China
- 04 – India, Burundi, Indonesia
- 05 – Argentina, Vietnam, China
- 06 – India, Nigeria, Turkey
- 07 – China, India, Nigeria

Spices



- 01 – India, Turkey
- 02 – India, Turkey, Poland
- 03 – India, Turkey
- 04 – India
- 05 – India, Turkey
- 06 – India, Turkey
- 07 – India, Turkey

Cacao



- 01 – Ivory Coast, Ghana, Nigeria
- 02 – Ivory Coast, Ghana, Nigeria
- 03 – Ivory Coast, Ghana, Nigeria
- 04 – India, Cameroun
- 05 – Ivory Coast, Ghana, Nigeria
- 06 – Ghana, Nigeria
- 07 – India, Ecuador

Flowers and plants



- 01 – Ethiopia, Kenya, Turkey
- 02 – Ethiopia, Kenya, Turkey
- 03 – Ethiopia, Kenya, Turkey
- 04 – Costa Rica
- 05 – Ethiopia, Kenya, Turkey
- 06 – Turkey
- 07 – Turkey

Palm oil



- 01 – Indonesia, Malaysia, Papua New Guinea
- 02 – Indonesia, Malaysia, Papua New Guinea
- 03 – Indonesia, Malaysia, Papua New Guinea
- 04 – Indonesia, Papua New Guinea
- 05 – Indonesia, Malaysia, Papua New Guinea
- 06 – Indonesia
- 07 – Indonesia, Malaysia, Papua New Guinea

Coffee



- 01 – Brazil, Vietnam, Honduras
- 02 – Brazil, Vietnam, Honduras
- 03 – Brazil, Vietnam, Honduras
- 04 – Columbia
- 05 – Brazil, Vietnam, Honduras
- 06 – Ethiopia
- 07 – Brazil, Honduras

Tea



- 01 – China, India, Sri Lanka
- 02 – China, India, Sri Lanka
- 03 – China, India, Sri Lanka
- 04 – India, Indonesia
- 05 – China, India, Sri Lanka
- 06 – India, Sri Lanka
- 07 – China, India

Fish



- 01 – China, Ecuador, India
- 02 – China, Ecuador, India
- 03 – China, Ecuador, India
- 04 –
- 05 – China, Ecuador, India
- 06 – India
- 07 – Ecuador, India

Sugar canes



- 01 – Brazil, India, China
- 02 – Brazil, India, China
- 03 – Brazil, India, China
- 04 – India
- 05 – Brazil, India, China
- 06 – India, Pakistan
- 07 – Brazil, India, China

Conscious nutrition

Vision 2050

We will be the first choice for healthy and conscious nutrition in line with the Planetary Health Diet by 2050.

Targets

By 2030, we want to increase the share of plant-based food sales by 20%. Base year 2023.

Degree targets has been achieved: ● ● ○ ○ ○

By 2030, we want to increase the proportion of plant-based protein sources to 20%. This includes pulses, nuts, seeds, and vegan alternatives to meat, eggs and fish. Base year 2022.

Degree targets has been achieved: ● ● ● ○ ○

By 2030, we want to increase the proportion of whole grains in its product range to 25%. Base year 2023.

Degree targets has been achieved: ● ● ● ● ○

Fruits and vegetables: Fresh fruits and vegetables are a vital component of the strategy Conscious nutrition at Lidl. Lidl continues to ensure that our customers have a large selection of fresh fruits and vegetables every day.

Degree targets has been achieved: ○ ○

We will not advertise unhealthy food to children for our own brands. This includes advertising on the television, radio, social media, and on our leaflets. Base year 2023.

Degree targets has been achieved: ● ● ● ● ●

By the end of 2025, we will only sell food with children's designs* on the packaging of our own brands if they fulfil the WHO criteria for healthy food.

Exception: Promotional items for Christmas, Easter, and Halloween.

Degree targets has been achieved: ● ● ● ● ○

* Items with children's designs means all foods where the packaging appeals to children up to and including the age of 14, or which suggest that they are particularly suitable for children.

By 2028, we will remove tobacco and nicotine products from all of our stores.

Degree targets has been achieved: ● ● ○ ○ ○

Our CSR strategy



Protecting climate



Conserving resources



Promoting health



Respecting biodiversity



Acting fairly



Engaging in

Conscious nutrition



3-3 Management approach

Challenge

Lidl reach millions of customers every day and contribute to their nutrition through our products. We are aware that this has a considerable impact on the climate, biodiversity and the health of our customers. In 2019, the EAT Lancet Commission issued the scientific basis for global dietary change. A collaboration between 37 scientists from various fields from 16 countries led to the creation of the Planetary Health Diet (PHD), a plan for protecting the health of people and the planet. According to this plan, in 2050 around 10 billion people could enjoy a healthy diet without overburdening the planet, if everyone followed the guidelines of the PHD. This is currently just a theoretical model, but it provides a specific, holistic nutritional framework that is within the limits of the planet.¹

As a retailer, we share part of the responsibility for the impact of nutrition on people, the climate, and biodiversity. We take a scientific approach to this commitment to operate within these boundaries, while still expanding our assortment of healthy food.

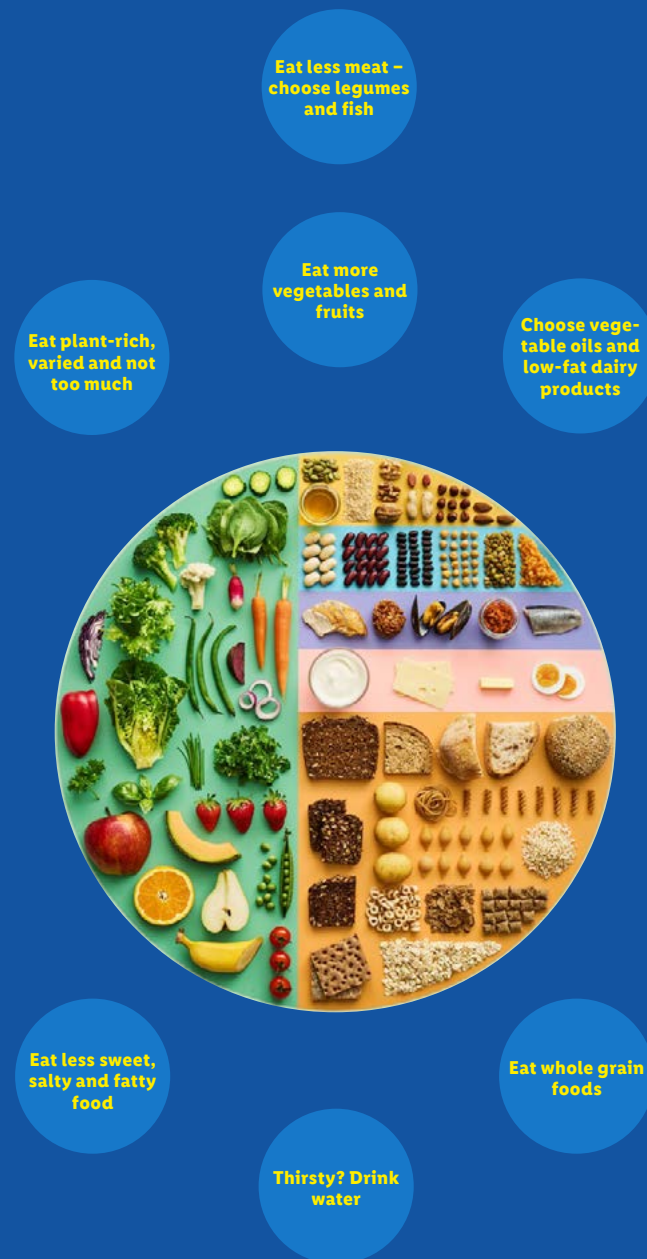
Solution

In our approach to the topic of "conscious nutrition", we take account of the science-based findings of the PHD and have implemented a Lidl strategy with holistic, binding targets. To actively contribute to the transformation to a more conscious nutrition, these targets and specific measures are focused on three core pillars: "healthy nutrition", "responsible nutrition" and "transparency and empowerment".

In Denmark, the Danish Veterinary and Food Administration recommends the following the Official Dietary Guidelines.²

- Eat plant-rich, varied and not too much
- Eat more vegetables and fruit
- Eat less meat – choose legumes and fish
- Eat whole grain foods
- Choose vegetable oils and low-fat dairy products
- Eat less sweet, salty and fatty food
- Thirsty? Drink water

The Danish Official Dietary Guidelines



¹Eat. 2019 The EAT-Lancet Commission Summary Report. https://eatforum.org/content/uploads/2019/07/EAT-Lancet_Commission_Summary_Report.pdf

²Fødevarestyrelsen. 2021. De officielle Kostråd. <https://foedevarestyrelsen.dk/kost-og-foedevare/alt-om-mad/de-officielle-kostraad>

... Conscious nutrition

The development process was initiated in 2020 and was led by the Danish Veterinary and Food Administration who was responsible for the process. The work was based on a scientific evidence report 'Guidance for sustainable healthy diets - Scientific background for revising the Danish food-based dietary guidelines' published by the National Food Institute, Technical University of Denmark (DTU) in 2020. The new adapted Official Dietary Guideline is based on the Planetary Health Diet, which DTU has adapted to a plant-rich diet targeted at the Danish market.¹

The science-based guidelines from both the EAT Lancet Commission and from the Danish Veterinary and Food Administration, are fundamental to the targets that Lidl Denmark has set for Conscious nutrition.

We are convinced that we can use our assortment and the customary low prices to create more responsible consumption and a more conscious as well as a healthier lifestyle at the center of society. We have, therefore set ourselves the targets of giving our customers the best offer for a conscious and more responsible lifestyle at optimal value for

money and already offer a range of products that support these targets.

Lidl Denmark has set itself the target of increasing the proportion of plant-based protein sources in its assortment to 20% by 2030. Base year 2022. This includes pulses, nuts and seeds as well as vegan alternatives to meat, egg and fish products. In 2024 Lidl Denmark has 50 products in our listed assortment of our vegetarian and vegan private label Vemondo and expect to increase the range of vegetarian and vegan products.

We are committed to increase the proportion of plant-based alternative dairy products to 10% by 2030. Base year 2023. The quality of the fats and oils in Lidl's private label products is also to be steadily improved by 2025 by using more unsaturated fatty acids and reducing saturated fatty acids. The focus here is on good sources of fats and oils. In addition, we are continuing to work consistently on making our product range healthier and more responsible by successively indicating the fiber content in the nutritional value table on the products.

Whole grain is essential for a long and healthy life.² By 2030, Lidl Denmark aims to increase the proportion of whole grains in its product range to 25%. Base year 2023. Lidl Denmark will also offer at least one whole grain option in all relevant product categories by 2030. In addition to the goal of increasing the proportion of whole grains in the assortment and product range, Lidl Denmark is also a partner in Fuldkornspartnerskabet (The Whole Grain Partnership). For further information on the partnership see page 89.



¹Fødevarestyrelsen. 2025. De officielle Kostråd. <https://altomkost.dk/raad-og-anbefalinger/de-officielle-kostraad>

²University of Washington. 2017. Health effects of dietary risks in 195 countries, 1990-2017: a systematic analysis for the Global Burden of Disease Study. Health effects of dietary risks in 195 countries, 1990-2017: a systematic analysis for the Global Burden of Disease Study 2017 - PubMed

... Conscious nutrition

Protein split

The assumption that plant-based foods are often more sustainable than animal-based foods is taken from the PHD and a study by the Institute for Energy and Environmental Research (ifeu), among others. According to scientific surveys, plant-based protein sources are generally less land- and water-intensive and cause lower GHG emissions, which leads to a reduced environmental impact compared to animal farming. For example, the production of 100 grams of animal protein requires six to seven times more agricultural land than the production of 100 grams of soy protein. Plant-based meat substitutes as well as natural plant-based protein sources (including legumes, pulses and nuts) also pollute groundwater and soil with fewer nutrients and emit lower quantities of greenhouse gases.¹

One of the targets of Lidl's nutrition strategy, which is based on the PHD, is to continuously increase the proportion of plant-based proteins in our product range. Since 2022, Lidl has been calculating and analyzing the "protein split", which measures the proportion of plant-based protein-sources compared to animal protein-sources in its product range. We will report this transparently from fiscal year 2023. The calculation of the protein ratio in our range is

based on the World Wide Fund For Nature (WWF) methodology*, which involves categorizing the entire range, i.e. the incoming goods quantity in kilograms of all private label and branded articles from the permanent and promotional range (excluding drinks). Only plant and animal protein sources, as defined by the WWF method, are used for the protein split. Key animal products include eggs, fish, poultry and red and processed meat. Plant-based protein sources include pulses, nuts and seeds, as well as vegan substitutes and algae**.

To ensure maximum transparency, we report dairy products and alternative dairy products in a separate split. Further details can be found in the Retail-Guide "Sustainable Diets – Rebalancing of plant-based & animal-based key products", published by WWF Switzerland.² The report can also be found on our website Lidl Danmark.³

In discussions with relevant stakeholders, the WWF methodology emerged as the currently most accepted method. By applying the WWF methodology in all Lidl countries, Lidl is setting the methodological trend in the EU.

** Based on the WWF method², the animal and plant protein sources were compared at item level according to the PHD classification. In the case of convenience products that contain both plant and animal protein sources, a clear allocation is only possible with an evaluation at ingredient level. The evaluation at ingredient level is implemented in the next step of strategy development.*

*** The respective protein content of the items is not taken into account here, which is why we are increasing its share in the product range to 20% by 2030 and transparently reporting the share of animal and plant protein sources from the 2022 financial year.*



¹WWF DE. 2021. So Schmeckt Zukunft Die Proteinfrage. [so-schmeckt-zukunft-die-proteinfrage.pdf](https://www.schmeckt-zukunft.de/proteinfrage.pdf)

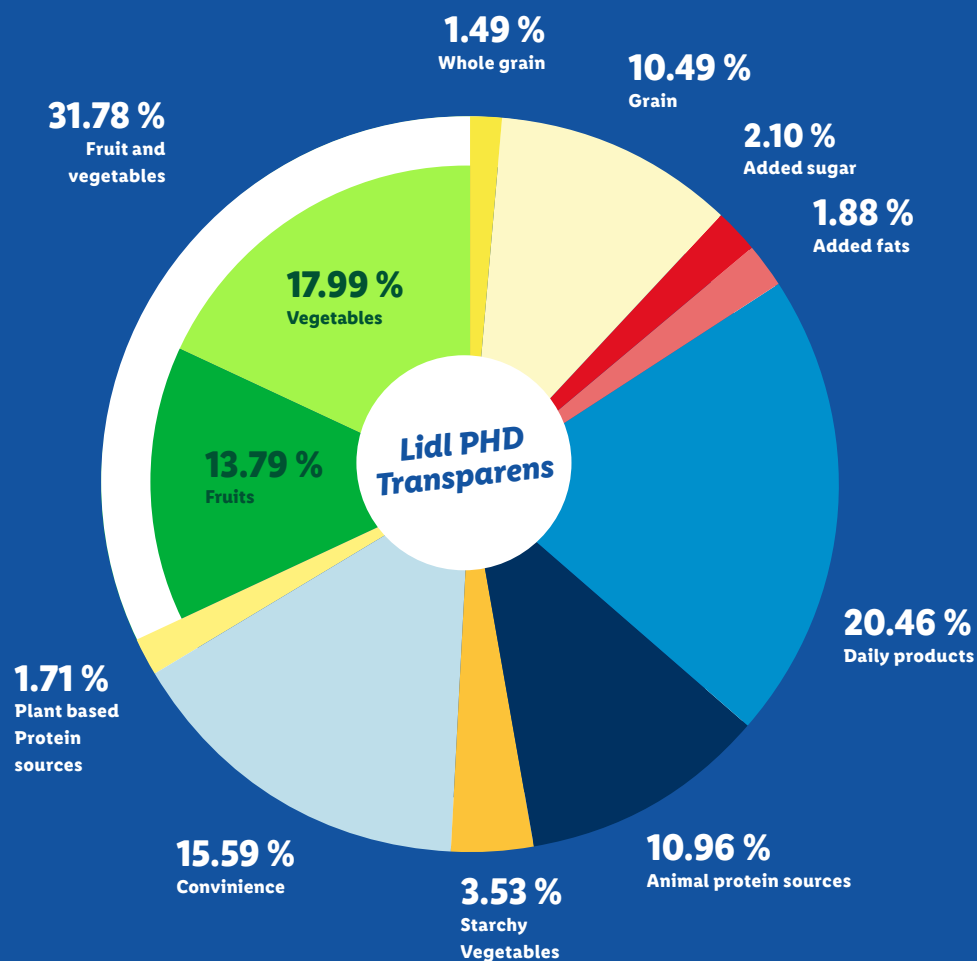
²WWF CH. 2023. Sustainable Diets, Rebalancing of plant-based & animal-based key products. 2023_Rebalancing_of_plant-based_and_animal-based_key_products.pdf

³<https://om.lidl.dk/ansvarlighed/holdninger-og-handlinger>

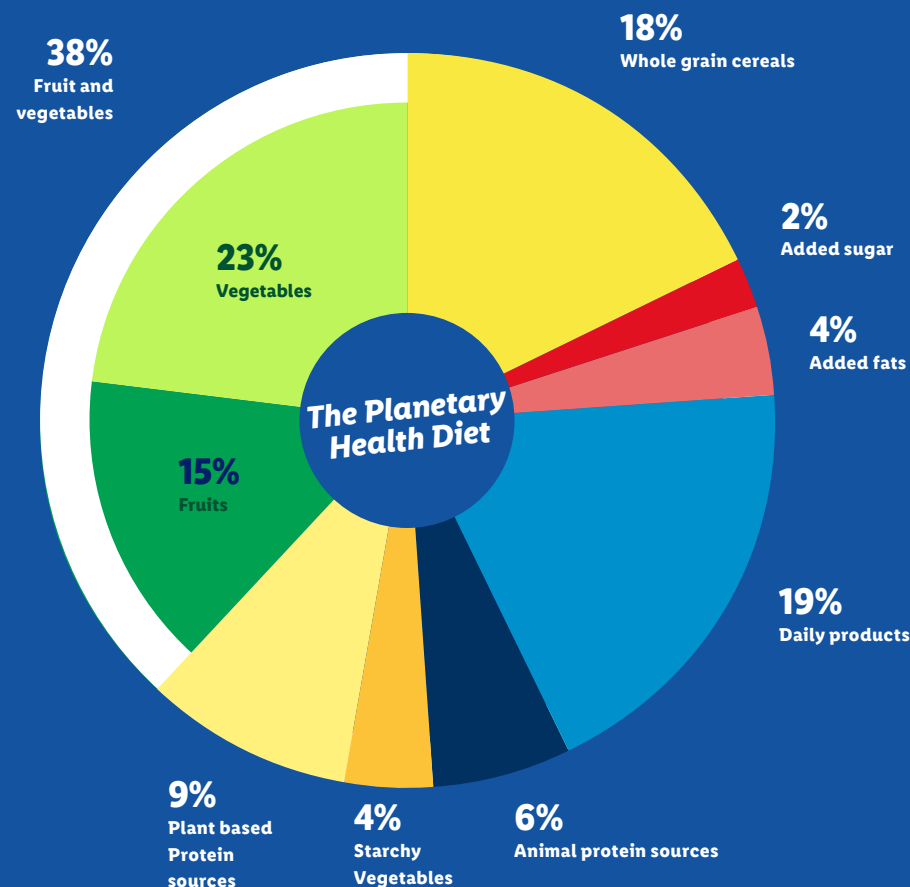
By 2030, we want to increase the proportion of plant-based protein sources to 20%

Lidl Denmark's protein split for 2024 is 13.51%

Lidl Denmark 2024



Vision PHD 2050





... Conscious nutrition

Whole Grain split

By 2030, Lidl Denmark aims to increase the proportion of whole grains in its product range to 25%. Compared to base year 2023 with an proportion of 16.71% in product range. In fiscal year 2024 Lidl Denmark whole grain proportion increased to 19,33%. Lidl will offer at least one whole grain option in all relevant product categories by 2030. In addition to the goal of increasing the proportion of whole grains in the assortment and product range, Lidl Denmark is a partner in The Danish Whole Grain Partnership. For further information on the partnership, se page 89.

Vemondo

With Lidl's own vegetarian and vegan products under the private label brand "Vemondo", Lidl Denmark is expanding the range further. In 2024, the range of vegetarian and vegan products in our range increased compared to the previous fiscal year. To empower our customers with a clear choice between conventional animal-based products and plant-based alternatives, we will continue expanding our plant-based product range, including items sourced with Danish legumes.

In January 2023 and in 2024 we initiated a call-to-action and encouraged to eat more plant-rich with a

Veganuary campaign. Throughout the months of January to April we highlighted and informed about Lidl's large range of fruit and vegetables and plant-based products, including our Vemondo range, and inspired with plant-rich recipes via our Social Media channels and webpage.

Price parity

At Lidl, we understand price parity as the alignment of the basic price of our Vemondo products with the price of the respective animal comparison product (e.g. the product pair mixed minced meat and vegan minced alternative). The comparative products are determined on the basis of various criteria such as sorting, weight and quality.

We are convinced that conscious and responsible consumption can only become widespread if the food that contributes to it is affordable and more easily accessible for everyone. By adjusting the price of our Vemondo products in campaigns like "Valget er dit" (Your Choice), we want to invite more customers to try plant-based alternatives. The "Valget er dit" campaign went from January 2024 until March 2024. Our measure contributes to our target of increasing the proportion of plant-based protein sources.

We focus on the needs of our customers and aim to

offer them a fair and transparent choice in terms of their diet. We therefore do not want to dictate personal diets, but rather invite interested customers to try out the plant-based alternatives by adjusting the price of vegan Vemondo products, without price being the only decisive criterion.

Organization

At Lidl Denmark, CSR Purchasing is responsible for product quality & safety and the implementation of our conscious nutrition strategy.

Partnerships

Bælgfrugtpartnerskabet (The Danish Legume Partnership)

Denmark's Official Dietary Guidelines, set by the Danish Veterinary and Food Administration, recommend that everyone consumes 100 grams of legumes daily. In reality, the Danes only have a daily intake of about 2-5 grams of legumes.¹



¹Fødevarestyrelsen. 2022. Danskerne vil gerne spise flere bælgfrugter – men man ved ikke hvad det er.



... Conscious nutrition



That is why Tænk tanken Frej (the Think Tank Frej) and Lidl Denmark launched the Danish Legume Partnership in 2024. The goal is to create a community that unites the entire Danish legume value chain to drive change and increase the average intake of legumes in Denmark in accordance to The (Danish) Official Dietary Guidelines from the Ministry of Food, Agriculture and Fisheries of Denmark.¹

The partners represent together the entire value chain of legumes, and each partner is to set

ambitious targets, initiate initiatives and continuously monitor the sale and consumption of legumes to ensure that the partnership achieves the above-mentioned effects. In fiscal year 2025, Lidl Denmark will set internal strategic targets on how much and how we want to increase the sales of legumes.

Fuldkornspartnerskabet (The Danish Whole Grain Partnership)

Lidl Denmark became a partner of The Danish Whole Grain Partnership in January 2024. The Danish Whole Grain Partnership is a public-private partnership between the Danish Veterinary and Food Administration, the Danish Cancer Society, the Danish Heart Foundation, and the Danish Diabetes Association, as well as several food companies, retail chains, and industry associations. The vision of The Danish Whole Grain Partnership is to promote public health by encouraging Danes to eat more whole grains. The mission of the Whole Grain Partnership is to increase the availability of whole grain products and spread awareness of the beneficial effects of whole grains.²

¹<https://www.baelgfrugtpartnerskabet.dk/>

²<https://fuldkorn.dk/en/about-us/>

... Conscious nutrition

Madens Folkemøde (Denmark's people's meeting about food)

In 2024 Madens Folkemøde and Lidl engaged in a new partnership. Together we introduced a new stage "Sundhedsscenen" ("The Health Stage") with a special focus on food, conscious nutrition, and health.

Madens Folkemøde is a popular and professional meeting about food. It provides a setting for important conversations about creating a better food system, food crafts, gastronomy and strong stakeholder voices. Through a wide range of debates, workshops, food markets, show kitchens, tastings and conversations, people dive into the wonderful world of food and learn more about our food: What it is, what it should be, where it comes from, how we should eat in the future, and how we develop Denmark as a food country.

”

"In recent years, we have followed how Lidl Denmark has developed its collaboration with Danish producers and addressed the Danes' eating habits and health. From phasing out tobacco, as the first Danish grocery chain, to the establishment of the legume partnership and promoting campaigns to get consumers in Denmark to eat more fruit and vegetables. The support for the small Danish suppliers in En Bid af Danmark is also an important effort. Overall, we find Lidl Denmark to be an inspiring partner and we look forward to the collaboration",

says former CEO of Madens Folkemøde, Stine Lolk.

At the food market, Lidl Denmark was joined with nine of our quality producers from our "En Bid af Danmark" product line: Skærtøft Mølle A/S, Slagter Worthmann, Hede Kaffe Aps, Thisted Bryghus A/S, Biosynergi A/S (Skarø Is), Økoladen Aps, Custom by Dam Aps, Nyborg Destilleri, and Mammen Mejeri. Together, we handed out samples to bring consumers closer to the Lidl brand and showcase Lidl's wide range of high-quality Danish products.



12 Lidl stores

are tobacco and nicotine free in Denmark 2024

... Conscious nutrition

KRAM – the important lifestyle factors

KRAM is a Danish acronym for Diet, Smoking, Alcohol and Exercise, which are the four lifestyle factors that have a large impact on our risk of getting sick and our ability to recover quickly and well.

The KRAM factors are a significant topic in Danish public society. They are central to preventive health-care, policy initiatives and regulations, and a cultural focus on well-being and quality of life. Lidl Denmark's key initiatives within the areas of the KRAM are the following:

Diet

See our commitment to a conscious nutrition.

Tobacco and nicotine

3 out of 4 consumers in Denmark, who smokes daily wants to quit smoking.¹ Lidl Denmark is the first and only grocery store that is committed to remove tobacco and nicotine products from store by end of 2028. Since 2023 new stores are not listing tobacco and nicotine products. In 2024 we had 12 tobacco and nicotine free stores in Denmark. Old stores have reduced listing by 40%. Compared to base year 2023. We will continue to reduce until the entire tobacco and nicotine category is phased out by the end of 2028.

Energy drink legal purchasing age

Taking responsibility for health, and especially the health of children and young people, is important to us. In 2018 Lidl Denmark was the first grocery store in Denmark to set an age limit to 16 years on the purchase of energy drinks with a high level on caffeine or sugar.

Drinks on a joint campaign that politically called for an age limit on the sale of energy drinks to children and young people under the age of 16. State is the first Danish producer of energy drinks to actively support an age limit on the sale of energy drinks. The campaign was covered in several national media outlets and received political attention.



¹Danish Health Authority. 2022. Study of Danes' smoking habits 2022. <https://www.sst.dk/en/english/publications/2023/Danish-smoking-habits-2022>

Product safety and quality



416-1 Assessment of the health and safety impacts of different product and service categories

416-2 Incidents of non-compliance concerning the health and safety impacts of products and services

To systematically manage product safety, legality, and high quality, Lidl's quality assurance department works according to a recognized quality management system certified according to ISO 9001:2015. Product safety is the top priority. All corresponding processes at Lidl are carried out according to this management system, which governs the quality targets and principles as well as clear process specifications and responsibilities.

All processes are checked by a law office specializing in food law and are subjected to an annual internal audit. Lidl employees in the quality assurance department are regularly trained in these processes. A CSR manual with internal specifications for selected raw materials offers the buyers and the quality assurance department the necessary guidance and support to implement sustainability requirements for specific product groups.

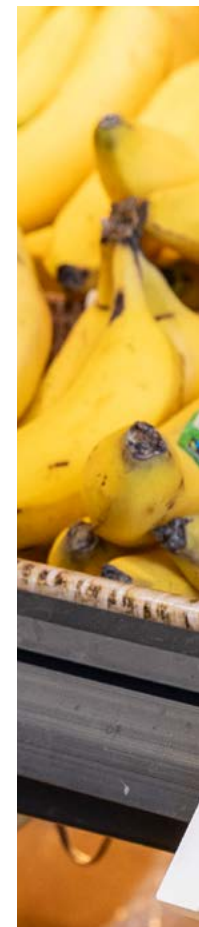
Lidl has defined and anchored central steps for compliance with food safety:

- Certification according to the International Featured Standard (IFS) or the British Retail Consortium (BRC) of the production sites that supply Lidl with food and drugstore products in the private label assortment.
- Regular, risk-oriented, unannounced production site audits by selected external certification bodies.
- Risk-oriented inspection of all private label items in the food and drugstore area by accredited institutes to test their marketability.
- Audit of compliance with specification values that go beyond the legal requirements.

All potentially critical results, which are determined by the processes, among others, are evaluated by the Product Safety department, which then initiates appropriate measures where necessary.

In 2023 and 2024 Lidl Denmark conducted a total of 4407 analyses for the food, near-food, and fruit & vegetables areas. 48 audits were carried out in the reporting period.

We work closely together with our suppliers to guarantee product safety. Through regular tests in independent accredited laboratories, we check compliance with internal quality standards as well as the legal requirements. The proportion of production sites certified according to the IFS or BRC food safety standards is 98.44%. Despite extensive testing, potentially harmful products can still enter the assortment. In fiscal year 2023 there were 9 product recalls in Lidl Denmark and in 2024 there were 6 product recalls – this include both food and non-food products. The reasons for the recalls were primarily due to analysis deviations from internal tests, suppliers, external public institutions. Citizens were informed through various communication channels, as is prudent in such situations.



... Conscious nutrition



Salt, sugar, saturated fatty acids, preservatives and colourants

Product safety and the sensory quality of our products are fundamental in our conscious nutrition strategy. We are continuously working on reducing the amount of added sugar, salt, saturated fatty acids, preservatives and colourants in our private label products. It is our goal to continuously reduce the turnover-related, average content of added sugar and salt by 20% in 2025 in our own brands compared to base year 2015. Read more about our commitment to Conscious nutrition in our Purchasing Policy Conscious nutrition on our webpage.¹



¹<https://om.lidl.dk/pdf/show/86570>

GlobalG.A.P GRASP

Since 2021, 100% of our suppliers of fruit and vegetables, flower and plants are certified according to GlobalG.A.P GRASP add on or equivalent. Risk Assessment on Social Practice (GRASP) is an add-on that aims to support the evaluation of workers' health, safety, and welfare at farm level. It helps producers demonstrate compliance with social and labor laws by assessing their management systems for issues like worker representation, human rights, and protection for young workers.

GlobalG.A.P SPRING

By the end of 2025, 100% of fresh fruit & vegetables from countries with a high water risk must be certified according to GLOBALG.A.P. SPRING or equivalent. The Sustainable Program for Irrigation and Groundwater Use (SPRING) is an add-on that aims to address responsible water management practices at farm level.

It helps producers, supply chain stakeholders, and buyers to demonstrate their commitment to more responsible on-farm water stewardship. The robust and comprehensive checklist covers a wide range of topics such as water use and extraction rates, legal compliance and protection of water sources, and watershed management.

... Conscious nutrition

Children's marketing for healthy food

The number of overweight school children in the EU has been increasing for the past 20 years.¹ Children and adolescents who are exposed to media in Denmark see an average of 26 adverts per day for unhealthy foods such as cakes, chocolate, and soft drinks.² Having an unhealthy diet as a child increases the risk of food-related diseases as an adult, so the advertising of healthy food and the avoidance of adverts for unhealthy food up is crucial for long term health.³ In addition to non-governmental organizations and consumer advocacy organizations in the EU, the European Consumer Organisation (BEUC) also promotes prohibiting advertising for unhealthy food that targets children.⁴ Therefore, we have set the following targets.

Our targets for promoting a healthier diet for children:

- Starting in 2023, we will no longer advertise unhealthy food to children for our own brands. This includes advertising on the television, radio, social media, and in our leaflets.
- By the end of 2025, we will only sell food with children's designs on the packaging of our own brands if they fulfil the WHO criteria for healthy food. Packaging will therefore be changed gradually. However, the graphics on healthier foods, such as apples with an animal graphic, will be retained.

Exception: Promotional items for Christmas, Easter, and Halloween. These seasons are often special celebrations in children's lives and are not an expression of everyday behavior. During these seasons, there will still be chocolate like Santas and Easter bunnies on the shelves.

Packaging for ice lollies before



Packaging for ice lollies after



¹World Health Organization. 2021. Digital food environments. Digital food environments

²Kræftens Bekæmpelse. 2025. Børn og unge tæmppebombs af reklamer. <https://www.cancer.dk/nyheder-og-fortaellinger/2025/boern-og-unge-taeppebombs-af-reklamer/>

³Verbraucherzentrale Bundesverband. 2021. Lebensmittel mit Kinderoptik und deren Bewerbung. https://www.vzbv.de/sites/default/files/downloads/2021/02/16/vzbv_philipsborn_bericht_kindermarketing_2021-02.pdf

⁴BEUC. 2021. The European Consumer Organisation: Food marketing to children needs rules with teeth. [beuc-x-2021-084_food_marketing_to_children_needs_rules_with_teeth.pdf](https://www.beuc.eu/x-2021-084_food_marketing_to_children_needs_rules_with_teeth.pdf)

... Conscious nutrition

Vegesaurs campaign

At Lidl, we emphasize healthy eating and strive to make it easier for our customers to make healthier choices. At the same time as Lidl Denmark removed VAT on fruit and vegetables in February, March and April 2024, a new campaign “Vegesaurerne” was being launched.

“
Vegesaurs were fictional characters that blend fruit and vegetables with dinosaurs which introduced healthy food to kids. The aim was motivating children to eat more fruit and vegetables by creating an inspiring universe of dinosaurs that could stimulate greater curiosity about fruit and vegetables.





Responsible products

Vision 2050

In fiscal year 2025, we will introduce a new long-term 2050 vision and new strategic goals by 2030 within the overall field of action of "Responsible products". The 2050 vision and strategic goals will be followed by medium and long term operational targets and measures.

As part of our vision, we will work to increase the share of certifications in our range. We will continue to focus on our sourcing of raw materials to ensure that we comply with our purchasing policies and our raw material targets.

Targets

Targets related to sourcing of responsible products can be found in the section "Raw materials" on page 52. Targets related to plant rich alternatives can be found in the section "Conscious nutrition" on page 82.

Responsible products



GRI 3-3 Management approach

Challenge

As a retailer of products for daily needs, we help to meet the basic daily necessities of our customers in Denmark and seeking to offer our customers responsible products. In our key role between producers and consumers, we believe it is our responsibility to consistently monitor the quality of our products. Besides the classic concept of product quality and the associated safety of the products, origin and more responsible product are also critical quality criteria.

Solution

Lidl's general sustainability strategy defines targets for improving our products. Strict raw material targets apply when purchasing critical raw materials. Purchasers are required to act in line with the guidelines of our comprehensive position papers and purchasing policies and need to take these into account in the assortment decisions. In 2022, an online course was prepared for all purchasers, which enables them to identify various sustainability aspects and apply them in their day-to-day operations. This training has been mandatory for all purchasers since 2023 and is carried out regularly.

Our quality assurance system requires the close monitoring of product quality and safety. To continuously ensure the quality promise, our Lidl private label products pass through strict internal and external controls. In collaboration with our suppliers, measures are immediately taken if deviations from the guidelines are identified.

Products as well as production sites are regularly audited by external institutes in accordance with the applicable legislation and other globally valid criteria.

”

Our Quality department has been operating a quality management system in line with ISO 9001:2015 since 2021.

Organization

The organizational responsibility for the topic of responsible products lies with Lidl Stiftung & Co. KG in the Quality and Sustainability units as well as with Lidl Denmark in the Quality Assurance and CSR departments.

Initiatives

All our non-food products come from approved factories and suppliers that have committed to the requirements of our Code of Conduct. Lidl Stiftung & Co. KG is responsible for ensuring that suppliers comply with the requirements in our Code of Conduct, and we also fulfill the obligations deriving from our membership of the BSCI¹ where, together with a large group of other companies, we have joined forces to test suppliers of non-food products against a number of mutual requirements and criteria.

Sourcing of raw materials

Since 2020, we have established and regularly adapted a number of new targets relating to the raw materials that go into the products we offer. We will adapt with new targets again during 2025. We do this as part of our CSR purchasing strategy aiming at constantly developing and optimizing our work in this area. By becoming better and setting higher ambitions, we help raise the standard for responsible use of raw materials within the industry. See the overview of raw material targets in the “Raw materials” section on page 52. See our full purchasing policy for raw materials on our website.²

¹The Business Social Compliance Initiative is an alliance of companies working to uphold human rights and fundamental labor rights.

² <https://om.lidl.dk/ansvarlighed/holdninger-og-handlinger>



... Responsible products





Certified products



FP 2 Percentage of purchased volume, which is verified as being in accordance with credible, internationally recognized responsible production standards, broken down by standard.

When we buy raw materials at Lidl Denmark, we have an opportunity to promote recognized certifications. Collaborating with certified suppliers and labelling organizations, using certified production sites and expanding our range of labelled products are key tools for addressing social and ecological risks in the supply chain and ensuring better traceability. The certificates are shown on the product's packaging.

Lidl Denmark cooperates with various certification schemes such as the Danish Keyhole label, Fairtrade, Rainforest Alliance, MSC, ASC and the Danish organic label 'Ø-mærket'. By the end of fiscal year 2024, our range includes 5.25% organic products, 2.67% Fairtrade certified products and 5.34% Rainforest Alliance certified private label products of our total food range. We have 49 certified MSC private label products and 28 certified ASC private label products (standard listing).

Fairtrade

Lidl Denmark have had a close collaboration with Fairtrade Denmark, since the first fairtrade-certified products was introduced in our stores in 2007. Today, in our stores we offer a wide range of different Fairtrade certified products including bananas, 100% Fairtrade certified chocolate bars in our fixed assortment, breakfast products and many more. In 2024 we promoted sale and awareness of Fairtrade-certified products in a national campaign called "Fairbruary" lasting all of February. The campaign included specials offers on Fairtrade-certified products and a national campaign on multiple platforms including the engagement of influencers.

Way To Go

Lidl takes responsibility for the people in its supply chains, and our Way To Go private label range reflects this – by supporting better incomes, training opportunities, greater gender equity and more transparency. Lidl's own concept offer fully traceable products. While the conventional farming of many critical raw materials in the Global South often barely provides a living income, Lidl and its Way To Go products in collaboration with Fairtrade

are contributing to establishing a living income for producers in the long run. We continuously work on expanding our Way To Go private label product range with new products.



... Certified products

Alliances and Ethical Trade Denmark

Lidl Denmark works with industry partners and interest organizations to drive change throughout the industry, develop further standards and, together, engage in initiatives aimed at creating improvements in the development of responsible products. We do this by setting targets for our work with specific product groups and raw materials. Lidl Denmark has been a member of Ethical Trade Denmark since 2016. We are alliance member of the Danish Alliance for Responsible Soy, the Danish Alliance for Responsible Palm Oil, The Danish Alliance for Sustainable Fisheries and Aquaculture and Danish Alliance for Responsible Coffee. In all alliances, members undertake to draw up and put forward objectives and action plans, as well as report on their progress.

In 2023, we participated in a Soy Study Trip to Brazil, organized by Ethical Trade Denmark, WWF Denmark and WWF Brazil. The aim of participating was to strengthen relationships in the supply chain with manufacturers, trading houses, partners, NGOs, local stakeholders and researchers. Ultimately aiming to contribute to getting more transparent value chains with responsibly produced soy to Denmark.

Local suppliers



204-1 Proportion of spending on local suppliers

At Lidl Denmark, we work according to the principle “The best quality at the best price”. This means that we carefully select which products we want in our range. In 2024, the assortment is comprised of 35.41% products from Danish suppliers. At Lidl Denmark, we want our customers to have a wide range of products from Danish suppliers, and we are continuously working on expanding our range on local suppliers e.g. within our private label brands En Bid af Danmark and Madværket.

In 2023, we launched Lidl Innovate in collaboration with Food & Bio Cluster, aiming to support Danish entrepreneurs and small businesses with innovative food products and give them the opportunity to have their products in our assortment in Lidl Denmark. Five entrepreneurs were approved to have products in our assortment. BRØL was the first product launched, a beer brewed on surplus bread is now sold in all of our Danish stores.



Independent auditor's limited assurance report on selected ESG data for Lidl Danmark K/S

To the Management and other stakeholders of Lidl Danmark K/S

The Management of Lidl Danmark K/S has engaged us to issue a limited assurance report on selected ESG data disclosed in the CSR report for the financial years 2023 and 2024 marked with a *.

When preparing the selected ESG data, Lidl Danmark K/S has applied the reporting principles described in the CSR report, page 104-114. The selected ESG data must be read and understood in conjunction with the applied reporting principles. Management is responsible for the selection and the application of the ESG data.

Apart from the described procedures in the following section, which defines the scope of our work, we have not performed any procedures on the additional information which is included in the report covering the periods 2023 and 2024, and consequently we do not express any form of assurance conclusion thereon.

Management's responsibility

The Management of Lidl Danmark K/S is responsible for selecting the reporting principles applied and for

presenting the selected ESG data in accordance with the reporting principles applied. This responsibility comprises establishing and maintaining internal controls, maintaining appropriate registers and preparing estimates relevant for recognition and measurement of the selected ESG data in the report free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the selected ESG data based on our examinations and evidence obtained.

We have performed our examinations in accordance with the ISAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information and additional requirements under Danish audit regulation in order to obtain limited assurance for our conclusion.

KPMG Statsautoriseret Revisionspartnerselskab applies International Standard on Quality Management 1, ISQM 1, which requires the firm to design, implement and operate a system of quality management includ-

ing policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code), which is based on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour, and ethical requirements applicable in Denmark.

Description of work performed

The nature, timing and scope of the selected procedures depend on our assessment, including assessment of the risk for material misstatement whether due to fraud or error. As part of our examinations we have performed the following procedures:

- Interviews with relevant key personnel in order to understand key processes and controls for collection and consolidation as well as measurement and reporting of ESG data.

- Performed analyses to identify areas with increased risk of misstatement or significant errors in the selected ESG data and obtained understanding of significant differences.
- Performed limited substantive procedures to control underlying source information to control the completeness and adequacy of the selected ESG data, including controlled consistency with the methods described in the reporting principles applied.
- Based on our collection of data we have assessed the fairness of the reporting principles applied and as to whether these have been applied consistently and in accordance with the GHG protocol.
- In addition to the procedures performed, we have read the additional information contained in Lidl Denmark K/S' CSR report for the financial years 2023 and 2024 for the purpose of identifying whether there is any major inconsistency between the presented additional information and the selected ESG data or our obtained understanding.

- We have assessed the reliability and validity of the evidence obtained.

The procedures performed during our examinations are substantially less in extent than for a reasonable assurance engagement. Consequently, the level of assurance for our conclusion is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Conclusion

Based on the work performed and evidence obtained nothing has come to our attention that causes us to believe that the ESG data selected by Lidl Denmark K/S marked with a * have not been prepared in accordance with the reporting principles applied.



Statsautoriseret Revisionspartnerselskab
CVR no. 25 57 81 98

Copenhagen, December 4th 2025.

Christian Møllegaard Larsen
State Authorised
Public Accountant
mne46614

GRI Index, Lidl Denmark Sustainability Report 2023-2024

GRI-Standard	GRI-Disclosure	Description	Page	Omissions	Assurance
GRI 2: General Disclosures 2021	2-1 Organizational details	Lidl Denmark K/S with its headquarters in Aarhus is an indirect subsidiary of Lidl Stiftung & Co. KG. Lidl Denmark is divided into companies Lidl K/S and Lidl Management Danmark ApS. Lidl Denmark operates more than 163 stores and 2 distribution centers, and employs 4,153 people.	Page 9		
GRI 2: General Disclosures 2021	2-2 Entities included in the organization's sustainability reporting	Lidl Denmark's company profile.	Page 9		
GRI 2: General Disclosures 2021	2-3 Reporting period, frequency and contact point	About this report	Page 2		
GRI 2: General Disclosures 2021	2-4 Restatements of information	Carbon Footprint: Deviations in the carbon footprint compared to the 2021/2022 Sustainability Report are due to the change in the survey methodology and subsequent corrections due to additional data availability.	Page 2		
GRI 2: General Disclosures 2021	2-5 External assurance	About this report	Page 2		
GRI 2: General Disclosures 2021	2-6 Activities, value chain and other business relationships	About this report Companies of Schwarz Group Value chain of Lidl Denmark	Page 9, 10 and 12		

... GRI Index, Lidl Denmark Sustainability Report 2023-2024

GRI-Standard	GRI-Disclosure	Description	Page	Omissions	Assurance
GRI 2: General Disclosures 2021	2-7 Employees	<p>In fiscal year 2024 Lidl Denmark employed over 4,153 staff. 31.9% were permanent employees and 68.1% were temporary employees.</p> <p>By fiscal year 2023, we collected the personnel KPIs according to the "LEAD" definition. Since fiscal year 2024, we have been collecting data from the profiles according to the "UGS" definition. This means that long-term absenteeism will not be included in the total number of employees. The change in methodology of "Total number of employees" further impact the following datapoints [full-time- and part-time employees, permanent- and temporary employees and proportion of women and men in management], however, we have not disclosed the impact on the affected datapoints as we assess the impact immaterial.. Number of employees based on both calculation method:</p> <p>2023: LEAD: 4,029. UGS: 4,149.</p> <p>2024: LEAD: 4,153. UGS: 4,153.</p>	Page 77	2.7. a + b: Data on the employees' locations/regions is not disclosed, as Lidl DK K/S only has employees in Denmark. 2.7. b.c.d.e. Requirements regarding confidentiality. We report the total number of employees.	★
GRI 2: General Disclosures 2021	2-8 Workers who are not employees	Employees by employment type at Lidl Denmark.	Page 77		
GRI 2: General Disclosures 2021	2-9 Governance structure and composition	<p>Lidl Denmark consists of two companies: Lidl Danmark K/S and Lidl Management Danmark ApS. The day-to-day management is carried out by the executive board, which consists of the CEO, CFO, Chief Property Manager, COO and CCO, who are appointed by the company's general meeting, each of which constitutes the respective company's highest authority. The board consists of 4 men and 1 woman. Information on Sustainability Management can be found on page 14.</p>			

... GRI Index, Lidl Denmark Sustainability Report 2023-2024

GRI-Standard	GRI-Disclosure	Description	Page	Omissions	Assurance
GRI 2: General Disclosures 2021	2-10 Nomination and selection of the highest governance body	Information on the nomination and selection of the highest governance body is not published as this is sensitive internal data.		Confidential information	
GRI 2: General Disclosures 2021	2-11 Chair of the highest governance body	The highest decision-making power rests with the executive board, led by CEO. Day-to-day management is carried out by the executive board, which consists of the CEO, CFO, Chief Property Manager, COO and CCO.			
GRI 2: General Disclosures 2021	2-12 Role of the highest governance body in overseeing the management of impacts	Sustainability Management	Page 14		
GRI 2: General Disclosures 2021	2-13 Delegation of responsibility for managing impacts	Sustainability Management	Page 14		
GRI 2: General Disclosures 2021	2-14 Role of the highest governance body in sustainability reporting	Sustainability Management. The CSR department reports, as part of Corporate Affairs, directly to the CEO of Lidl Denmark. This happens, among other things, as part of the review of the CSR strategy and in the preparation of the sustainability reporting. The CEO and the CFO are involved in the reporting process and are responsible for the final approval.	Page 14		
GRI 2: General Disclosures 2021	2-15 Conflicts of interest	Positions of trust must be disclosed internally in advance if Lidl Denmark's management representatives are on supervisory bodies for external companies, industry associations etc. Cross-investment with suppliers and other stakeholders is against our compliance guidelines and is monitored by the internal Legal & Compliance department. If conflicts of interest arise in individual cases, the disclaimer rule applies.	Page 16	The data basis for this information is only partly available to Lidl Denmark. A consolidated collection and quality assurance for future reporting will be reviewed.	
GRI 2: General Disclosures 2021	2-16 Communication of critical concerns	Confidential information			

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GRI-Standard	GRI-Disclosure	Description	Page	Omissions	Assurance
GRI 2: General Disclosures 2021	2-17 Collective knowledge of the highest governance body	Sustainability Management	Page 14		
GRI 2: General Disclosures 2021	2-18 Evaluation of the performance of the highest governance body	A report on the evaluation of the performance of the highest governance body is not provided for reasons of confidentiality		Confidential information	
GRI 2: General Disclosures 2021	2-19 Remuneration policies	For reasons of confidentiality, the remuneration policies for the members of the highest governance body and managers is not reported.		Confidential information	
GRI 2: General Disclosures 2021	2-20 Process to determine remuneration	Office salaries are set according to Willis Towers data. The salary is set in the 50/20 quartile to 75/20 quartile range. This corresponds to remuneration at the level of the market standard. For collective bargaining employees, we follow the applicable collective agreements with supplements that mean our remuneration is above the market.			
GRI 2: General Disclosures 2021	2-21 Annual total compensation ratio			Confidential information	
GRI 2: General Disclosures 2021	2-22 Statement on sustainable development strategy	Welcome to Lidl Denmark's Sustainability Report by Georgios Tokatlis	Page 3		
GRI 2: General Disclosures 2021	2-23 Policy commitments	Our policies and principles	Page 16		

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GRI-Standard	GRI-Disclosure	Description	Page	Omissions	Assurance
GRI 2: General Disclosures 2021	2-24 Embedding policy commitments	Our policies and principles	Page 16		
GRI 2: General Disclosures 2021	2-25 Processes to remediate negative impacts	Compliance management system as a basis	Page 18		
GRI 2: General Disclosures 2021	2-26 Mechanisms for seeking advice and raising concerns	Compliance management system as a basis	Page 18		
GRI 2: General Disclosures 2021	2-27 Compliance with laws and regulations	Compliance management system as a basis	Page 18		
GRI 2: General Disclosures 2021	2-30 Collective bargaining agreements	Employees by employment type at Lidl Denmark	Page 77		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Materiality analysis	Page 20		
GRI 3: Material Topics 2021	3-2 List of material topics	Materiality matrix 2.0	Page 20		

Dialog and collaboration with stakeholders

GRI-Standard	GRI Disclosure	Description	Page	Omissions	Assurance
GRI 3: Material Topics 2021	3-3 Management of material topics	Dialog and collaboration with stakeholders	Page 26		
GRI 2: General Disclosures 2021	2-28 Membership associations	Dialog and collaboration with stakeholders	Page 26 and 27		
GRI 2: General Disclosures 2021	2-29 Approach to stakeholder engagement	Memberships and partnerships			

1.5 degrees

GRI-Standard	GRI-Disclosure	Description	Page	Omissions	Assurance
GRI 3: Material Topics 2021	3-3 Management of material topics	1.5 degrees	Page 34		
GRI 201: Econic performance	201-2 Financial implications and other risks and opportunities due to climate change	Data quality		The information and data associated with this statement are currently not available in adequate quality and can therefore not be reported.	
GRI 203: Indirect economic impact	203-1 Infrastructure investments and services supported	No information available	Page 35	The information and data associated with this statement are currently not available in adequate quality and can therefore not be reported.	
GRI 302: Energy 2016	302-2 Energy consumption outside the organization	Information is not provided for business reasons.		Confidential information	
GRI 302: Energy 2016	302-3 Energy intensity	Energy consumption	Page 36	Information is not provided for business reasons.	★
GRI 302: Energy 2016	302-4 Reduction of energy consumption	Reduction of energy	Page 37		
GRI 305: Emissions 2016	302-5 Reductions in energy requirements of products and services	Reductions in energy requirements of products and services	Page 39		
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Scope 1	Page 43		★

... 1.5 degrees

GRI-Standard	GRI-Disclosure	Description	Page	Omissions	Assurance
GRI 305: Emissions 2016	305-2 Energy indirect (Scope 2) GHG emissions	Scope 2	Page 43		★
GRI 305: Emissions 2016	305-3 Other indirect (Scope 3) GHG emissions	Scope 3	Page 43		
GRI 305: Emissions 2016	305-4 GHG emissions intensity	GHG emissions intensity	Page 44		
GRI 305: Emissions 2016	305-5 Reduction of GHG emissions	Reduction of the GHG emissions	Page 44		

Ecosystems

GRI-Standard	GRI-Disclosure	Description	Page	Omissions	Assurance
GRI 3: Material Topics 2021	3-3 Management of material topics	Ecosystems	Page 48		
GRI 304: Biodiversity	304-2 Significant impacts of activities, products, and services on biodiversity	Impact on biodiversity	Page 48		
GRI 304: Biodiversity	304-3 Habitats protected or restored	Habitats protected or restored	Page 50		
GRI 304: Biodiversity	304-4 IUCN Red List species and national conservation list species	Protected species in areas affected by operations	Page 51		

Raw materials

GRI-Standard	GRI-Disclosure	Description	Page	Omissions	Assurance
GRI 3: Material Topics 2021	3-3 Management of material topics	Raw materials	Page 54		

Circular economy

GRI-Standard	GRI-Disclosure	Description	Page	Omissions	Assurance
GRI 3: Material Topics 2021	3-3 Management of material topics	Circular economy	Page 60		
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Consumption of plastic and paper	Page 62		
GRI 301: Materials 2016	301-2 Recycled input materials used	Consumption of plastic and paper	Page 62		
GRI 301: Materials 2016	301-3 Reclaimed products and their packaging materials	Reused products and materials	Page 63		
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste generation and significant waste-related impacts	Page 64		
GRI 306: Waste 2020	306-2 Management of significant waste-related impacts	Waste generation and significant waste-related impacts	Page 64		
GRI 306: Waste 2020	306-3 Waste generated	Waste generation and significant waste-related impacts	Page 64		
GRI 306: Waste 2020	306-4 Waste diverted from disposal	Waste generation and significant waste-related impacts	Page 64		

Food waste

GRI-Standard	GRI-Disclosure	Description	Page	Omissions	Assurance
GRI 3: Material Topics 2021	3-3 Management of material topics	Food waste	Page 68		

Labor and human rights

GRI-Standard	GRI-Disclosure	Description	Page	Omissions	Assurance
GRI 3: Material Topics 2021	3-3 Management of material topics	Labor and human rights	Page 74		
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Employees by employment type at Lidl Denmark	Page 77		
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Ensuring human rights in our supply chain	Page 78		
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Ensuring human rights in our supply chain	Page 78		
GRI 414: Social Evaluation of Suppliers 2016	414-2 Negative social impacts in the supply chain and actions taken	Ensuring human rights in our supply chain	Page 79		

Conscious nutrition

GRI-Standard	GRI-Disclosure	Description	Page	Omissions	Assurance
GRI 3: Material Topics 2021	3-3 Management of material topics	Conscious nutrition	Page 84		
GRI 416: Customer Health & Safety 2016	416-1 Assessment of the health and safety impacts of different categories of products and services	Product Safety and quality	Page 92		
GRI 416: Customer Health & Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Product Safety and quality	Page 92		

Responsible products

GRI-Standard	GRI-Disclosure	Description	Page	Omissions	Assurance
GRI 3: Material Topics 2021	3-3 Management of material topics	Responsible products	Page 98		
FP2	Percentage of purchased volume, which is verified as being in accordance with credible, internationally recognized responsible production standards, broken down by standard	Certified products	Page 101		
Procurement practices	204-1 Proportion of spending on local suppliers	Local suppliers	Page 101		

Lidl Responsibility Model

Our 17 CSR topic definitions

For the Planet			For People		
Protecting climate	Respecting biodiversity	Conserving resources	Acting fairly	Promoting health	Engaging in dialog
1.5 degrees <ul style="list-style-type: none">Operational energy managementTransport & logisticsResponsible supply chainsBuilding certificationsResponsible construction	Ecosystems <ul style="list-style-type: none">Preservation of species and habitat diversityAvoidance of pollutant inputAdaptation to biodiversity lossGreening of the real estate	Fresh water <ul style="list-style-type: none">Access to drinking waterAvoiding water risks such as pollution and overuseWater consumption Raw materials <ul style="list-style-type: none">Procurement and use of (critical) raw materialsCertifications Circular economy <ul style="list-style-type: none">Recycling cyclesWaste & recycling managementPackagingREset RessourcesBuilding materials Food waste <ul style="list-style-type: none">Demand planningUtilizationCooperations	Animal welfare <ul style="list-style-type: none">Housing conditionsAnimal healthAnimal feed Labor and human rights <ul style="list-style-type: none">Compliance with employment-related human rights supply chainRisk, control and complaint mechanisms employee rights, life balance Fair remuneration <ul style="list-style-type: none">Living wageRemuneration in the company Diversity and inclusion <ul style="list-style-type: none">Diversity & equal opportunity Business relation ships & integrity <ul style="list-style-type: none">ComplianceData protectionSupplier relationshipsCorporate cultureIT Corporate citizenship and local development <ul style="list-style-type: none">DonationsSocial commitment	Conscious nutrition <ul style="list-style-type: none">Product quality & safetyReformulationsIngredients & nutritional information Occupational health & safety <ul style="list-style-type: none">Occupational health managementSafe workplaceAwareness & prevention	Enabling <ul style="list-style-type: none">(Further) training of employeesSensitization of customersResponsible product communication Dialog and collaboration with stakeholders <ul style="list-style-type: none">Strategic stakeholder ManagementInvolvement in initiativesNetworking
For You					
Responsible products Responsible assortment design (including fairly produced, certified products) • Regionality & seasonality • Product transparency & traceability					



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