

## Taking the **Right Steps** to Do the Right Thing Our CSR Commitments for 2030

L.DL

ChangeNOW 2025

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Lidl France, a pioneering company committed to facilitating the environmental and social transition

As the only retailer at ChangeNOW, Lidl is asserting its role as a company committed to the environmental and social transition. As a partner in the daily lives of French people, this event is an opportunity to present its concrete achievements and its ambitions for 2030 to reduce its environmental impact. Lidl will focus on three priorities of its roadmap: real estate (scopes 1 and 2), transport and logistics (scopes 1 and 3) and responsible purchasing (scope 3).





### **Editorial**

Aware of its responsibility towards the environment and society, Lidl structured its CSR commitments back in 2016 through its strategy «A better tomorrow». It's the heart of the brand's environmental approach to facilitate the environmental and social transition on a daily basis. In 2024, Lidl France has set itself 30 objectives to be achieved by 2030 to guarantee a healthy and sustainable offer to as many people as possible, reduce greenhouse gas emissions from its supply chain and its own activities (logistics platforms and supermarkets), and promote the deployment of social and solidarity initiatives.

We are able to carry out this ambitious strategy thanks to our unique model, in which nearly 90% of our products are private labels. On the one hand, it enables us to integrate social and environmental issues into our entire value chain to control our direct and indirect impacts, and on the other, to involve and raise awareness among all the players with whom we collaborate: producers/farmers, suppliers, transport and logistics players, and also consumers.

John Paul Scally President of Lidl France

All these objectives are part of the **Group's Net Zero trajectory**<sup>1</sup> which aims to achieve zero net emissions by 2050 in all its supermarkets and supply chains worldwide. The «Net Zero» objective includes Scope 3 emissions, meaning emissions generated upstream and downstream of Lidl's value chain, which today account for over 90% of the company's total emissions.

Lidl has already reduced its operational CO<sub>2</sub> emissions (scopes 1 and 2) by 52% in all countries where Lidl operates, compared with 2019. In France, on scopes 1 and 2, Lidl has set itself a target of reducing its greenhouse gas emissions by 55% by 2030 compared with 2019 in France.

To meet this target, Lidl has adopted several measures, such as renewing 100% of its electricity contracts with renewable energy, replacing refrigerants with high global warming potential in its logistics platforms and supermarkets, or renewing its fleet of combustion-powered vehicles with lowemission vehicles (hybrid, electric).

Underscope 3, Lidlishelping its main suppliers to set greenhouse gas reduction targets, for the purpose of reducing their emissions and adapting to climate change. Lidl is also working on its product range, for example by increasing the plant-based protein content of its private label food products.

<sup>&</sup>lt;sup>1</sup> This policy is in line with the Schwarz Group's membership of the Science Based Targets initiative (SBTi) and the carbon trajectory of the Schwarz Group, to which Lidl belongs, validated by SBTi. Lidl uses the Greenhouse Gas Protocol (GHG) method to produce its carbon footprint (greenhouse gas emissions in tCO<sub>2</sub>e - tonnes of carbon equivalent).

### A **CSR Approach** that is Part of Lidl's DNA

Sustainable development is a strategic issue for Lidl, supported at the highest level of management. Corporate social responsibility is an integral part of Lidl's business model. Because our brand seeks to promote sustainable development throughout the entire value chain, we set out our CSR strategy "A better tomorrow" back in 2016. This strategy is part of a continuous and dynamic approach. In view of current social and environmental challenges, a number of targets have been set out for 2030.

### Lidl France's mission:

To facilitate the environmental and social transition in everyday life



#### Our strategy: A better tomorrow

This strategy gives structure to Lidl's social responsibility as a retailer, employer, business partner and stakeholder throughout France.



2022

### Lidl France's four CSR priorities for 2030:

- A healthy and sustainable offer
- A socially responsible approach
- Examplary operations
- An efficient governance



### The six pillars of Lidl's CSR strategy

- Preserving biodiversity
- Protecting the climate
- Conserving resources
- Acting fairly
- Promoting health
- Engaging in dialog



## Lidl France's Four Priorities

In 2024, in order to respond to the social and environmental challenges we face, Lidl France committed to four key priorities for 2030, as an extension of our CSR strategy "A better tomorrow".

#### A HEALTHY AND SUSTAINABLE OFFER

Promoting a high-quality range of products that are accessible to as many people as possible, encouraging responsible consumer behaviors, and supporting suppliers with their environmental and social transitions.



#### A SOCIALLY RESPONSIBLE APPROACH

Offering attractive working conditions and strengthening people's pride in belonging, anchoring important social and environmental values in everyone's daily work, and maximizing the positive societal impact on our ecosystem.



#### EXAMPLARY OPERATIONS

Showcasing our commitments in our stores through sustainable commercial real estate and continuing efforts to optimize logistics and waste management to reduce the impact of our operations.



### AN EFFICIENT GOVERNANCE

Structuring effective and interdisciplinary management, integrating social and environmental performance in strategic decision making, and communicating progress transparently.



# A healthy and sustainable offer

**100%** of the fruit and vegetable sectors will implement a **sustainable roadmap** 



adversiting targeted at children for products

considered unhealthy by the World Health

Organization

#### 100% of our tripartite contracts will include environmental commitments

#### 100% of our private label

packaging will be optimally recyclable

> Increase the plant-based protein content of our own-brand products\*

100%

of our raw materials

with social or

environmental risks, marketed under private label, will be covered

by certification

objectives

Increase the percentage of promotions dedicated to healthy and sustainable products\*\*

Increase the proportion of our sales generated by healthy, sustainable products\*





By 2026, support suppliers representing 75% of Lidl

emissions (scope 3) in setting a science-based carbon reduction target (validated by the Science Based Targets initiative - SBTi)

# A socially responsible approach

100/100 to the gender equality index

Recruit 1,100 apprentices and 6,000 students on permanent contracts per year\*

B0% of employees will be satisfied with their working environment Implement initiatives to promote the inclusion of people with disabilities within the framework of the obligation to employ disabled workers

A fixed salary above the market average for employees in supermarkets and logistics platforms\*

### 100%

of supermarket and logistics platform employees will receive training to enhance their employability

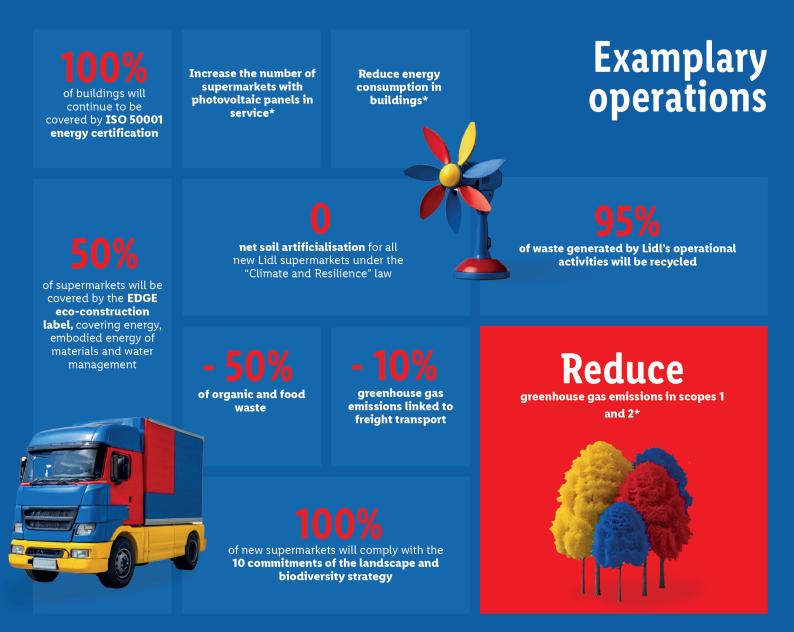


90% of managers will continue to be promoted from the company's ranks

Set up experiments to recruit senior profiles and employ RSA recipients\*



Objectives currently being defined\* \*\*Definition of criteria for a healthy and sustainable offer in progress



# **30 CSR OBJECTIVES FOR 2030**

An efficient governance

**1CSR** ambassador

per business unit, per supermarket and per region Integrate

social and environmental performance in all strategic decision-making by the Executive Committee

#### A HEALTHY AND SUSTAINABLE OFFER

### **Promoting** Healthy and Sustainable Products

#### Taking the right steps today:

72,6% of our fruit and vegetables are of French origin (excluding citrus and exotic fruits) 100% of our coffees, green, black and rooibos teas, and bananas are certified

**1,030** permanent-range products are certified by independent bodies

100% French beef

### Our key targets by 2030:



Increase the proportion of our Sales generated by healthy and sustainable products\*

Increase the percentage of **promotions** dedicated to healthy and sustainable products\*



### **Doing the right thing:** *"Terre de Progrès"* potatoes

Since 2021, Lidl has been selling the "*Terre de Progrès*" range of potatoes, from regenerative agriculture. This agricultural model is all about protecting soil biodiversity and restoring its fertility by ensuring that the soil is permanently covered by plants (or the residue of previous crops), alongside long rotations, and even reduced plowing. It also helps combat climate change by capturing and storing more carbon in the soil. Lidl is working with three potato suppliers on this initiative, Terrea, Parmentine, and Pom'Alliance, in addition to eight producers located in the Loiret, Normandy, Hautsde-France and Champagne regions.

## **Supporting Farmers**



### **Doing the right thing:** tripartite contracts

Ever since Lidl signed its first tripartite contract back in 2016, we have been developing an ethical model that offers everyday support to the French agricultural community and aids the development of local farmers and producers.

In 2024, more than 5,000 French producers of beef, pork, dairy and potatoes were part of a tripartite contract with Lidl. By letting producers set the purchase price of their products according to their own production costs, tripartite contracts guarantee them fairer pay and medium- to long-term visibility.

### Taking the right steps today:

5,000 producers benefit from fairer pay thanks to tripartite contracts

**12,500** days of paid leave for farmers since 2021 through a partnership with Service de Remplacement

#### Our key target by 2030:

**100%** 

of our tripartite contracts will include environmental commitments

#### **EXAMPLARY OPERATIONS**

### Showcasing our Commitments in our Stores



### **Doing the right thing:** our landscape and biodiversity strategy

In 2021, Lidl France became the first supermarket brand to commit to implementing a "global landscape, biodiversity and conservation strategy" in partnership with *CDC Biodiversité* and *OPIE* (the French Office for Insects and their Environment).

As a result, Lidl has set out new specifications and methodologies so that experts can help design our new landscaping projects. This approach is based on ten tangible commitments (greener storefronts, collecting rainwater, mowing grassy areas more sustainably, etc.) to be put into effect based on the particular characteristics of individual sites and by systematically applying specific environmental recommendations on each project. In 2023, 25 biodiversity referents were appointed and trained across Lidl France's 25 regional directions to help roll out this strategy.

#### Taking the right steps today:

**15%** less energy consumption per m<sup>2</sup> of sales space in Lidl stores between 2017 and 2023

**4,800** charging points for electric vehicles, including 6 i-stations 515,000m<sup>2</sup> of solar panels

> 100% of real estate is ISO 50001 energy certified

Our key targets by 2030: With the ten commitments of our landscape and biodiversity strategy



### Developing Sober Logistics

Taking the right steps today:

90,8% of waste is recycled

**First** green hydrogen truck now operating in France

20% of our fleet of trucks now runs on **alternative fuels** 

#### Our key targets by 2030:

50% less organic waste and food loss

-10% greenhouse gas emissions linked to transporting goods\*





### **Doing the right thing:** reverse logistics

To recycle our waste, at Lidl, we've introduced a reverse logistics system, where waste is collected in store before being consolidated and stored at our logistics centers. Every day, trucks leave our logistics centers to deliver to stores. This daily flow of trucks has been optimized, as they now collect the waste produced and pre-sorted the day before in stores. This waste is taken to the logistics centers to be consolidated and stored in suitable containers. The whole operation makes it possible to find local organizations willing to collect and process recyclable waste.

#### A SOCIALLY RESPONSIBLE APPROACH

### Guaranteeing an Attractive Working Environment

### Taking the right steps today:

94% of managers are promoted from within

**1,622** health and quality of life in the workplace representatives (one per store) 99% of employees are on permanent contracts

**6%** 

**more than the minimum wage\*** is offered when hiring multi-skilled team members

\*over 13 months

#### Our key target by 2030:



80% of colleagues are happy with their working environment

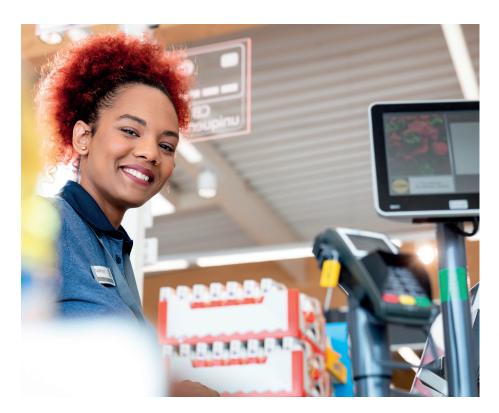
### Doing the right thing: the Lidl Academy

Founded in 2021, the Lidl Academy provides training for employees with or without qualifications for the positions of assistant manager and store manager and allows them to obtain recognized professional qualifications, such as a CQP (vocational qualification) in operational store leadership or operational store management. The aim is to attract and retain future managers within Lidl France by offering certified training courses to all new recruits and existing employees. At Lidl, we're committed to achieving our target of 100% of our employees — in stores and logistics centers — receiving training to increase their employability by 2030.



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### Upholding **Diversity** and **Inclusion**



### **Doing the right thing:** Lidl'her

Supporting, training, developing skills and inspiring women: these are the objectives of our internal female leadership program known as Lidl'her. Launched in 2021, the scheme is dedicated to helping women access senior management positions. In line with Lidl's identity and in keeping with our HR policy that encourages fairness and promoting from within, Lidl'her aims to remove any obstacles that could stand in the way of career development within the company. The program is built on two pillars: Start'her (a comprehensive training course) and Boost'her (identifying potential).

### Taking the right steps today:

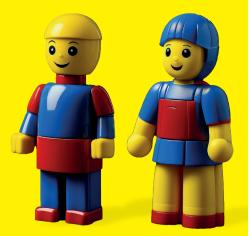
94/100 gender equality index score

788 buddy pairs formed during Duoday in 2024

> 13% of employees are students

#### Our key target by 2030:

Implement trials to recruit older people and employ those in receipt of low-income benefits\*



# AN EFFICIENT GOVERNANCE Bringing our Employees On Board



### **Doing the right thing:** YOU, the internal sustainable development program

Lidl is implementing an international program to communicate and raise awareness of the challenges involved in CSR among our colleagues. The aim is to empower Lidl France's 45,000 employees and show them how they can each contribute to the objectives of our CSR strategy in the course of their work.

In 2025, all employees will receive training on sustainable development issues and the company's CSR strategy. To help make these topics part of everyday life, Lidl is creating a community of CSR ambassadors on a national scale. From November 2024, in-store CSR ambassadors will work to bring their teams on board to help in the fight against food waste.

## Taking the right steps today:

40 CSR ambassadors at head office

170 employees trained by The Climate Fresk since 2023

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### Our key targets by 2030:

### Integrate

social and environmental performance in all strategic decision making by the Executive Committee

#### A CSR ambassador in every job area, store

and region





## The Lidl Model

1,622 stores

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regional offices

**Proximity Simplicity Transparency** 

44,300 employees

### Modernizing

stores by integrating environmental transition practices since 2012

### A unique retail concept

83% of food and non-food products are distributor brands

### **Best Chain**

of Stores 2023-2024 in the Supermarkets and Fruit & Vegetables categories for the 12<sup>th</sup> year in a row\*\*

### **Best value for** money

## 72,6%

of fruit and vegetables are of French origin\*

### A single price

throughout the whole of France



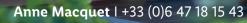


\* Excluding citrus and exotic fruits

\*\* Research carried out in France by Qualimétrie for Gabaon from March 30 to July 10, 2023, among 583,677 consumers

### Press Contact

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