



Sustainability Report 2025



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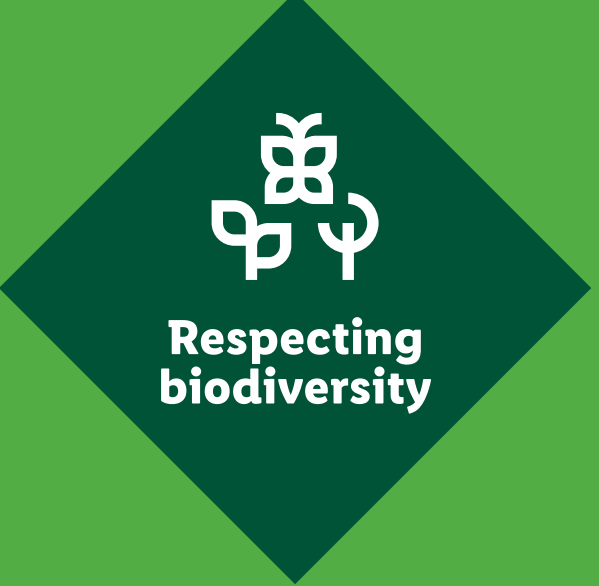


Protecting climate

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Conserving resources

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Respecting biodiversity

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Promoting health

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89

Our Contribution to a Shared Future

GRI 2-22

Dear Reader,

Lidl is THE discounter. With over 386,000 employees and 12,900 stores worldwide as well as online shops in 8 countries, we are a reliable partner in the daily lives of millions of people. We recognize that our mission goes beyond offering quality at the best price: As the largest food retailer in Europe, we are contributing to our shared future.

At Lidl, sustainability is an integral part of our corporate culture. We are determined to demonstrate our responsibility through the actions that we take in our day-to-day operations. Having already established high reporting standards in many markets, we are now consolidating these at an international level. It gives me great pleasure to present this first international Lidl Stiftung & Co. KG sustainability report to you today.

This report is a pledge that we make together with our teams. It documents our goal of aligning corporate success with ecological and social advancements, which we render transparent using specific key performance indicators from our value chain. The specific measures you see in individual countries are part of a coordinated overall strategy. In 32 countries we achieve a powerful multiplier effect by pooling our strengths.

Our strategy is based on a solid foundation: corporate governance. Taking that as a starting point, this report guides you through our five key fields of action: “Protecting climate,” “Respecting biodiversity,” “Conserving resources,” “Acting fairly” and “Promoting health.”

I invite you to follow our progress closely and to engage in constructive dialog with us. For, this report is both a milestone and a new beginning. We have already written over 50 years of discounter history and now we are shaping a transparent future: As a discounter, producer and partner, we champion change to constantly examine our ecological footprint and to support social standards in our supply chains. Our promise remains: We make sustainable shopping easier by making a responsible assortment accessible and affordable for everyone.



All the best,
Kenneth McGrath
Chief Executive Officer
Lidl Stiftung & Co. KG



About This Report

GRI 2-1, 2-2, 2-4

Report of the Companies of Lidl Group

This report is being published for the first time as the joint Sustainability Report for all companies of Lidl Group. Production of the report was coordinated by Lidl Stiftung & Co. KG on behalf of the companies of Lidl Group. The words “we,” “us,” “our” or similar expressions are meant to represent all of these companies.¹ Lidl Group is composed of 31 national companies, 230 regional distribution centers / logistics companies and sales companies as well as TAILWIND Shipping Lines, TAILWIND Intermodal and Lidl Digital (online).

On the basis of the jointly elaborated materiality analysis and the five strategic fields of action “Protecting climate,” “Conserving resources,” “Respecting biodiversity,” “Promoting health” and “Acting fairly,” this report informs about the significant ecological, social and economic impacts in addition to the activities of the companies of Lidl Group. To provide a comprehensive picture, we report on the jointly developed strategies and management approaches as well as on the commitment of individual national companies, with due attention to maintaining a balanced relationship wherever possible.

¹ Male personal pronouns are used in this report in order to improve readability. This shortened form of address is used for editorial reasons and applies to all genders.

This first joint report of the companies of Lidl Group does not contain any restatement of information, even if it differs in content from previous reports of the national companies.

Reporting Standard and Navigating the Report

This sustainability report was compiled pursuant to the internationally recognized GRI Sustainability Reporting Standards. GRI-relevant contents have been labeled with the corresponding disclosure labels to transparently set forth which parts of the text correspond to the relevant GRI requirements. In addition, the [🔗 GRI Index](#) (p. 115) shows where the corresponding contents are to be found in the report.

The Lidl Stiftung & Co. KG administration building in Neckarsulm is the heart of sustainability management for the companies of Lidl Group.



Lidl National Companies:

	Lidl Belgium GmbH & Co. KG		Lidl Österreich GmbH
	Lidl Bulgaria EOOD & Co. KD		Lidl Polska Sp.z o.o.
	Lidl Danmark K/S		Lidl & CIA.
	Lidl Dienstleistung GmbH & Co. KG		Lidl Discount SRL
	Lidl Eesti OÜ		Lidl Sverige KB
	Lidl Suomi KY		Lidl Schweiz AG
	LIDL SNC		Lidl Srbija KD
	Lidl Hellas & Sia O.E.		Lidl Slovenská republika, s.r.o.
	Lidl Great Britain Limited		Lidl Slovenija d.o.o. k.d.
	Lidl Ireland GmbH		Lidl Supermercados, S.A.U.
	Lidl Italia s.r.l		Lidl Česká republika v.o.s
	LIDL Hrvatska d.o.o. k.d.		Lidl Magyarország Bt.
	Lidl Latvija SIA		Lidl US, LLC
	Lidl Lietuva UAB		Lidl Cyprus
	Lidl Nederland GmbH		
	Lidl Northern Ireland Limited		Lidl Asia Pte. Limited



GRI 2-3

Reporting Period and Frequency

The report comprises the 2025 fiscal year (March 1, 2025 until February 28, 2026). Complementary information outside of this period has been included if it contributes to the completeness or comprehensibility of the content. The reporting date was February 28, 2026 and the editorial deadline was on June, 12 2026. This report is the first sustainability report published by the companies of Lidl Group and is to appear every two years in the future.

GRI 2-5

External Assurance

In the spring/summer of 2026, the audit firm Ernst & Young GmbH audited selected disclosures contained in the sustainability report for the 2025 fiscal year to obtain limited assurance on sustainability information. The audited key performance indicators in the reporting period are denoted by . The independent public auditor’s note can be found on [pages 124 – 125](#).

Lidl: Working Together for a Better Tomorrow

For Lidl, corporate responsibility means working on the key issues of the future and finding a way to reconcile sustainability and profitability. We organize ourselves, our strategy and our product range in such a way that we as a system provider can find global solutions for the entire company.



Story

Shaping the Future Together — With YOU

At Lidl, sustainability is firmly rooted in our corporate culture. It generates the most impact when individuals take ownership, share knowledge and collaborate to drive change. After all, real change starts with people. This is exactly where YOU comes in — fostering a sustainable mindset and driving action throughout #teamlidl.



Over **386,000**  employees¹ worldwide — joined through YOU. For a joint mindset that brings sustainability to life in everyday work

¹ The number of employees listed here shows the internal control figure, which is based on a different definition of employee to that used in the annual financial statement.
² The terms CSR (corporate social responsibility) and sustainability are used synonymously at Lidl.



For Lidl, sustainability is an expression of corporate governance. It shapes decisions, structures and processes — forming the very core of what Lidl stands for. In this context, responsibility is understood as a concrete expectation for day-to-day work.

Sustainable action is reflected in everyday decisions — whether in daily operations, projects or leadership roles. Our large workforce serves as a powerful lever to firmly anchor sustainability in our daily work routine, ensuring it is factored into every decision — not just when it is mandatory or yields positive recognition. This mindset extends well beyond the professional context.

Lidl has been bringing this ambition to life through the YOU sustainability initiative since 2023. YOU supports over 386,000 employees¹  in taking ownership within their respective areas of responsibility. By engaging both minds and hearts, YOU fosters a dynamic exchange: learning from each other, co-creating solutions and turning mindset into effective action — together with and supported by employees.

Sustainability: Tangible, Close and Real

“With YOU, we want to achieve great things together: We want to reach our sustainability goals, strengthen our capacity for innovation, become even more attractive as an employer — and show what we stand for. The only way we will achieve all this is if we all work together,” says Christoph Kaiser, Head of CSR Governance and Enabling, Lidl Stiftung & Co. KG, summarizing the potential.

All employees around the world should be empowered and motivated to take sustainable action — this is the core aim of YOU. As an internal platform for CSR² commitment, YOU creates a vital link to the core themes of our corporate strategy and culture. “Sustainability is firmly embedded throughout the company and in the brand essence, and we want this to be reflected even more in our day-to-day work going forward,” explains Stefan Haensel, Head of Quality & Sustainability, Lidl Stiftung & Co. KG. He adds: “It is a matter close to our heart.”



Genuine Team Spirit — Across National Borders

With YOU, Lidl comprehensively brings sustainability to life — right in the everyday work of each individual employee. Whether you are a newcomer or an old hand, everyone is invited to join a vibrant community, exchange ideas and launch joint initiatives.

After all, sustainability only works if we all work together. With stores in 32 countries, there is enormous potential for networking opportunities beyond borders. Whether through intranet formats on various sustainability topics, targeted training opportunities or collaborative events like co-working days and action days — the company really can make a difference by harnessing the full power of #teamlidl.

And that is just the beginning, because YOU is driven by employee commitment. “The really special thing about YOU? Everyone can get involved — with tangible ideas, minor everyday improvements or simply by communicating openly with colleagues. That is what makes us who we are,” says Thi Quyen-Thuy Nguyen, Expert in CSR Governance and Enabling, Corporate Affairs, Lidl Stiftung & Co. KG.

There were lots of lively discussions at the launch event for the CSR community at Lidl Stiftung & Co. KG in Heilbronn in April 2024.

Growing Together

With YOU, Lidl is driving sustainability forward, wholeheartedly, full of conviction and with real impact. Because the larger the company becomes, the greater its responsibility — toward society and the environment.

In this way, Lidl aims to spark new ideas, set trends and lead by example — across national borders, throughout the entire network and for the future.

Good to know

Short & Good

YOU is supported by a range of communication and learning options — from infographics to short videos. In the “Short & Good” video series, experts from the Lidl community address sustainability matters in a personal, straightforward and concise way. The first episode, focusing on climate, was released in October 2024. At the end of the 2025 fiscal year, there were already 11 episodes. These episodes were produced with the participation of all internal departments, centering on the five fields of action in the Lidl sustainability strategy. More episodes are planned following the extremely positive response to the videos released so far.



Our Corporate Structure GRI 2-1

The food retailer Lidl is a member of Schwarz Group, with headquarters in Neckarsulm, and is one of the leading food retailers in Germany and Europe.

Lidl is an international retail company with German roots. As a system provider, Lidl Stiftung & Co. KG forms the basis for the local activities of the national companies. We work together to ensure that we are fit for the future.

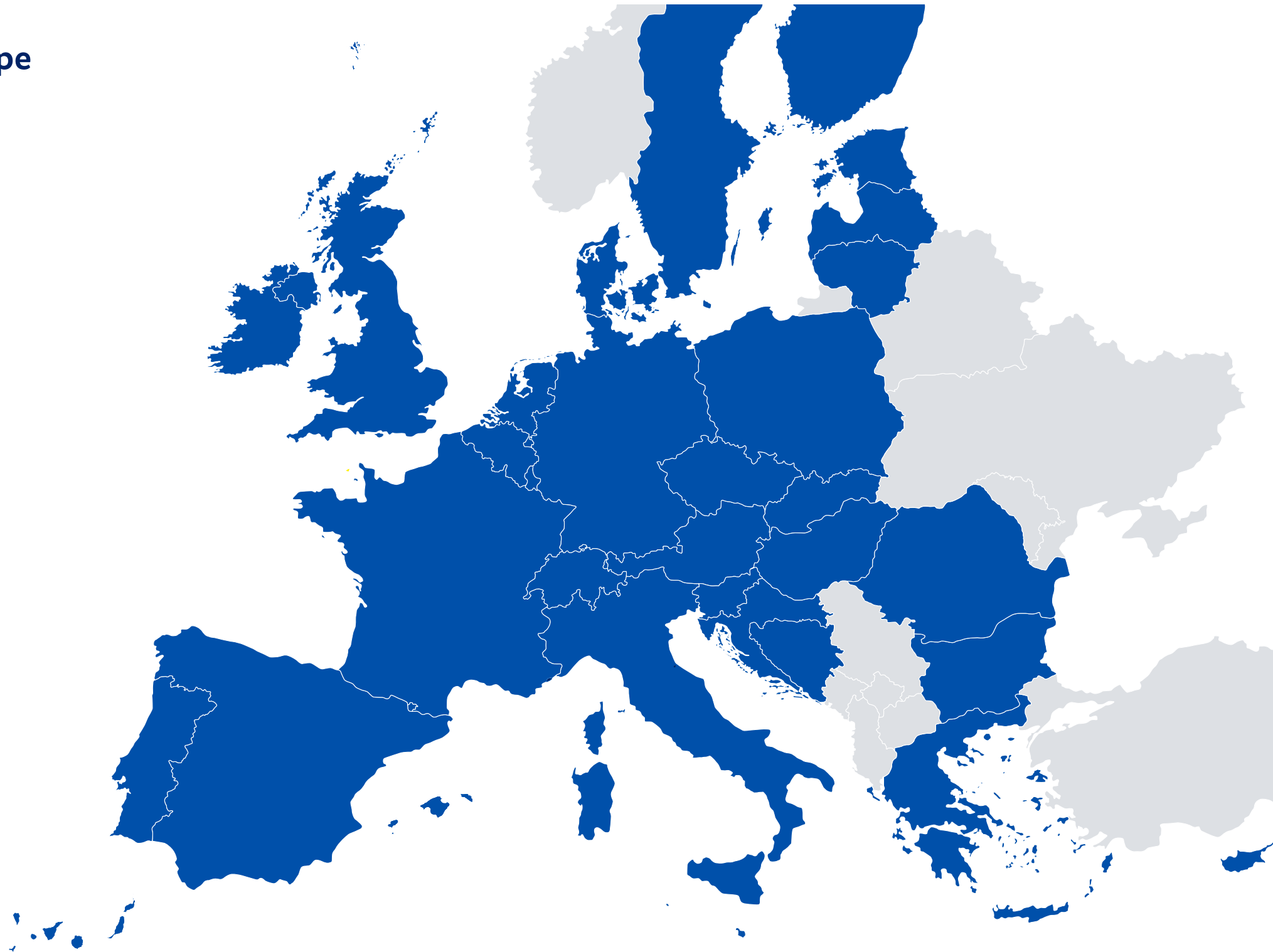
Lidl currently operates around 12,900 stores in 32 countries as well as around 230 goods distribution and logistics centers. In total, Lidl has over 386,000 employees³ ✓. In the 2025 fiscal year, Lidl generated sales of 140.2 billion euros. In 2022, Lidl founded a shipping company — TAILWIND Shipping Lines — in order to secure the sovereignty of the Lidl supply chain from Asia to Europe. Lidl also employs staff in Asia.

Lidl Stiftung & Co. KG, which is headquartered in Neckarsulm, Germany, specifies the framework for the operational business and is responsible for the conception and design of uniform processes worldwide together with the national companies.

12,900
stores in 32 countries

As part of Schwarz Group, which also includes Kaufland, Lidl benefits from being part of a strong community: Together, the companies of Schwarz Group operate in more than 34 countries and form one of the leading retail groups in the world. With around 14,500 stores and 604,000 employees⁴, the companies of Schwarz Group generated total sales of 185.6 billion euros in the 2025 fiscal year. The companies of Schwarz Group are among the few retail groups to cover the entire value cycle — from production and retail to recycling and digitalization. The two retail divisions Lidl and Kaufland form the pillars in the food retail market. Many private-label products made by the companies of Schwarz Produktion, from ice cream to beverages, can be found on their shelves. Special emphasis is placed on the use of certified raw materials.

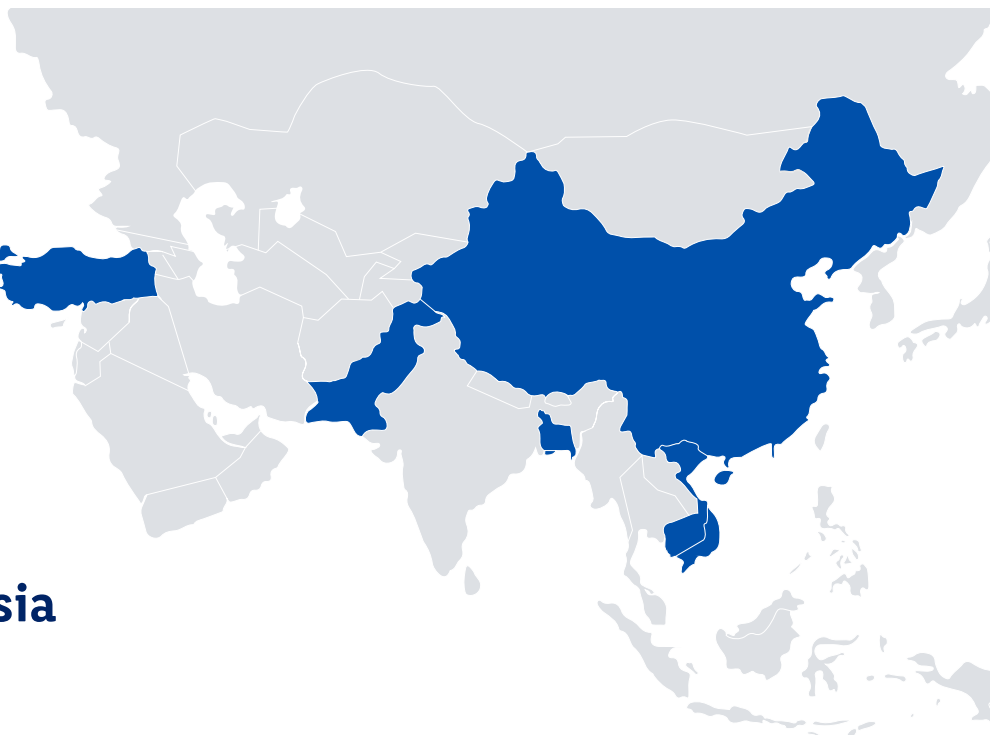
Europe



America



Asia



● Lidl is represented in these countries.

³ The number of employees listed here shows the internal control figure, which is based on a different definition of employee to that used in the annual financial statement.
⁴ These employee figures relate to the annual report and also include employees on long-term leave as well as employees on maternity leave.

Packaging should also be designed so that its production, use and recycling requires as little energy and material as possible. The environmental service provider PreZero has been pursuing the vision of closed recycling loops for many years. PreZero focuses on the recyclability of materials in waste and recycling management. As the IT and digital division, Schwarz Digits provides digital products and services that meet German data protection standards. Schwarz Corporate Solutions provides support to all companies of Schwarz Group on administrative and operational matters, such as in the controlling, finance and human resources units.

140.2
billion euros generated
by Lidl in the 2025 fiscal year

Good
to know

About TAILWIND

TAILWIND is a premium partner for supply chains. Thanks to smart approaches, TAILWIND transforms the traditional supply chain into a genuine value chain — from the factory all the way to the shelf. As such, holistic and authoritative solutions emerge that ensure maximum efficiency and added value across the entire supply chain. The subsidiaries TAILWIND Shipping Lines and TAILWIND Intermodal, both of which belong to Lidl Stiftung & Co. KG, operate under this umbrella brand.

As a shipping company, TAILWIND Shipping Lines handles the maritime transport of mainly non-food goods. TAILWIND Intermodal is responsible for hinterland transport by rail. Lidl International Services GmbH, part of Schwarz Group, also holds a minority stake in Gartner Transport Holding GmbH — a leading European logistics company and another strong transport partner.

2022
TAILWIND
Shipping Lines
founded



Through TAILWIND Shipping Lines, Lidl transports goods reliably and efficiently across the world’s oceans — as part of a modern supply chain solution from the factory to the shelf.



GRI 2-6
Activities and Value Chain

Customers can find a wide range of high-quality products for all their daily needs in our stores and online shops. In our stores alone, we offer an average of 4,640 single items in our permanent assortment, supplemented by 2,558 additional products on average as part of our special offers. In addition to food, we offer near-food and non-food products such as drugstore items, household goods and animal food. Our wide variety of private-label products make up 66.3 percent of the assortment, with brand items making up 33.7 percent. 58 percent of the items in our assortment are from national suppliers. We also offer 472 organic products and around 351 Fairtrade-certified products in our permanent assortment and as promotional items.



472
organic products and
351 Fairtrade articles
available at Lidl



As a discounter, at Lidl we attach importance to simplicity and a process-based approach in our stores, regional distribution centers and national companies. This means we are able to offer our customers optimal value for money each and every day.

Positioned at the interface between producers and end consumers, we have direct and indirect relationships with our customers and a variety of suppliers and producers. Our upstream value creation activities take place in both the secondary and primary sectors. This involves, on the one hand, the cultivation and harvesting of agricultural primary products, raw material extraction, livestock farming and fishing for food, and, on the other hand, activities such as forestry for packaging and near- and non-food products. The value chain extends from the processing of raw materials to the transportation of goods to logistics centers and 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.

Quality and service merge in our stores — by bringing the “more to value” Lidl motto to life, we prove ourselves to be a reliable partner for our customers every day.



Managing the Business Responsibly

For Lidl, economic success is directly related to corporate governance. This is based on our corporate due diligence principles, which include compliance with human rights and environmental standards.

Corporate governance at Lidl takes overall responsibility for our business activities, as described below. We are exempt from certain statutory transparency requirements on account of our company form and management structure.

GRI 2-9

Governance Structure and Composition

The management body of Lidl Stiftung & Co. KG is the Executive Board, which has a total of five executive members. The members of the Executive Board have the necessary knowledge and experience to be able to conduct the business of Lidl Stiftung & Co. KG in the proper manner. Their relevant fields of expertise include the Purchasing, Customer, Operations and Real Estate, Administration, Human Resources and Countries business units.

Whether with customers, business partners or with each other — we rely on a dialog-oriented exchange.

Lidl Stiftung & Co. KG does not have a governance body similar to a supervisory board in a stock corporation, so reporting requirements pertaining to such a body do not apply. The remuneration policy for executives at Lidl is not disclosed for confidentiality reasons.

GRI 2-15

Conflicts of Interest

All activities conducted in the company and all decisions made in this context must always be in the interests of the company. Any actual or potential influence by private interests must be avoided. Every employee must identify any conflicts between their private interests and the company’s interests themselves and take measures to avoid them. If an individual is unable to independently avoid or resolve a potential conflict of interest, they must immediately report the conflict to their direct manager. Dealing with conflicts of interest transparently requires trust — a value that fundamentally shapes our cooperation.

Compliance: Adhering to Applicable Law and Internal Guidelines

The Compliance Management System (CMS) established at Lidl is a central element of corporate governance.

At Lidl, we strive to act with integrity and to do so in exemplary fashion. Lidl and its employees therefore conduct themselves in accordance with the fundamental principle: “We comply with applicable law and internal guidelines.” This key corporate principle is binding for all Lidl employees. Lidl places great value on compliance with laws and regulations and sees it as its social responsibility to act with integrity. Violations of the law can lead to financial damage and loss of reputation for Lidl. Moreover, these violations can lead to personal compensation claims and have criminal consequences for individual employees or members of the company board. Lidl and its Executive Board are therefore expressly committed to complying with and ensuring the implementation of this corporate principle.

GRI 2-25, 2-26

Compliance Management Systems as a Basis

Against the background of the core shared corporate principle, Lidl has implemented a Compliance Management System (CMS). It includes binding specifications that define certain requirements and elements with which we aim to ensure an appropriate level of compliance. The key aim of the CMS is to

avoid and identify any violations against current legislation and internal policies and to resolutely pursue and prosecute if violations are identified (“zero-tolerance principle”). In terms of the content covered by the CMS, the focus is on anti-corruption / anti-fraud, data privacy, antitrust law, business partners, HR, and product and supply chain compliance.

In order to fulfill our financial responsibility too, we have also established tax and accounting compliance as focus areas. This ensures that Lidl adheres to its tax and other financial duties.

The compliance measures include in particular the adoption and communication of regulations (for example, on the handling of benefits and data privacy regulations), the implementation of training measures, and the investigation and follow-up of all material internal and external tips regarding potential compliance-related legal violations. In addition to the support of all employees and managers, the implementation of the CMS requires an appropriate compliance organization. The departments and roles responsible for compliance regularly review the suitability and effectiveness of the CMS and assess the potential for improvements.



At Lidl, we work together to ensure compliance and responsible behavior in the company.

GRI 205-2

Training Courses and a Whistleblower System for Prevention

In order to avoid compliance violations, a key topic aside from the continuous identification of compliance risks is raising awareness amongst employees and management by means of training courses. Training and awareness-raising measures are therefore organized soon after employees join the company and at regular intervals thereafter. This involves identifying potential compliance risks in the context of work activities and teaching appropriate and correct behavior when such risks arise. Employees are given risk-oriented training on the compliance issues that are relevant to them based on their roles and responsibilities. Lidl conducts both mandatory in-person training courses and online training courses for this purpose. As a rule, business partners and suppliers are also obliged to comply with statutory requirements pursuant to a corresponding contractual clause.

If a compliance violation should occur or a corresponding risk should arise despite these measures, we have a whistleblower system in place that both employees and external parties can use to report information on potential compliance violations or risks. Tips concerning potential compliance violations can be reported if the potential violations were committed by Lidl or by Lidl employees in the

course of their work or by third parties in connection with the business activities of Lidl, or if such violations are at risk of occurring imminently. These tips are reported to the compliance officers or the compliance units via various reporting channels. These include the compliance email addresses, compliance hotlines for internal inquiries, online reporting systems and the external ombudspersons (external lawyers of trust).

Any significant findings resulting from the tips are used to identify risks and further develop compliance measures. If negative impacts are identified that are directly or indirectly related to the business activities of Lidl, the company will take appropriate measures to remedy the situation and use its influence to ensure that those affected are provided with appropriate redress.

Due to the international structure of supply chains, there is a risk of social, human rights-related and environmental injustices occurring in these chains. To ensure that we fulfill our corporate due diligence, we maintain the aforementioned whistleblower channels at Lidl. These channels are also accessible to affected parties within our supply chains via the Lidl website. The procedure for handling reports at Lidl is regulated in our rules of procedure, which can be viewed on our [website](#).

GRI 2-23

Our Corporate Due Diligence Principles

Our corporate due diligence is firmly anchored in our processes. We require our suppliers to work with us in a collaborative manner and to operate in compliance with the law. In particular, they must respect human rights and adhere to environmental standards. The jointly elaborated Code of Conduct of the companies of Schwarz Group describes our basic principles for working with suppliers. We have been using this Code of Conduct for many years in negotiations with our suppliers from a risk-oriented standpoint in order to obligate them to comply with these principles and standards. We also require our direct suppliers to appropriately address the regulations in the Code of Conduct along the supply chain and ensure that their own contract partners adhere to the regulations by means of suitable contractual provisions.

In addition to the policy statement on the Lidl human rights strategy, we have also developed a human rights strategy for merchandise in our purchasing department, which defines clear principles, goals, standards and responsibilities for the protection of human rights. Find more information in our [Purchasing Policy Human Rights in the Supply Chain](#).

We also use a range of measures to inform our employees and raise awareness of the principles in place at Lidl.



Jointly Implementing the CSR Strategy GRI 2-24

We do not see sustainability as an add-on, but as an essential quality feature of our work. It is our aim to work today on questions that will arise in future and to set standards — by binding action and a transparent dialog with our shareholders.

We are committed to continuously improving environmental and social standards both in our own area of business as well as along the upstream and downstream value chain. We also support our customers in making more sustainable, informed and health-conscious purchase decisions. As part of the further development of our corporate strategy, we have revised our CSR strategy — across functions with our international and national departments. In doing so, we were able to build on our previous activities. Our updated, internationally valid CSR strategy stands for focus, controllability and concrete impact. We want to make our sustainability goals clearer, more measurable and more effective so that, as companies of Lidl Group, we are acting ahead rather than just thinking ahead.

With that aim in mind, we took the following action: First, we created a comprehensive list of potential sustainability topics based on our materiality analysis, scientifically recognized sustainability frameworks, EU requirements and competition analyses. We consolidated these topics into a compact list and conducted a scoring analysis: Which topics are particularly relevant to Lidl from a strategic perspective? We considered the perspective of our most important stakeholders — politicians, scientists, customers, non-governmental organizations (NGOs), the capital market, competitors and of course our own employees.

By the end of this process, we had defined five core fields of action that we will prioritize. These fields of action also set the structure of this report, as can be seen in our CSR graphic to the right. Our basic understanding is “engaging in dialog,” as continuous stakeholder dialog is crucial to the success of our sustainability activities.

Find more information on our CSR strategy on our [website](#).



Our international CSR strategy is structured into five fields of action; the meaning of the “engaging in dialog” topic is a basic concept throughout.



Protecting climate

By implementing a climate strategy, we are reducing harmful emissions throughout the entire value chain. To this end, we are using resources efficiently, focusing on renewable energies and working with suppliers to implement reduction measures in our supply chains. In order to play our part in limiting global warming to 1.5°C, we align our measures with science-based climate targets.



Conserving resources

Our aim is to help realize a well-functioning circular economy. To achieve this, we are improving the recovery of operational and food waste. We already design our private-label packaging and products with recycling in mind, and are gradually increasing the use of recycled materials.



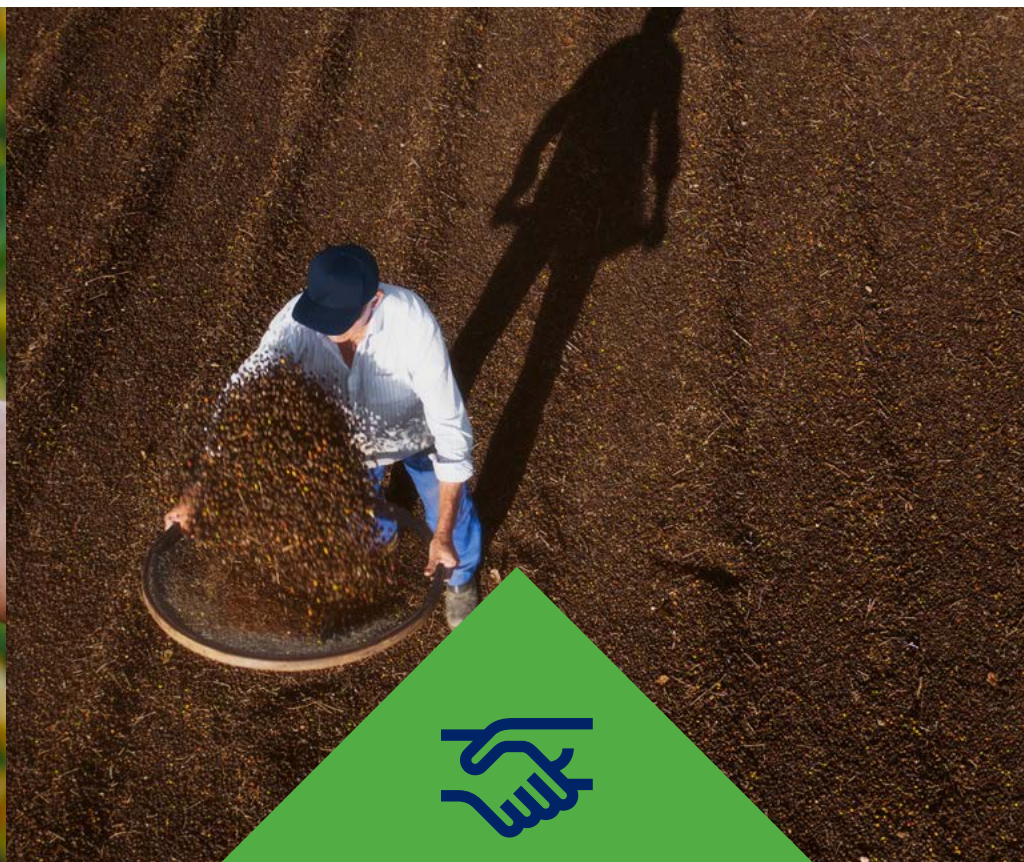
Respecting biodiversity

Biodiversity is the basis for food, clean water, fresh air and a stable climate. That makes it absolutely essential for our products and for well-functioning supply chains. This is why we integrate biodiversity aspects into our purchasing operations. Outside of the supply chain, we also support selected projects that protect and restore habitats.



Promoting health

To promote conscious nutrition, we are continually expanding our plant-sourced assortment — with a focus on fresh fruit and vegetables, plant-sourced protein and whole-grain products. At the same time, we are optimizing the nutritional profiles of our private labels. We also actively support the health and well-being of our employees with preventive offers and healthy working conditions (see “Acting fairly”).



Acting fairly

We believe that economic success and responsible action go hand in hand. Our aim is to create a work environment that supports health and well-being. That is why we take our responsibility seriously and, together with everyone on #teamlidl and our partners in the supply chain, are committed to ensuring fair working conditions and respectful collaboration.

Principles, Policies and Obligations

Our international CSR strategy is more than just a policy for us — it is the compass that will guide us to a better tomorrow. We follow and anticipate political and social debates and consider them in the context of our fields of action. We view European aims to increase sustainability not just as a requirement, but as a call for action. By defining clear, measurable targets, we are firmly embedding this ambition in all that we do.

Thinking ahead helps us to define a clear and binding framework to guide our processes at an early stage. As a global food retailer, we see it as our duty to continuously improve our business practices in order to fulfill our environmental responsibilities and respect social justice.

If you would like to know more, detailed information about our approaches, including our purchasing policies and position papers, is available on our [website](#).

GRI 2-13

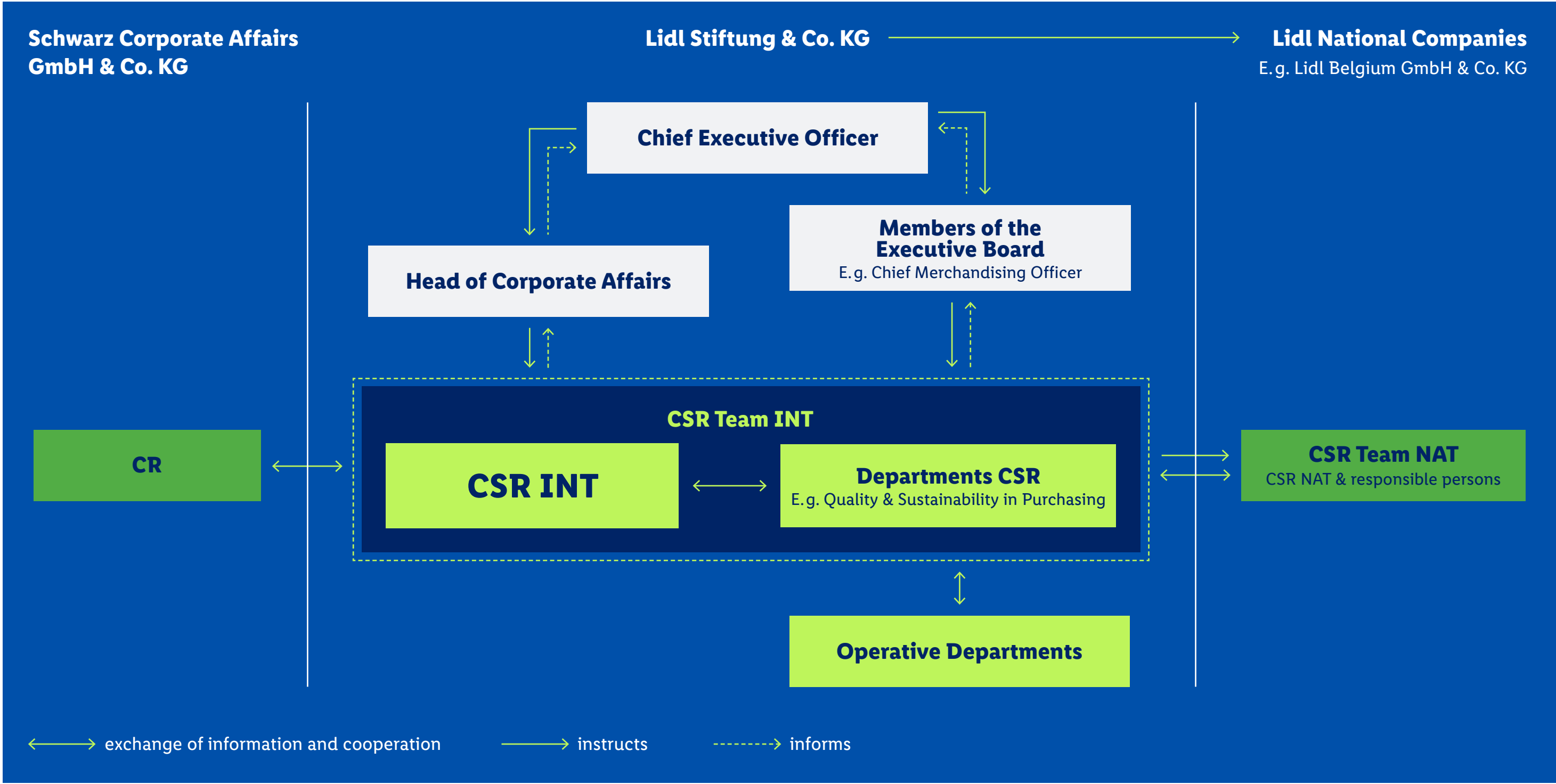
Anchoring Sustainability Governance Internationally

Sustainability as a strategic and operational core task of the company is firmly anchored with the Lidl Executive Board. The CEO bears overall responsibility for sustainability at Lidl. To ensure the strategy is as effective as possible across the entire company, including Lidl Stiftung & Co. KG and the national companies, CSR is organized in a matrix. All departments within the Executive Board work closely together according to

defined CSR processes and roles. The necessary coordination and decision-making processes are organized within a defined committee structure. The cooperation is collaborative and transparent.

The CSR managers together form the international CSR team, which meets regularly to discuss cross-country and cross-departmental CSR issues and develop decision proposals for the international CSR strategy, goals, measures,

Responsibilities, information channels and exchange formats ensure structured cooperation of the CSR organization at Lidl.



key performance indicators and communication. In addition, knowledge and information is shared between Lidl Stiftung & Co. KG and the Lidl national companies through a variety of measures. The team also supports the further development of national sustainability reporting.

In line with the organizational structure, the topic of sustainability is anchored in every Lidl national company with a national CSR team. The teams act as coordinators for sustainability topics within their business unit and manage their implementation.

Accordingly, the national companies have national CSR officers in the departments. They also meet regularly to discuss country-specific, cross-departmental CSR topics and to develop decision templates for national CSR goals, measures, key performance indicators and communication. They prepare the content for the national company’s sustainability reporting and review the content of the reports.



→ The national CSR teams work on country-specific topics and ensure transparent reporting.

31 national companies — sustainability is firmly anchored in all organizational units

The Corporate Responsibility department (CR) of Schwarz Corporate Affairs GmbH & Co. KG coordinates sustainability efforts on behalf of the companies of Schwarz Group. This department supports Lidl with its sustainability activities and enables cross-company cooperation on global topics.

The CR Roundtable coordinates the jointly developed strategic direction of CR engagement as a whole. Its members include the responsible heads of CR / CSR from the companies of Schwarz Group. The content of group-specific topics is addressed within the defined topic areas. Together, group-wide guiding principles and general conditions are defined and refined. The CR Roundtable meets regularly and is also involved in constant exchange with the established work structures about overarching topics. Expert coordination is provided by the CR department of Schwarz Corporate Affairs GmbH & Co. KG.

Empowering Employees to Act More Sustainably

We want to develop a basic understanding of CSR among all employees and provide them with targeted training on the topic of sustainability through various training formats. To this end, our #teamlidl sustainability initiative “YOU” is aimed at all Lidl employees worldwide. As such, we make our commitment to sustainability visible and tangible internally through a wide range of communication and learning opportunities and by building a Lidl community. For our office-based colleagues, we developed a basic training course on our CSR strategy in the 2024 fiscal year, which was rolled out in all countries in 2024 and 2025. Separate CSR training was also designed and rolled out for our in-store colleagues in the same period. In addition, selected existing training courses for logistics employees were supplemented with sustainability topics and documents were created to raise awareness at the site.

Furthermore, in September 2025, employees at Lidl Stiftung & Co. KG came together as part of our inaugural CSR Action Days to familiarize themselves with the Lidl sustainability strategy and to share their ideas. With this in mind, the fourth Co-Working Day took place on October 24, 2025. All 140 CSR employees were invited to come together for the day in a shared workspace and to exchange ideas, network and create strategies through keynote speeches and during a special lunch.



Materiality Analysis

We perform materiality analyses on a regular basis to examine the sustainability-related impacts, opportunities and risks that arise from our business activities. Based on these analyses, we continually develop the content of our strategic sustainability agenda.

GRI 3-1

In order to define the topics for this report, we conducted a thorough and well-founded double materiality analysis together with the other companies of Schwarz Group in 2023 and 2024. On the basis of the dimensions “impact materiality” and “financial materiality,” a total of 31 sustainability topics were evaluated. The topics assessed were derived from a list from the European Sustainability Reporting Standards (ESRS), which were clustered and supplemented with company-specific topics for the purposes of this materiality analysis. Impacts and financial opportunities and risks associated with these topics were identified and assigned to them. Internal and external stakeholders who could be affected by these impacts, risks and opportunities were then matched to the 31 topics. In the next step, various specialists within the company whose particular field covers the relevant topics were identified to assess the materiality of these topics. The specialists also considered the interests of the affected stakeholders.

The entire value chain was considered when analyzing the impacts, risks and opportunities. All assessed impacts, risks and opportunities were assigned a position in the value chain — e.g., in the upstream value chain, in the company’s own operations, in the downstream value chain or across the entire value chain. Impacts, risks and opportunities related to human rights were also considered in the company’s own operations as well as in the value chain. This resulted in all topics being illustrated according to priority on a uniform, group-wide scale. The companies of Schwarz Group jointly established the threshold at which a topic is to be classified as "material."

In the process described, the following stakeholders in particular were taken into account:

- Consumers, customers and (end) users
- Consumer protection
- Employees
- Managers
- Suppliers, producers
- Service providers, business partners
- Investors, banks, insurance companies
- Competitors
- Associations
- Trade unions
- Policymakers, authorities and offices
- Residents, municipalities and neighborhoods
- NGOs, civil society and initiatives
- Press, media
- Workers in the value chain
- Science
- Nature

→ Pursuant to the CSRD, material topics were bundled, supplemented and also evaluated by internal experts in consideration of affected stakeholders.

GRI 3-2

Material Topics

The analysis described above identified 12 material topics, which we have assigned to our five strategic fields of action for this report. In addition to the topics identified as being material, we have included a number of other selected topics in the report. One of the reasons we have done this is to provide information on specific aspects of our business model.

In doing so, the aim is to ensure the greatest possible transparency. Lidl is also affected by a wide range of developments, such as internal and external audits, which can entail certain documentation requirements. To enable us to provide the information needed in such cases in as much detail as possible, we are also voluntarily reporting on two additional topics in this sustainability report.



year. We collate and aggregate all our sustainability management targets and measures using this software. This enables us to analyze and manage both our qualitative and quantitative sustainability data in order to ultimately achieve our sustainability goals. Best practices can also be adopted and adapted for various national companies.

We are also focused on continuously developing the key performance indicators for our material topics. With the aid of a group-wide set of key performance indicators, we collect more than 1,000 sustainability KPIs based on standardized definitions and parameters across all national companies.

Field of Action	Material Topics		Voluntarily Reported Topics
Protecting climate	• Adapting to climate change		
	• Climate protection		
	• Energy		
Conserving resources	• Circular economy: resource streams and use		
	• Circular economy: recyclables and waste		
Respecting biodiversity	• Biodiversity & ecosystems		
Promoting health	• Information rights and data privacy		• Sustainable product design
	• Safety		• Conscious nutrition
Acting fairly	• Other work-related rights (own workforce)		
	• Other work-related rights (suppliers)		
	• Working conditions (own workforce)		
	• Equal treatment and equal opportunities (own workforce)		

GRI 3-3

Management of Our Material Topics

In order to bring our sustainability strategy to life, we have developed a clear road map for its implementation in our national companies. This ensures that our sustainability targets are lifted off the page and translate into real impact on the ground — today, tomorrow and in the future. We provide an overview of the targets and our progress so far in the relevant topic-specific chapters of this report.

The measurement of progress forms part of our annual planning and strategy cycle, and solid data management provides the basis for this. We are implementing a group-wide software solution for sustainability management at Lidl Stiftung & Co. KG and all national companies in the 2026 fiscal

Over **1,000**
sustainability KPIs are
collected using a group-wide
key performance set

In Dialog with Politicians and Society

As one of the leading international retail companies, the companies of Lidl Group are aware of their social responsibility. We are convinced that global challenges, particularly in the area of sustainability, can only be overcome through close and constructive cooperation between all stakeholders. That is why we seek and maintain active dialogue with political decision-makers, NGOs, scientists and the general public at both the international and national levels.



→
Lidl is committed to practical framework conditions when it comes to sustainability.

Our Role in Political Discourse

We see ourselves as a partner to policymakers when it comes to creating sustainable and practical framework conditions for trade and the entire value chain. Our commitment focuses on key topics that are of central importance to our industry and our customers and partners: For example, we contribute our expertise to the development of measures to reduce emissions, promote the circular economy and minimize food waste. We are also committed to policies that promote environmentally friendly packaging, animal welfare and the sustainable sourcing of raw materials.

As an active participant in political dialog, we transparently share our corporate positions and practical experience to enable well-founded and forward-looking political decisions. For this reason, Lidl Stiftung & Co. KG is also listed in the lobby register of the German Bundestag.

The key topics of our political advocacy are:

- Renewable energies
- Energy efficiency
- E-mobility
- Climate-friendly construction
- Circular economy
- Packaging and recycling
- Single-use / multi-use bottle deposit systems (closed-loop bottle)
- Textiles and electrical appliances / batteries (product responsibility and collection)

- Food labeling
- Animal welfare
- Nutrition strategy
- Corporate due diligence obligations in supply chains
- Work and social affairs
- Taxes and levies
- Shipping

Through proactive and transparent dialog, we reaffirm our commitment to making a measurable contribution to a more sustainable future as a responsible company.

Our activities are carried out in close cooperation with Schwarz Corporate Affairs GmbH & Co. KG (SCA), which has representative offices in Berlin and Brussels. As such, they are listed in both the European Union’s transparency register and the lobby register of the German Bundestag.



Partnerships for Change

Beyond political dialog, we are actively involved in multi-stakeholder initiatives and partnerships. These collaborations are essential for sharing best practices and scaling effective solutions to complex sustainability issues: We work closely with non-governmental organizations to further develop our approaches for improving the social and environmental impact of our activities.

In 2020, for example, the companies of Schwarz Group joined the United Nations Global Compact (UNGC), thereby committing themselves to complying with and promoting the ten principles of the UNGC. We see it as our corporate responsibility to stand up for the strengthening of human rights, fair remuneration and safe working conditions in all areas of our business activities worldwide. We oppose all forms of corruption and are committed to environmental and climate protection. We document our measures and corresponding progress as part of the annual “Communication on Progress” process.

We participate in industry associations and platforms to develop common standards and fulfill our collective responsibility in the supply chain. We also seek dialog with consumer organizations and civil society in order to understand their expectations and continuously improve our products and processes. Existing national cooperations between Lidl and WWF, such as in Switzerland and in Austria, have been further intensified and the collaboration extended internationally.



We get involved in multi-stakeholder initiatives for effective and scalable solutions.



Through targeted projects — for example in the banana sector — we are committed to promoting living wages.

GRI 2-28

Cooperation with International Organizations

Lidl Stiftung & Co. KG is represented in the following associations, organizations and initiatives (selection):

- ACT — Action, Collaboration, Transformation
- Alliance for Water Stewardship (AWS)
- Lillian Verpackung und Umwelt (AVU)
- amfori Business Social Compliance Initiative (BSCI)
- Partnership for Sustainable Textiles
- Charta der Vielfalt (Diversity Charter)
- Econsense
- Ethical Tea Partnership
- Ethical Trade Initiative
- Food for Biodiversity
- Forest Stewardship Council® (FSC)
- Forum for Sustainable Palm Oil (FONAP)
- Fur Free Retailer
- GLOBALG.A.P., GLOBALG.A.P. GRASP Technical Committee
- Global Roundtable for Sustainable Beef (GRSB)
- ILO Better Work
- International ACCORD
- International Network of Leading Executives Advancing Diversity (LEAD)
- Leather Working Group
- Plastic Recyclers Europe (RecyClass)
- ProTerra Foundation
- 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

Lidl is also represented in the following institutions through Schwarz Group (selection):

- Ellen MacArthur Foundation
- Science Based Targets initiative (SBTi)
- UN Global Compact

Lidl also works with the following partner organizations (selection):

- Aquaculture Stewardship Council
- Compassion in World Farming
- Cotton made in Africa® (CmiA)
- Downpass
- Fairtrade
- Marine Stewardship Council
- Oxfam
- Rainforest Alliance
- Save the Children
- World Wide Fund For Nature (WWF)

“Shifting how we produce and consume food is essential to addressing nature loss and climate change. Through our partnership, WWF and Lidl work together across international value chains to help drive this transition. By combining our expertise, we can scale practical solutions that strengthen sustainability where it matters most.



Kirsten Schuijt
Director General
WWF INT

Lidl and WWF Partnership

Lidl has been working with the World Wide Fund for Nature (WWF) since 2024 as part of a long-term international partnership. In the course of this, the focus is on cooperation along the value chain to tackle the central, global, ecological challenges. The focus is on climate protection and the protection of biodiversity and natural resources such as fresh water. The motto of the partnership is therefore: Together for a more sustainable choice. The aim is to join forces to ensure responsible sourcing of raw materials, tackle food waste and address the global environmental challenges of our time, such as climate change and biodiversity loss, beyond our own value chain. Drawing on WWF’s expertise, we are further developing our sustainability strategy. Going forward, our assortment will be aligned even more closely with the science-based Planetary Health Diet, which recommends a predominantly plant-sourced diet (see the chapter on [Promoting health](#) from p. 75).

“We align our actions with scientific findings to reduce our ecological footprint and strengthen our supply chains for the long term. By means of the strategic partnership with WWF, we are addressing ecological hot spots along our value chain. A key lever is to continuously increase the proportion of plant-sourced protein in our assortment in accordance with the Planetary Health Diet.



Christoph Pohl
Chief Merchandising Officer
Lidl Stiftung & Co. KG



Kick-off and signing of the partnership between Lidl and WWF: (From left) Thomas Vellacott, CEO WWF CH, Christoph Pohl, Chief Merchandising Officer, Lidl Stiftung & Co. KG, Kirsten Schuijt, DG WWF INT



📍 Acting locally

Lidl in Dialog: The Future on Your Plate

How can a scientifically sound, healthy and more sustainable diet be implemented in practice? This question was the focus of an event organized by Lidl in Germany, which took place in Berlin on November 5. More than 150 interested participants from the worlds of politics, science, agriculture and health care accepted our invitation. Under the motto “The Future on Your Plate — The Planetary Health Diet in Practice: From Model to Reality,” ideas from the worlds of science, politics and business were shared. For Lidl as a food retailer, the Planetary Health Diet is more than just a guiding principle. It is already influencing product range design and pointing the way toward more conscious nutrition.

GRI 2-29

Strengthening Dialog with Stakeholders

We firmly believe that engaging in dialog with stakeholders ensures a plurality of opinions are voiced and supports the development of practical solutions to tackle the challenges of our time. Continuous dialog with our internal and external stakeholders — including customers, politicians, non-governmental organizations, suppliers, the media, financial institutions, other business partners as well as employees — is therefore an essential part of our sustainability management and brings our corporate value of belonging to the fore.

As part of our materiality analysis, we regularly evaluate which stakeholders are particularly relevant to our company. For more information, see the section on the [☑ Materiality Analysis](#) (p. 19).

We regularly contact our stakeholders and provide them with comprehensive information about our activities in a way that is appropriate to the target group. We use different methods to do this, such as sustainability reports, press releases, or brochures for external stakeholders and customers as well as the intranet for our employees. We also facilitate and encourage direct 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 flows through to our work. In addition, Lidl is involved in a range of collaborations and networks and participates in dialog formats organized by third parties.



Stay in touch

New ideas and jointly developed sustainability solutions are created in the strategy process through exchange and participation.

GRI 2-29
Engagement Through Sponsorship

“Conscious nutrition” is a key topic in our “Promoting health” field of action. Alongside a healthy and sustainable diet, it is particularly important to maintain an active lifestyle. Lidl is involved in a wide range of sport sponsorship activities, aiming to promote the importance of a healthy lifestyle. From major sports tournaments to local grass roots competitions, we support sports events, collaborate with sports clubs and raise awareness among our employees and customers around the world through prize draws and other campaigns, all with the aim of getting them and their children interested in sport and exercise. Through these measures, we put people at the center of what we do: an expression of our corporate value, respect.

In 2025, Lidl was an official partner of UEFA Women’s EURO 2025™ in Switzerland and distributed around 270,000 fruit cups to soccer fans as part of this partnership. Lidl Stiftung & Co. KG also donated around 12 tons of fruit and vegetables to people in need. One highlight was the Lidl Youth Camp in Basel, developed and organized in partnership with UEFA, where 100 young women from 18 countries came together to participate in professional soccer training as well as workshops on diet and mental health.

100
girls from 18 countries
in the Lidl Youth Camp

In addition, Lidl was present at all 31 games of UEFA Women’s EURO 2025™ in the eight stadiums in Switzerland with a 57-strong Awareness Team to promote respect, fairness, acceptance of diversity and mutual consideration. Supported by the Guardian Angels — an interdisciplinary team of experts for psychological crisis intervention, de-escalation and awareness concepts — the Lidl Awareness Team helped ensure that visitors to the stadiums felt safe and respected. Our teams were available as contact persons and offered so-called safer spaces where affected stadium visitors could retreat if necessary. Moreover, affected stadium visitors had the opportunity to contact psychologists by telephone.

The acquisition of the majority stake in the UCI WorldTeam Lidl-Trek in October 2025, which we have been supporting since 2023, also underscores our long-term commitment to top-class sport and actively promotes a healthy and sustainable lifestyle. Through the targeted promotion of young talent and investments in our own performance area, we make a significant contribution to the development of athletic performance, underpinned by a common culture and established values.

Lidl also sponsored the IHF Men’s EURO 2025, which took place in Croatia, Denmark and Norway at the beginning of the year. We additionally supported the IHF Women’s World Championship 2025, which took place in Germany and the Netherlands in November.



**Mission for
fairness, diversity
and respect**



Children and fans experience sport, companionship and excitement — Lidl is committed to exercise, health and fair encounters.



Reducing Emissions Together — for a Measurable Impact on Climate Change

We want to go forward courageously and assume real responsibility for the climate. Together with partners and employees, we at Lidl are committed to reducing emissions along our entire value chain.





Story

A Global Signal for Climate Protection

International climate action at Lidl encompasses the entire value chain. Lidl is thus pursuing its climate ambitions throughout Europe and beyond — offering food at affordable prices while operating in alignment with the Paris climate targets.



Almost **100%** renewable energy — even today, Lidl covers almost all of its energy requirements through renewable energy^{1,2}

¹ Excluding any purchase agreements that the companies of Schwarz Group cannot influence, such as those for individual leased properties with a binding electricity procurement clause. For more information, please go to: [gruenstrom.schwarz](#).
² All information on emissions (Scope 1, 2 and 3) can be found on [p. 42 - 43](#).



“

Energy-efficient measures in real estate and logistics — from heat recovery to photovoltaics, advanced heat pumps and the use of electric trucks — enable us to make a tangible contribution to the Lidl climate strategy. Here, the key to success is the seamless interplay between technological innovation and strong collaboration across #teamlidl.



Benjamin Danner
Head of CSR
Operations & Real Estate
Lidl Stiftung & Co. KG



A solar system shines in the midday sun on the roof of a Lidl store in Wrocław, Poland, while in the Netherlands an electric truck is leaving the warehouse packed with products for Lidl stores. Suppliers in Italy are working on lower-emission fertilization methods, and in 4,828 stores and 164 warehouses, natural refrigerants are already flowing through the cooling technology. Individually, these measures might seem small, but when combined and coordinated across 32 countries, their impact is enormous. They contribute to Lidl's climate strategy, which has been developed jointly with the other companies of Schwarz Group.

Lidl plans to consistently avoid or reduce greenhouse gas emissions in its own operations (Scopes 1 and 2) as well as along the entire value chain (Scope 3) across all national companies. Lidl Stiftung & Co. KG is responsible for ensuring that the climate strategy is implemented consistently. This includes defining targets, measuring progress and supplier commitment. As well as marking progress for the company, this coordinated climate strategy is designed to make a significant contribution to the Paris Climate Agreement. The climate targets of the companies of Schwarz Group were checked and validated by the Science Based Targets initiative (SBTi) and are therefore scientifically sound and in line with the 1.5 degree target.

With photovoltaic systems on the roofs of the stores, Lidl is relying on renewable energies.

Validated and Backed by Science

Science-based targets (SBTs) are company-specific emission reduction targets that are based on the latest climatological findings and ensure that a company's decarbonization paths are compatible with global targets to limit global warming — ideally to 1.5°C. The SBTi provides methodologies for the validation of science-based targets. These serve as a scientifically sound benchmark for measuring climate-related corporate responsibility along the entire value chain.



Supply Chains in the Spotlight — With a Systematic Approach

The majority of GHG emissions generated by Lidl do not arise from business operations directly, but rather in Scope 3 — from the production of raw materials to the use of products. Lidl is therefore specifically working with strategic partners to jointly implement effective climate protection measures. These are supported by initiatives to promote sustainable cultivation methods and energy-efficient production processes, among other measures.

Climate Strategy With Leverage Effect That Extends Far Beyond Lidl

Thousands of suppliers across 31 national companies are bound by the Lidl climate strategy. As a result, a single corporate decision becomes a real collective effort and sends a signal with an international reach. By improving efficiency and investing in innovation, it is even possible to cut operating costs in some areas while at the same time supporting sustainability targets. In doing so, Lidl is sending a clear message that large companies can take responsibility for their carbon footprint. But that is not all: Lidl involves its over 386,000 employees³ ✓ in these efforts and shows customers that conscious consumption and good value for money do not have to be mutually exclusive. Through these initiatives, Lidl demonstrates how to establish systems that support sustainability.

Our pilot stores in a modern timber-construction style are an example of our future building standards and show how climate protection, conservation of resources and customer focus interact architecturally.

³ The number of employees listed here shows the internal control figure, which is based on a different definition of employee to that used in the annual financial statement.



Tackling Climate Change GRI 3-3

According to the World Economic Forum’s Global Risks Report 2025, extreme weather events rank among the most significant global risks facing us this century. As one of the largest food retailers in Europe, we take our responsibility seriously and want to do our bit globally to help build a regenerative economy.



The climate crisis affects us all. Rising sea levels and coastal erosion are destroying habitats for humans, animals and plants. At the same time, the warming and acidification of oceans is endangering marine ecosystems. This has direct consequences for global food chains, our supply chains at Lidl and ultimately global food security. Extreme weather can also directly impact our sites, warehouses and stores — for example, heavy rain can cause flooding.

Together, we develop solutions at Lidl to reduce emissions and drive climate protection forward.

But the effects of climate change are not just environmental; they are also social: The destruction of the environment endangers fundamental human rights, such as the right to health or the right to food. According to the World Health Organization (WHO), millions of deaths each year can be attributed to preventable environmental risk factors — 1.4 million in the EU alone. Farming, fishing and other climate-sensitive sectors are often the main sources of income in the Global South and are therefore at direct risk from climate change. The loss of income and food sources increase the risk of food insecurity. The costs required to adapt are high, but financial resources here are limited. As a result, the climate crisis amplifies existing social imbalances, which can lead to conflicts over the distribution of resources and cause greater migration.

At Lidl, we are tackling the complex issue of climate protection collaboratively, with different areas of the company working hand in hand. This means that responsibility for reducing operational greenhouse gas emissions in Scopes 1 and 2 (e.g., in logistics and store construction) rests with the Operations & Real Estate business unit. With regard to emissions in our upstream and downstream value chains (Scope 3), the largest share of our emissions are generated by the products we purchase. The Quality & Sustainability department in the Purchasing business unit, which focuses on the topic of climate in the supply chain, is responsible for this area. The CSR department of Lidl Stiftung & Co. KG is responsible for the operational implementation of all measures designed to ensure compliance with country-specific laws and internal specifications, together with the CSR departments of the national companies.



Reapproved Science-Based Climate Targets GRI 302-5

Consistently protecting the climate requires clear strategic direction. Updated targets issued by the companies of Schwarz Group have been SBTiapproved and are in line with the Paris Climate Agreement.

As a company of Schwarz Group, Lidl is committed to continuously reducing its own operational greenhouse gas emissions and those from within its supply chains. We are therefore taking targeted steps to avoid greenhouse gas emissions altogether or to reduce them further.

A Joint Climate Strategy from the Companies of Schwarz Group

As part of their joint climate strategy, the companies of Schwarz Group officially joined the Science Based Targets initiative (SBTi) back in August 2020. After preparing a complete analysis of their climate and carbon footprint, specific reduction targets were jointly defined in accordance with the methodology of the SBTi and developed with concrete measures to reduce or prevent carbon emissions in operations and along the supply chain.

Good to know

The Net-Zero Ambitions of the Companies of Schwarz Grouppe

The companies of Schwarz Group want to align their business activities with science-based climate targets and a netzero approach. These science-based targets were approved by the SBTi in September 2021. In spring 2025, our new and updated climate targets were (re-)approved by the SBTi.

Another tool in our climate protection efforts involves promoting plant-sourced nutrition: Given producing plant-sourced products generates lower greenhouse gas emissions, on average, than producing animal-sourced products, we are working to expand our vegan and vegetarian product ranges and hope to increase our share of plant-sourced proteins to 20 percent by 2030. More on this can be found in the [Promoting health](#) chapter (p. 75).



GRI 302-5 Management Guided by a Comprehensive Carbon Footprint

Our comprehensive [carbon footprint](#) (see p. 42), which also contains the greenhouse gas emissions generated across our upstream and downstream value chains, forms the basis of our climate management approach. It enables us to record our emissions, identify potential reductions, check the impact of our measures and document our progress in achieving the climate targets. In order to gain a better understanding of the impact that our assortment has on the climate, we have been regularly identifying the emission drivers in our product groups since 2019. Besides animal products, which include meat and dairy products, non-food articles are a particularly emission-intensive product group. In the food product groups, agricultural processes and animal husbandry are the main drivers of emissions. In the electronic goods category, it is the usage phase in



particular that contributes most to GHG emissions, depending on the electricity mix and the energy efficiency of the products. A software update can negatively influence functionality, for example, by shortening battery life or slowing performance. If a device consumes more energy due to an update, the emissions increase directly during the usage phase. The manufacture of new electronic articles is both resource and energy intensive. Each shortening of the lifespan leads to unnecessary waste and greenhouse gas emissions through production and transportation of substitute products.

GRI 305-1, 305-2, 305-4
Carbon Footprint Pursuant to the GHG Protocol

The Lidl greenhouse gas emissions are specified in tons of CO₂ equivalent (CO₂e) in the carbon footprint. The calculation corresponds to the requirements of the GHG Protocol. Operational GHG emissions include direct GHG emissions (Scope 1), for example, from the use of fuel-based heating systems or company cars, and indirect GHG emissions generated by the purchase of energy (Scope 2). The emissions in the upstream and downstream value chain such as the production and transportation of our goods from the producer to the stores is included in Scope 3. We use a location-based and market-based approach to report our Scope 2 emissions. The latter bases the calculation on the emission factors that we obtain

directly from our electricity suppliers (Lidl electricity mix). The location-based approach, in contrast, uses emission factors for a geographic region for the conversion, in our case, for all countries in which we operate. We used the market-based approach to calculate the reported total emissions (↗ see p. 42) for the Scope 1, 2 and 3 categories.

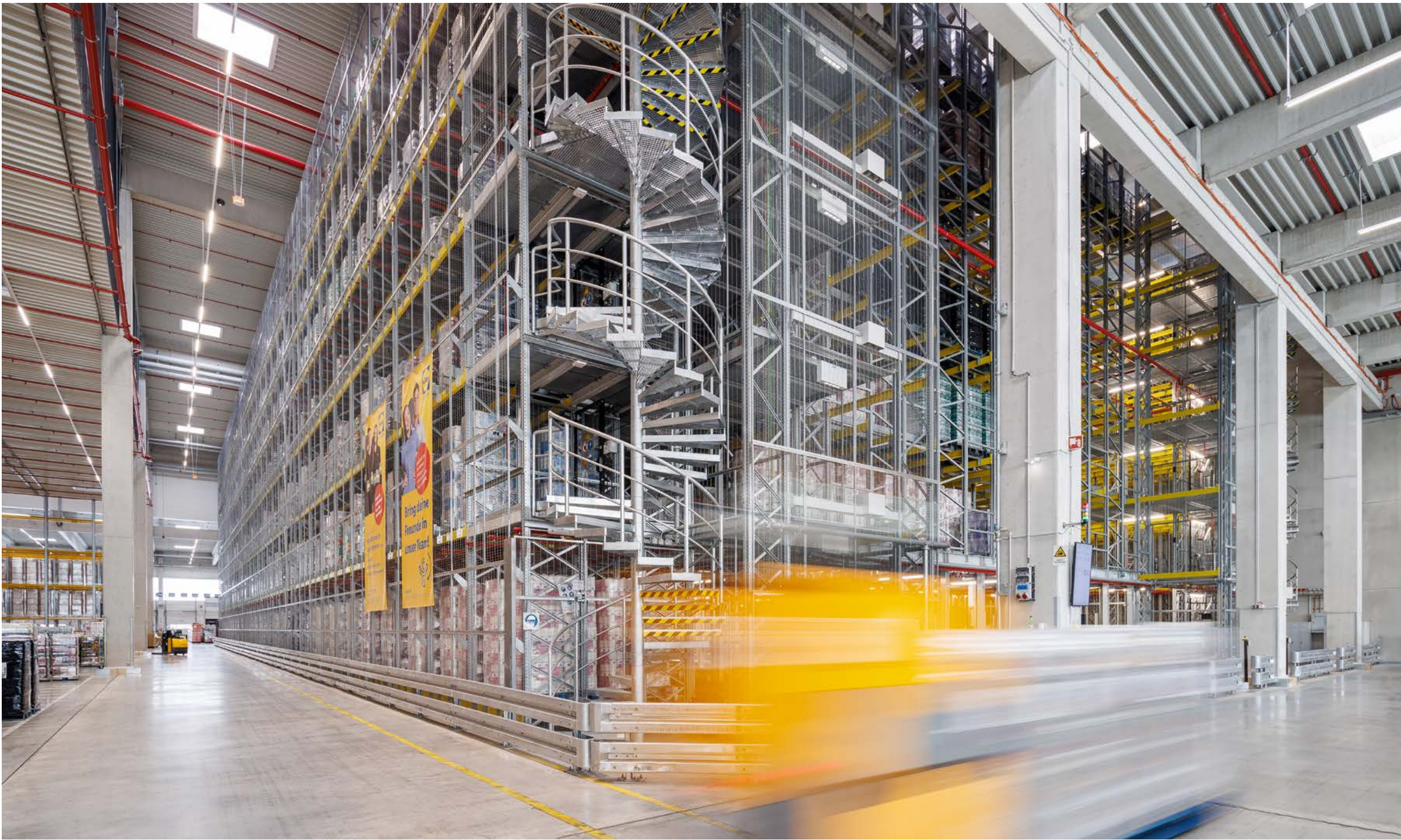
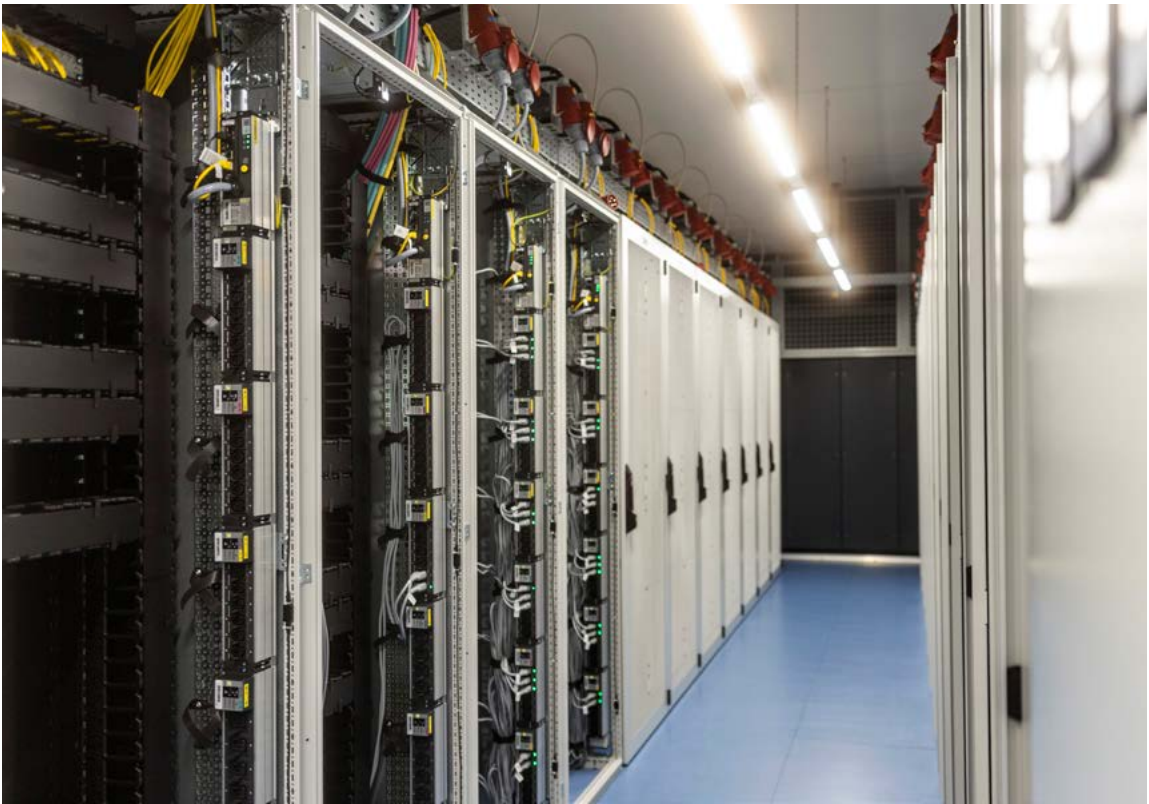
The intensity of our Scope 1 & 2 greenhouse gas emissions is related to the sales area: 10.63 tCO₂e / m² (market-based approach). Consumption data for operational emissions (e.g., general fuel consumption by company cars) is collected by us or recorded based on contract data. The emission factors are provided by an external service provider, which also calculates the carbon footprint for us. Based on the carbon footprint (↗ see p. 38), we develop reduction measures in collaboration with our business partners.⁴

GRI 305-3
Driving Improvements in Data Quality

We are constantly working to improve data quality and use consumption data to calculate Scope 1 and 2. In the future, our aim is to use a better data basis for Scope 3 emissions as well. For Scope 3 categories, the data collection process makes it a more complex affair: We collect some of the data ourselves (e.g., paper consumption, quantities of incoming goods), receive activity data from external service providers

(e.g., operational waste) or make assumptions in consultation with advisors (e.g., employee commutes). We obtain emission factors from commonly used life cycle databases (e.g., ecoinvent). In the future, we intend to incorporate supply chain-specific data into our emissions calculation, such as interventions at the farm level.

Data and efficiency are interlinked at Lidl in order to reduce emissions in a targeted manner.



⁴ Since the key performance indicators for the reporting year needed to be collected before the end of that year in order to prepare for the reporting obligations pursuant to the CSRD KPIs, appropriate projection methods were used for the figures for the remaining time period.

Reducing Emissions in Our Own Operations GRI 302-1, 305-2, 302-3, 302-4, 305-5

With more than 13,000 locations in 32 countries, the Lidl international operations open up huge opportunities for targeted climate protection. However, this also entails complex, country-specific challenges. In order to effectively reduce our greenhouse gas emissions, we therefore pursue a joint strategy and adapt the measures to regional circumstances.

Lidl has been setting high standards for the construction and operation of its buildings in terms of their sustainability for many years, creating the basis for a real estate portfolio that contributes to climate protection and conservation of resources through every phase in the life cycle of the buildings. For new buildings, we work to an energy-efficient standard at every stage, from construction through to fixtures and fittings. We are continually implementing modernization measures to improve the energy efficiency of our real estate portfolio, for example, by upgrading technical equipment. We also use recognized building certificates, such as Excellence in Design for Greater Efficiencies (EDGE), Building Research Establishment Environmental Assessment Method (BREEAM), Leadership in Energy and Environmental Design (LEED) and the standard published by the German Sustainable Building

Council (DGNB), to gradually increase the share of sustainable buildings in our portfolio. 4,591 of our buildings have already achieved this certification. That corresponds to 35 percent of our real estate portfolio. In the reporting year alone, 128 of our properties were successfully certified.

4,591
Lidl buildings have already obtained certification

GRI 305-5

Innovation Projects for More Sustainable Buildings

In our construction measures, we are increasingly using materials with the lowest possible environmental impact. We have already successfully built several stores, logistics centers and national headquarters buildings in line with this principle — such as with wooden supports and recyclable building materials, e.g., wood fiber insulation. Our pilot stores in Europe demonstrate how sustainability can be successfully implemented in construction. Our timber construction stores in Albstadt and Wangen, Germany, are characterized by consistently resource-efficient construction as well as energy efficiency. Combined with a modern technical concept and ecological measures, such as a selection of regional plants, this commitment has been recognized with the DGNB Platinum certificate. In these projects, we already consider the whole life cycle of the property — from the choice of low-emission materials during construction to the subsequent dismantling capability.

Selected measures have been integrated into the standard building specification — our binding construction framework — so that it was awarded the DGNB Gold pre-certificate (2023 version) as a basis for future new store constructions. Essential components demonstrating our commitment

include low-emission technical building equipment and materials tested for harmful substances. The use of recycled material as well as well-thought-out dismantling and recycling concepts contribute to recyclability. Through these pilot projects, we test targeted new approaches to continuously advance sustainable construction and make it economically scalable. With the 2024 and 2025 building specifications, we have created a certified master plan, for which we were presented with the DGNB Gold pre-certificate at Expo Real 2024. Following a final, site-specific audit by the DGNB, all future standard stores will receive Gold certification nationwide on this basis.

Award for sustainable construction innovations: Our timber construction concept was honored with the DGNB pre-certificate in Platinum.





The building concept aims to minimize energy consumption and thereby carbon emissions, while maximizing dismantling capability. We use these pilot projects to specifically test new concepts that will enable us to continually advance sustainable construction and make it economically scalable in the long term.

For our fresh air supply, we rely on systems with heat recovery. We also want to pay attention to the careful handling of drinking water and limit its consumption by using water-saving sanitary fixtures and faucets.

In line with our internal construction standard, we use natural refrigerants such as ammonia (NH₃), CO₂ and propane at Lidl for product cooling. 71 percent of all logistics centers and around 37 percent of all stores used such natural refrigerants to keep our products cool and fresh in the reporting year. We have also already installed building air conditioning with natural refrigerants at 15.2 percent of our logistics centers. In the reporting year, 4.9 percent of Lidl stores had installed active systems for generating heat / cooling for building air conditioning. In terms of refill quantities, natural refrigerants therefore accounted for 64.4 percent of all refrigerants used by us in the reporting year.

The standard building specification for Lidl in Germany has been awarded the DGNB pre-certificate in Gold.



Energy Self-Sufficient Stores

In Villafranca di Verona, Lidl Italy has built the first Lidl store in the country that fulfills the sustainability criteria in an exemplary manner. The measures implemented there serve as examples of best practice and provide inspiration for future construction and energy standards. The new building is energy self-sufficient thanks to a large-scale photovoltaic system on the roof and additional PV modules on the carports. Exclusively PEFC-certified wood was used for the construction, which avoided the use of concrete and significantly reduced carbon emissions. State-of-the-art cooling technology that uses CO₂ as a natural refrigerant reduces emissions by 99.8 percent. Rainwater is collected and used for irrigation, which substantially reduces water consumption. Moreover, a green area on the premises aids the preservation of biodiversity. The store thus serves as a model for future Lidl stores around the world.

Since the key performance indicators for the reporting year needed to be collected before the end of that year in order to prepare for the reporting obligations pursuant to the CSRD KPIs, appropriate projection methods were used for the figures for the remaining time period.

Energy Efficiency Has Top Priority

By modernizing the technical equipment at its properties, Lidl has increased the energy efficiency at many of its locations, including in Spain, Cyprus, Finland, Latvia and Estonia. Existing systems and technologies that were inefficient were replaced with new, more energy-efficient systems. In doing this, we are following our high 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 replacement of fossil-fueled heating systems with highly efficient heat pumps. Heat pumps are already fitted in 59 percent of our buildings, which in concrete figures equates to 7,650 of our stores, 86 of our logistics centers and 25 of our national headquarters buildings.

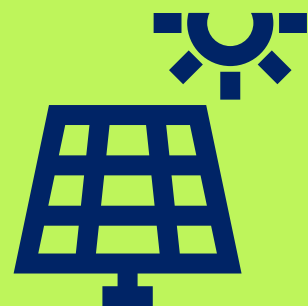
We are also leveraging the opportunities offered by building automation to reduce energy requirements. This includes needs-based control to optimize energy use and monitoring of building technology. Lidl relies on lighting control that adapts dynamically to actual requirements depending on the daylight and people present.

Energy Efficiency That Sets Standards

By means of modern technology, intelligent controls and the expansion of renewable systems, we are increasing our energy efficiency at thousands of locations — and reducing consumption sustainably.



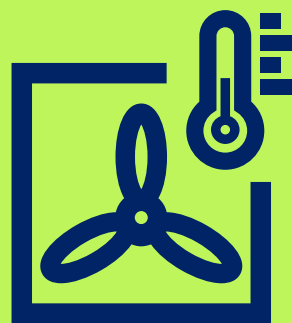
5,664 stores have EV charging stations



4,090 buildings are equipped with photovoltaic systems



14% of buildings use heat recovery from product cooling



Over 7,700 buildings are equipped with heat pumps

GRI 302-1, 302-3

Energy Management Systems Support Continuous Optimization

All Lidl European stores, logistics centers and national headquarters buildings are certified in accordance with the ISO 50001 energy management system. As such, the matrix certification awarded to Lidl during the reporting period unites all operationally active Lidl national companies in Europe with over 12,900 stores and 230 logistics centers. The management system helps to identify inefficiencies and potential optimizations at an early stage. Local energy teams have also been formed at all certified locations to drive forward measures. As well as recording consumption and evaluating the energy used, training is also given to employees to raise awareness about energy.

The total energy consumption of Lidl decreased in the reporting period from around 10,142 GWh in the 2024 fiscal year to around 9,998 GWh  in 2025.⁵ Accordingly, the energy intensity in the same period decreased from around 717 kWh per square meter of sales area to 691 kWh.

⁵ Since the key performance indicators for the 2025 fiscal year needed to be collected before the end of that year in order to prepare for the reporting obligations pursuant to the CSRD KPIs, appropriate projection methods were used for the figures for the remaining time period.
⁶ Excluding any purchase agreements that the companies of Schwarz Group cannot influence, such as those for individual leased properties with a binding electricity procurement clause. For more information, please go to: gruenstrom.schwarz.

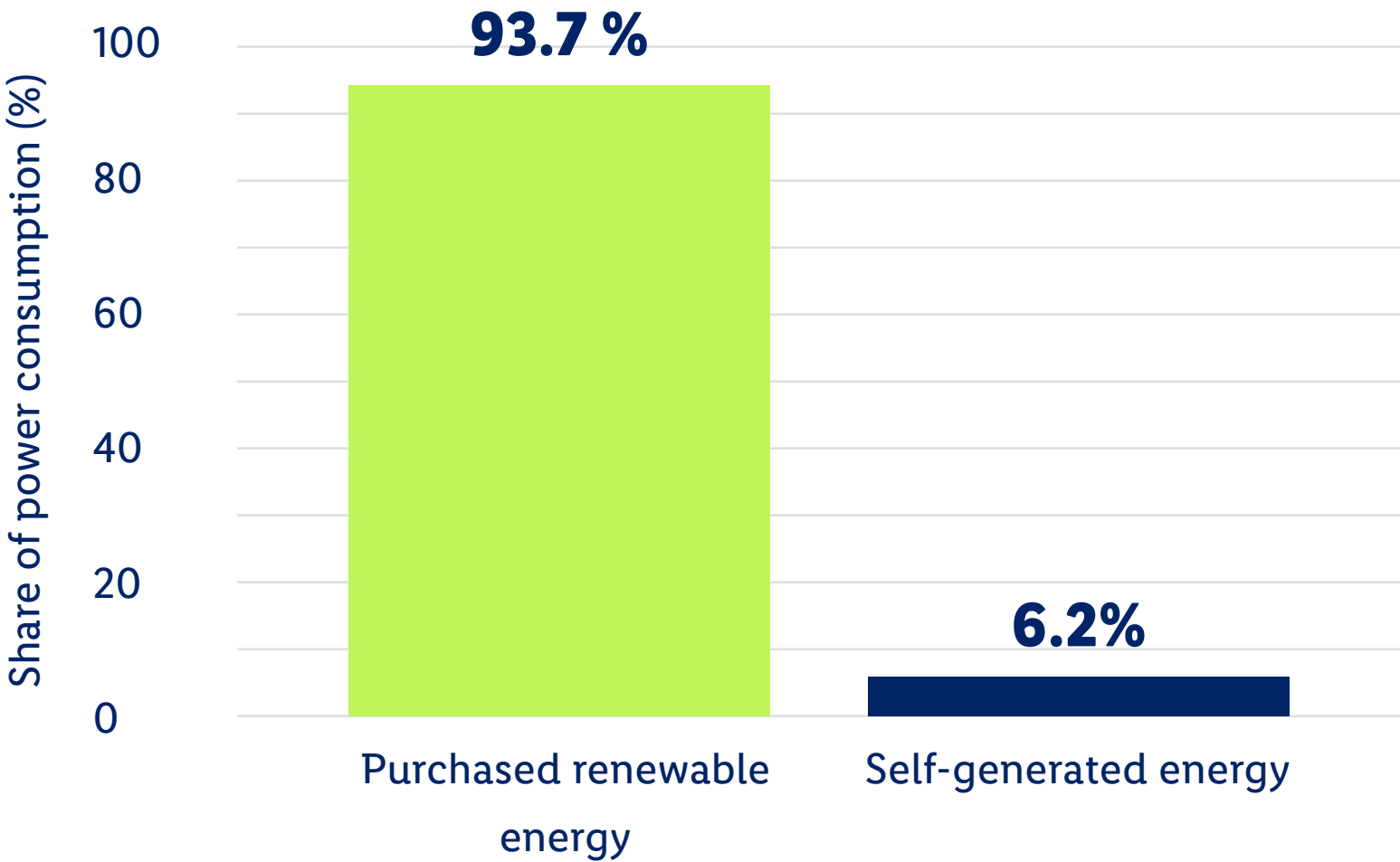
GRI 305-5

Self-Generation and Procurement of Renewable Energy

One important step in the reduction of GHG emissions is the switch from electricity from fossil sources to electricity from regenerative energy (renewable energy). Since 2022, Lidl has almost exclusively procured renewable energy⁶ and also generates its own electricity from PV systems. In 2025, almost 100 percent of our total energy consumption was covered by renewable energy. Overall, 93.7 percent of our energy consumption was covered by purchased renewable energy and 6.2 percent of the energy we used was self-generated through our PV systems, for example.

Lidl has been using PV systems to generate electricity internationally since 2016 with the aim of driving forward the expansion of renewable energy. This means that we purchase less electricity from the public grid. If the PV systems generate more electricity than is needed for our own use, we feed the excess into the public grid. As of 2025, 4,090 Lidl properties were already equipped with PV systems. Lidl therefore harvests a total installed output of 586,105 kWp from these systems.

Power Supply at Lidl in 2025



Lidl generates its own renewable energy by means of photovoltaic systems.





Providing Infrastructure to Support E-Mobility

In accordance with the EU Building Directive (EPBD), we are consistently expanding our charging infrastructure in order to meet the requirements of energy-efficient buildings that are fit for the future. We are able to provide a charging infrastructure for e-mobility and expand existing charging options through our store network. Currently, 43.9 percent of our stores are equipped with electric charging stations for electric cars.

We already provide 17,055 electric charging points through our store network and procure the electricity used for this purpose almost exclusively from renewable energy.⁷ In addition, there are already currently more than 120 charging stations for electric trucks at our logistics centers.

17,055

charging points are currently in the store network

Good to know

Our Own Shipping Company — Focused on Efficiency

In 2022, in order to secure more influence over logistics, Lidl founded its own shipping company, TAILWIND Shipping Lines; also see the chapter on [Corporate governance](#) (p. 10). Although this shifts emissions from Scope 3 to Scope 1 and thus increases our direct emissions, it means that we can intervene directly and implement targeted efficiency measures to reduce carbon emissions. In the reporting year, we focused on using digital tools to increase efficiency. Weather routing uses weather forecasts to calculate the safest and most efficient routes, which helps to reduce fuel consumption and emissions. We are also using more efficient propellers on selected chartered and owned vessels and applying silicone paints to our own and selected chartered vessels to reduce water resistance. In addition, we have invested in the purchase of five new ships with much more efficient propulsion systems and lower fuel consumption to replace some of the older ships.



Customers have the option of charging their electric cars at many Lidl stores.

⁷ Excluding any purchase agreements that the companies of Schwarz Group cannot influence, such as those for individual leased properties with a binding electricity procurement clause. For more information, please go to: gruenstrom.schwarz.



Reducing Scope 3 Emissions

The majority of our greenhouse gas emissions are generated in our upstream and downstream value chain. We are therefore focusing our efforts on our product range, our close collaboration with our suppliers and our fuel and energy-related emissions in transport and logistics.

Good
to know

Progress in Operations

- **45.6 percent reduction** of operational emissions (Scope 1 and 2) since 2019, thanks to various measures, such as the use of almost 100% renewable energy.⁸

Helping Suppliers Protect the Climate

By the end of the 2026 fiscal year, our aim is for those suppliers that are responsible for 75 percent of product-related Scope 3 emissions to be required to set their own climate targets in accordance with SBTi criteria. We developed an empowerment concept in the reporting year that specifically supports our suppliers with the reduction of emissions in the supply chain. It does this through the following measures:

• Supplier Platform

All suppliers that are relevant for our climate targets are given access to our supplier platform. As a digital solution, the platform features webinars and training materials for calculating GHG emissions and setting climate targets as well as FAQs; these materials are accessible to suppliers at any time. We also use the supplier platform to record the annual progress of our suppliers with regard to the requirement to set their own climate targets in line with SBTi criteria.

Acting locally



Carbon Sequestration in Arable Soil

With the “Carbon Farmers” pilot project, Lidl Belgium is working to encourage farmers to adopt more sustainable farming practices through targeted measures to trap carbon in the soil and reduce greenhouse gas emissions. Analyzing their CO₂e and N₂O (nitrous oxide) emissions gives the farmers a better understanding of the key processes. Over five years, ten farmers will be given information, practical support and the chance to share experiences to guide them toward more sustainable business models. The project brings together stakeholders along the entire value chain, namely Lidl, Bodemkundige Dienst van België, Boerennatuur Vlaanderen, Boerenbond and Rikolto.

⁸ Excluding any purchase agreements that Lidl cannot influence, such as those for individual leased properties with a binding electricity procurement clause. Find more information at [gruenstrom.schwarz](#).

• **Supplier Training Sessions**

We also provide all target-relevant suppliers with access to live webinars organized by the WWF Climate Business Network. The topics covered include science-based target-setting and greenhouse gas accounting. This offer has been made available twice a year since October 2024.

• **Supplier LOCT Program**

The “Supplier Leadership on Climate Transition” (Supplier LOCT) program focuses on accelerating climate action and involves a digital climate school through which selected international and national suppliers can complete further training on a systematic, ongoing basis. In six-month courses, and depending on where suppliers are on their journey, they receive support ranging from their first carbon footprint to the implementation of reduction measures. The program enables structured knowledge sharing and gives suppliers access to personal support from sustainability experts. It was successfully piloted between October 2024 and January 2025 with over 100 suppliers. The program was continued in the 2025 fiscal year with the same capacity. For further information, see [Supplier LOCT](#).



Learning together for climate protection: Suppliers attend training sessions and webinars on reducing emissions.

Over **100**
suppliers took part in the
Supplier LOCT pilot project

Acting locally



“Ein gutes Stück Bayern”

Through the value-added program of its “Ein gutes Stück Bayern” (A good piece of Bavaria) (EgSB) regional brand, Lidl in Germany supports around 50 farmers in reducing their greenhouse gas emissions per kilogram of milk by at least 25 percent by the end of 2026 (compared to 2021 base year). To achieve this, the national company, together with its supplier Privatmolkerei Bechtel, has established an advisory board comprising representatives from the Lake Constance Foundation, the Bioland Stiftung, the Thünen Institute of Farm Economics and the agricultural sector. Fulfilling the climate measures influences the financial bonus the farmers receive for their additional effort. This effort can arise from the use of local feed, methane-reducing feed for cows or the adaptation of crop rotation. The EgSB program also covers the topics of feeding, animal welfare, ecology and food defense.



GRI 308-2, 305-1, 203-1

Making Logistics Fit for the Future

A significant portion of our Scope 3 emissions is generated by the transportation of our goods. By optimizing our logistics and transportation, we can save energy and reduce our greenhouse gas emissions. That is why we are working hard to reduce these emissions through various measures and in collaboration with our business partners. We have developed the “Electric Transport” playbook as a standard concept for the international switch to electric trucks. This forms the basis for converting at least a third of our store delivery vehicles to electric drives in the future.

Furthermore, Lidl is working on cooperation agreements with partners in procurement logistics, for example, to shift transportation from road to rail. In some countries, Lidl has entered into partnerships to have its merchandise transported using vehicles with alternative drive types. In total, Lidl had 100 battery electric trucks in use for store deliveries in 18 countries in the reporting year.

Innumerable trucks are on the road to transport our products. We are working to ensure that these are increasingly powered by electricity.

100

electric trucks were on the road in 18 countries during the reporting year

Acting locally

Expansion of the Electric Fleet

Electric trucks are already in use in numerous national companies, with particular focus on the Netherlands, Sweden, Austria, Switzerland and Germany. By the end of the 2025 fiscal year, over 100 electric trucks with power-driven semitrailers were on the road throughout all Lidl countries. Lidl Netherlands is assuming a pioneering role with more than 80 vehicles in use and the goal of converting store deliveries completely to electric trucks by 2028. In Sweden, deliveries have been 100% fossil-free since February 2025. The “Electric Transport Playbook” is the basis for the rollout. This standard concept controls the systematic integration of e-mobility into logistics processes — from the choice of location for charging parks to the hardware and energy management using PV systems. Further expansion is planned for France, Poland and Denmark in 2026.



GRI 305-3

Fewer Emissions With Smarter Route Planning

We can also use intelligent route planning to influence our carbon emissions. Our focus here lies on the digitalization of our logistics network with the aim of avoiding unnecessary transport, using capacities more efficiently and avoiding empty trips. As such, we regularly review how we can optimize store route planning, even with order volumes that vary from day to day. One lever here, for instance, is to adjust return journeys and use them for collecting goods from suppliers. We use a software-based solution for route planning and optimization, which is being continuously expanded and gradually rolled out at our logistics centers. In order to further increase the quota of emission-free transport, we are also investing in the required charging infrastructure for electric trucks at our logistics centers.



In the logistics center, employees control the routes digitally; the logistics are becoming more efficient from planning on the laptop through to the truck ready for departure.



Our Carbon Footprint: Emissions in Scopes 1, 2 and 3

GRI 305-1, 305-2, 305-3, 305-4

Categories According to GHG Protocol in tCO ₂ e ^{9,10}	2019	2022	2023	2024	2025
Scope 1	804,378.8	798,557	787,076.5	983,010.7	900,911.2
Volatile gases	173,132.9	159,645.1	151,080.2	139,516.9	136,061.2
Mobile combustion	515,654	529,852.1	529,928.4	731,139.3	675,958.6
Stationary combustion	115,592	109,059.8	106,067.9	112,354.6	88,891.5
Scope 2 ¹¹ (sum acc. to market-based approach)	878,042	15,133.3	15,282	14,685.9	14,476.4
District heating	11,675.4	14,079.9	14,971.1	14,193.8	14,034.7
Electricity: market-based approach	866,366.6	1,053.4	310.9	492.2	441.7
Electricity: location-based approach	1,605,072.5	1,531,042.5	1,622,116.4	1,733,823.4	1,506,920.9
Scope 3 ^{12,13}	106,661,266.4	127,847,239.1	130,066,224.5	135,881,454.2	153,056,126.5
3.1. Purchased goods and services	94,584,350.6	102,925,870.9	105,139,772.1	111,794,966	116,348,831.8
3.2. Capital goods	–	2,177,458.8	1,377,809.1	1,209,342	1,356,302.7
3.3. Fuel and energy-related emissions	563,384.4	570,719.5	588,957.2	668,928.9	628,233.4
3.4. Upstream transportation	2,801,182.4	6,321,436.8	6,194,043.8	6,185,493.5	6,849,830.7
3.5. Waste generated in operations	246,467.4	278,146.8	267,211.5	268,461	271,263.5
3.6. Business travel	108,592.4	95,300.6	89,349.6	103,398	95,294.1
3.7. Employee commuting	371,322	463,875.6	462,798	458,894.4	463,653.6
3.9. Downstream transportation	25,232.9	34,228.7	27,810.1	30,696.7	30,505.4
3.11. Use phase of sold products ¹⁴	7,824,715.1	9,553,979	11,492,019	10,446,777	22,230,329.5
3.12. Disposal / recovery of sold products	136,019.1	5,421,838.9	4,422,070.4	4,585,086.3	4,656,854.8
3.15. Investments	–	4,383.6	4,383.6	129,410.6	125,026.9
Total emissions	108,343,687.2	128,660,929.4	130,868,582.9	136,879,150.8	153,971,514.1



⁹ Analyzed sources for emission factors: international organizations (e.g., IEA, IPCC), LCA data bases (e.g., ecoinvent, Optimeal), national institutions e.g., DBEIS/DEFRA) as well as Ifeu Institute models. In order to ensure year-over-year comparability, the emission factors used for the calculation are not always the latest available.

¹⁰ Due to values being rounded, slight discrepancies are possible in the totaling.

¹¹ Scope 2 emissions according to the market-based approach were used for the total calculation of (operational) GHG emissions.

¹² Due to immateriality, the emissions of GHG categories 3.8, 3.10, 3.13 and 3.14 are not accounted.

¹³ The significant discrepancies between Scope 3 emissions between 2019 and 2022 result from an updated data basis and methodological adjustments. The values for 2019 are based on an earlier methodology and are only comparable to a limited extent. The base year for Scope 3 was correspondingly set to 2022.

¹⁴ To enable a practical approach to the calculation of Category 11 emissions, our products have been divided into 30 product groups to determine the lifespan and average energy consumption. Appropriate assumptions have been made for these product groups. The increase compared to the previous year is due to an increase in activity data. Due to the delayed availability of data, the positive impact of improvements in the electricity mix has not yet been taken into account.



Direct and Indirect Energy Consumption¹⁵

GRI 302-1

Energy Consumption in kWh	2023	2024	2025
Total energy consumption	9,071,274	10,142,434	9,998,393 ✓
from renewable sources	6,376,854	6,663,605	6,842,775 ✓
from non-renewable sources	2,694,420	3,478,829	3,155,618 ✓
Electricity	6,379,873	6,663,047	6,835,376 ✓
from renewable sources	6,375,710	6,657,871	6,829,208 ✓
of which purchased	6,091,673	6,355,958	6,447,307
of which self-consumption from self-generation	284,037	304,318	385,214
from non-renewable sources (purchased)	4,163	5,175	6,168
District heating (non-renewable, purchased)	99,410	97,239	95,370
Natural gas (non-renewable)	524,740	554,519	448,585
Liquefied petroleum gas	3,763	3,763	1,871
Heating oil (non-renewable) ¹⁶	11,150	11,150	5,247
Emergency power systems and sprinkler systems	23,500	23,500	17,176
from renewable sources (biodiesel)	1,144	1,144	1,038
from non-renewable sources (diesel, heating oil, HVO)	22,356	22,356	16,138
Mobile combustion ¹⁷	2,028,838	2,789,217	2,593,412
from renewable sources	–	4,589	11,173
from non-renewable sources	2,028,838	2,784,628	2,582,239

¹⁵ Since the key performance indicators for the 2024 fiscal year needed to be collected before the end of that year in order to prepare for the reporting obligations pursuant to the CSRD KPIs, appropriate projection methods were used for the figures for the remaining time period.

¹⁶ Conversion of liters into megawatt-hours with combined factor from IPCC 2006, GHG Protocol Cross Sector Tools and DEFRA 2022/2023 (Gasoline: 0.009585/Diesel: 0.010561/Biodiesel: 0.009568/Heating oil: 0.010561/Kerosene: 0.01018/HVO: 0.00953)

¹⁷ Includes company cars, our own and chartered ships, as well as logistics processes and the consumption of both diesel and gasoline.



Handling Resources Carefully — Acting Globally and as Partners

Lidl is pioneering the responsible use of natural resources and unites international partners for more efficiency and innovative solutions. As partners, we further develop standards, reduce the consumption of resources and close loops along the whole value chain.





Story

Food Belongs on a Plate, Not in the Trash

When food ends up in the trash, valuable resources are wasted. Lidl is actively tackling food waste — from the choice of supplier to providing information for the customer on storing food correctly in the home. The following story about a farmer and a tomato’s journey from the field to the plate shows what this looks like.



In the 2025 fiscal year, more than 110,000 tons of food were rescued by the “rescue bag” across Europe alone



It is a warm spring morning in southern Spain. The sun is rising as Diego enters his greenhouse. He and his family have been growing tomatoes for over 30 years — juicy, aromatic fruits that are prized throughout Europe. Today is harvest day. Diego inspects a particularly good-looking tomato — a firm, bright red specimen with an aroma like sunshine. But he cannot be sure whether this tomato will actually make it onto the plate. Because customer expectations are high and the road to meeting them is long.

This is a fate that the tomato shares with many other food products. Globally, more than a billion tons of food are wasted every year — with serious consequences for the environment, society and the economy. Food waste accounts for around ten percent of global carbon emissions. At the same time, many regions of the world lack sufficient food security: While edible food is being thrown away, many people are denied access to nutritious food.¹

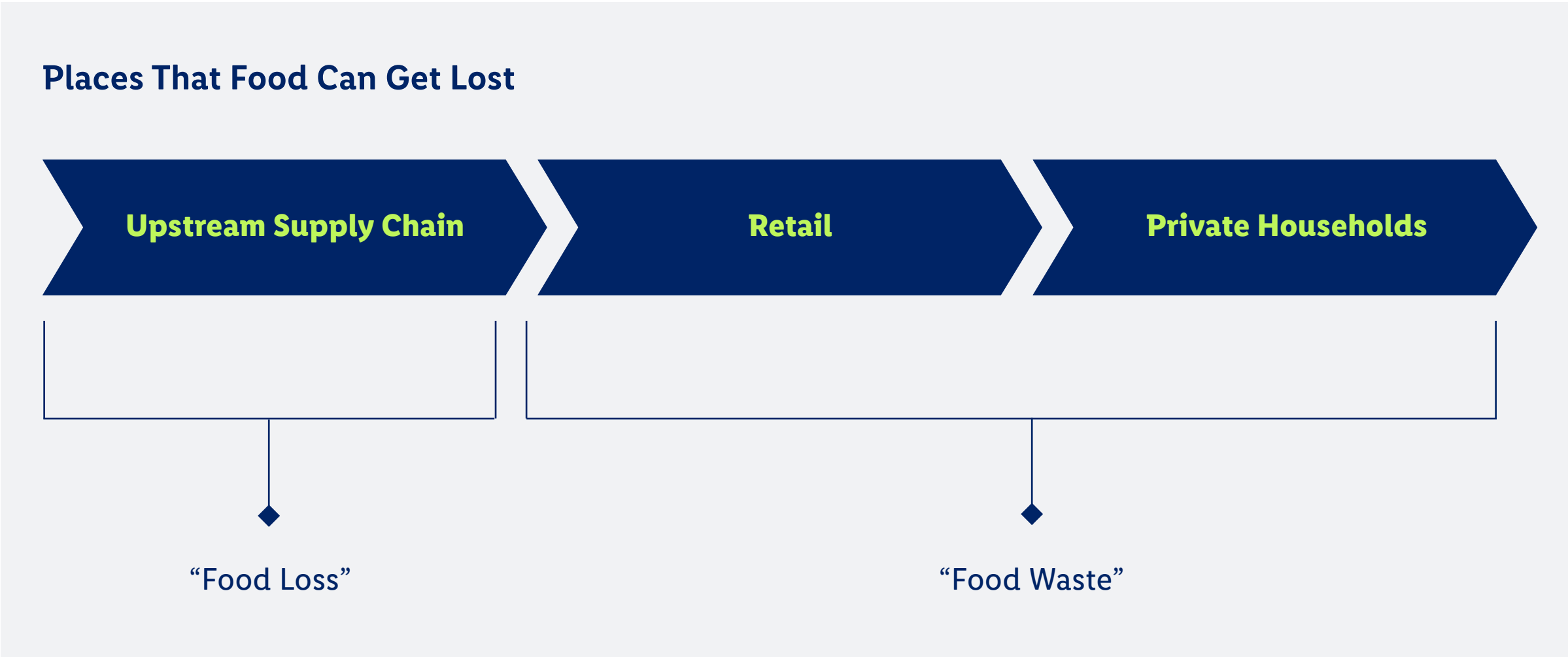
Lidl is facing up to this challenge. And the journey there takes us along the entire value chain.

¹ UNEP: Food Waste Index Report 2024. Think Eat Save: Tracking Progress to Halve Global Food Waste, 2024.

What Is Food Waste — And Where Does It Come From?

Food waste means throwing away food that is not consumed for various reasons — whether in retail, catering or private households. Most of it occurs at home, for example due to incorrect storage, lack of planning, or ignorance. However, this is different to “food loss”: Food loss occurs in the upstream supply chain, for example, during harvesting, storage or processing.

The causes of food waste in food retail include incorrect demand forecasts, improper storage and heavily standardized quality requirements.



LIDL III: Ensure responsible handling of food

Lidl Is Tackling Food Waste

Lidl employs a variety of measures to tackle food waste and loss along the entire value chain.

In the Field: Flexibility over Perfection

Selection may even occur at harvesting. Tomatoes that are too small, too ripe or deformed are often rejected during harvesting — not because they are bad, but because they do not fit the requirements. That is why Lidl is working directly with the farmers through the national companies and accepts these products anyway. Unusually shaped fruit and vegetables are used in soups and sauces or can be found on shelves as “rescue products.” In the Netherlands, for example, Lidl offers a tomato sauce that is made from “imperfect” tomatoes.

En Route: Freshness from Field to Store

Once the tomato has successfully left the field, its journey begins — and it is a risky one. Broken cold chains, damaged packaging, long transport routes — every hour on the road can determine whether food stays fresh or spoils. In order to reduce transport losses, Lidl has invested in its

logistics network in recent years — and these investments are paying off: In the Netherlands, for instance, where many suppliers are located nearby, freshly harvested products often arrive in the warehouse that very same day. This ensures that delicate products remain fresh — and prevents unnecessary losses from occurring in the first place.

On the Shelf: Valued, Not Thrown Away

On the shelf, first impressions often count. Customers usually reach for the freshest products, leaving older ones behind. Lidl uses a combination of intelligent planning, dedicated employees and creative, scalable solutions to prevent these unwanted products from ending up in the trash. Thanks to precise order processes, it is possible to accurately predict the quantities that will be needed based on real-time data on the weather, the day of the week and demand. But the real difference is made in the store: Employees who sort fruit and vegetables according to the freshness concept and thus actively reduce food waste. They identify which products are still good but need to be sold soon and give them a second chance,



for example, in the form of “rescue bags.” For more information on this, please see the section on the [“Rescue Me” and “Rescue Bag” Initiatives](#) (p. 55) to tackle food waste.

Behind the Scenes: Using Surplus Food

Wherever possible, anything that does not end up in a “rescue bag” or can no longer be sold is donated to a nonprofit organization or put to good use. Most of our stores have been cooperating with food banks for many years. In 2025 alone, around 47,800 tons of food was donated to food banks. In 2024, Lidl Switzerland even trialled the donation of refrigerated products such as cheese or meat. Following a successful trial phase, the process was rolled out in the majority of Swiss stores from the start of 2025. In all national companies, products that cannot be donated to food banks are processed further, for example, as animal feed.

“
Food belongs on a plate, not in the trash can — yet we know: Sustainability is a shared responsibility. From the producer, via our logistics and the store teams to our customers: Every contribution counts. Together we assume the responsibility for the appreciation of our products and for less waste.



Ronny Sangkuhl
Head of Environmental Responsibility
Lidl Stiftung & Co. KG

At Home: Raising Awareness

More than the half of all food waste is generated in private households.² That is why Lidl focuses on raising customer awareness, employing a variety of measures to explain the difference between the best-before date and use-by date and encouraging customers to do their bit. During the reporting year, Lidl conducted awareness campaigns in several national companies. Moreover, Lidl offers practical storage tips and recipe ideas for leftovers and supports education programs for children in several countries.

Epilog: A Second Chance

Thanks to intelligent logistics, the tomato that had been carefully harvested by Diego arrived fresh on the shelf. However, it was still not customers’ first choice — perhaps there was a minor blemish or a more attractive specimen on offer? There could be any number of reasons. But thanks to the “rescue bag,” it avoided the trash and was given a second chance, ultimately making it into a shopping cart as a rescue product. Instead of getting lost, it turned up on a plate as a pasta dish with tomato sauce.

Good to know

Lidl Food Waste Strategic Areas

Lidl sees itself as a key player in the fight against food waste. Continuous dialog is the key to success — and Lidl relies on three central levers:

- The **reduction and avoidance of food waste** — for example, through price discounts or the use of the “rescue bag,”
- **the increase in quotas for food donations** to nonprofit organizations as well as
- the **increase in quotas for processing food waste into animal feed**, for example, by redistributing meat-free baked goods for pig feed.

Cooking together: The awareness for storing food correctly and using leftovers creatively begins in the home.



² Eurostat: Food waste and food waste prevention — estimates, 2024.



Sustainable Use of Resources GRI 3-3

In nature, there is no such thing as waste, only cycles. That is what we are aiming for. With our “Road to Zero Waste” concept, we are rethinking waste management: We want to achieve more by using recyclable materials and producing less waste.



Moving away from a throwaway society to a circular economy. We assume the responsibility.

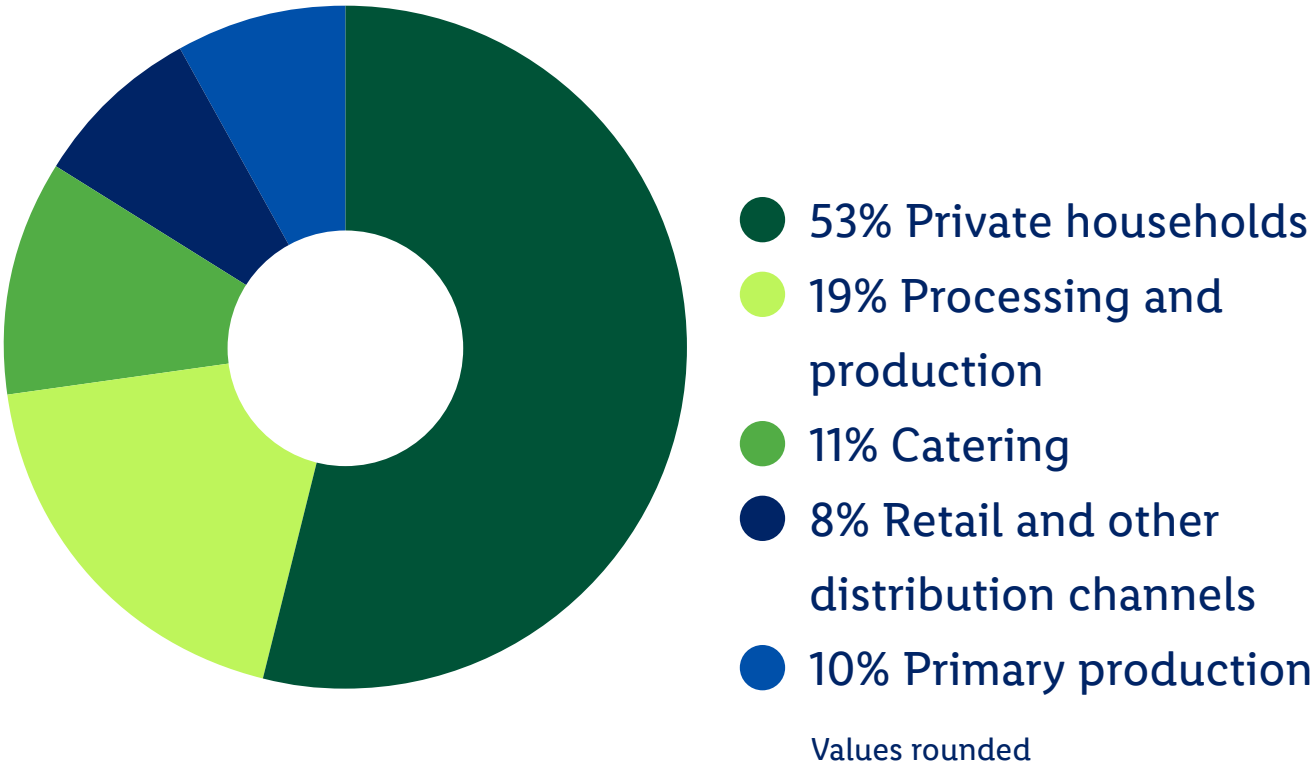
In the world’s major industrial nations, we currently operate as though the resources of three planet Earths were available to us. And the volume of waste is steadily growing. The impending shortage of natural resources and increasing environmental pollution are among the ten biggest global risks of the next decade.³ As a globally operating retailer, we recognize the responsibility we bear, as well as the opportunity we have to be part of the solution. That is why we are continuously driving the transformation from a linear throwaway economy to a circular economy.

To us, it is clear: Whoever puts resources like plastic into the loop is also responsible for recycling those resources. We fully accept this responsibility. At Lidl, we want to manage resources responsibly throughout the entire value chain, from the production and further processing of our products through to transportation and recycling.

We are also committed to tackling food waste. According to Eurostat, more than 58 million tons of food waste (fresh mass) was generated in the EU in 2023. Thus, scarce and valuable resources such as water and arable land are also being used for the production of food that is ultimately not consumed. The largest share of food waste in the EU is generated in private households (53%). The remaining share occurs during processing and production (19%), in catering (11%), in retail and other distribution channels (8%) and in primary production (10%).⁴

This calls for joint action, which is why we are working in collaboration with our partners to tackle food waste. Alongside waste generated in operations, private-label packaging, and sustainable and recycled non-food products, food waste is one of the four key topics within the “Conserving resources” field of action through which Lidl is addressing the challenges described.

Food waste in the EU requires joint action — together with our partners and customers:



³ Global Risks Report 2025, WEF
⁴ Eurostat: Food waste and food waste prevention — estimates, 2024.



Recyclate instead of new plastic — as part of the REset Resources strategy, we rely consistently on the circular economy. In the modern PreZero plants, recyclable materials are processed carefully.

-30%

plastics in private-label packaging

-10%

new plastic through material efficiency

At Lidl Stiftung & Co. KG, the strategic responsibility for streams of recyclables lies with the Operations & Real Estate business unit, in cooperation with GreenCycle. The Logistics departments in the respective national companies are responsible for operational implementation. GreenCycle also provides some support with the selection of waste management companies. The issue of food waste is managed by Value Stream Management in conjunction with CSR Environmental Responsibility.

Good to know

LIDL II: REset Resources
New REset Resources Strategy

In the reporting year, the companies of Schwarz Group expanded the jointly developed “REset Plastic” strategy into a holistic circular economy strategy. Being a member of the companies of Schwarz Group, Lidl uses the group’s unique network as the basis for a sustainable circular economy. REset Resources takes a holistic approach, encompassing all key topics of the circular economy: ranging from packaging, products and construction to food waste and recovery processes. As part of the REset Plastic strategy, Lidl has achieved its targets of reducing the use of new plastic in private-label packaging by 10 percent and using 30 percent less plastic overall by 2025. Recyclability has also been improved, and the proportion of recycled material in own-brand packaging is being continuously increased. One lever for this is minimum quotas, which define the proportion of recycled material in PET bottles. Find more information on REset Resources [here](#).

From Operational Waste to Recyclable Material GRI 301-2, 306-1, 306-2, 306-3

At Lidl, we want to drive the transformation from a linear “throwaway” economy to a circular economy globally. The waste generated in operations today is also tomorrow’s recyclable material. In collaboration with suppliers and customers, we are working hard to prevent waste and reuse more materials.

We record the resource flows in our operational processes in order to follow the ideal of the circular economy in our resource and waste management as far as possible. 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. After all, we see today’s waste as tomorrow’s recyclable material. In the 2025 fiscal year, we reused, recycled or recovered over 90 percent of the volume of waste generated in the companies. For information on the waste generated in the reporting year, see the section on [📄 Sorting by Type Wherever Possible with GreenCycle](#) (p. 52).

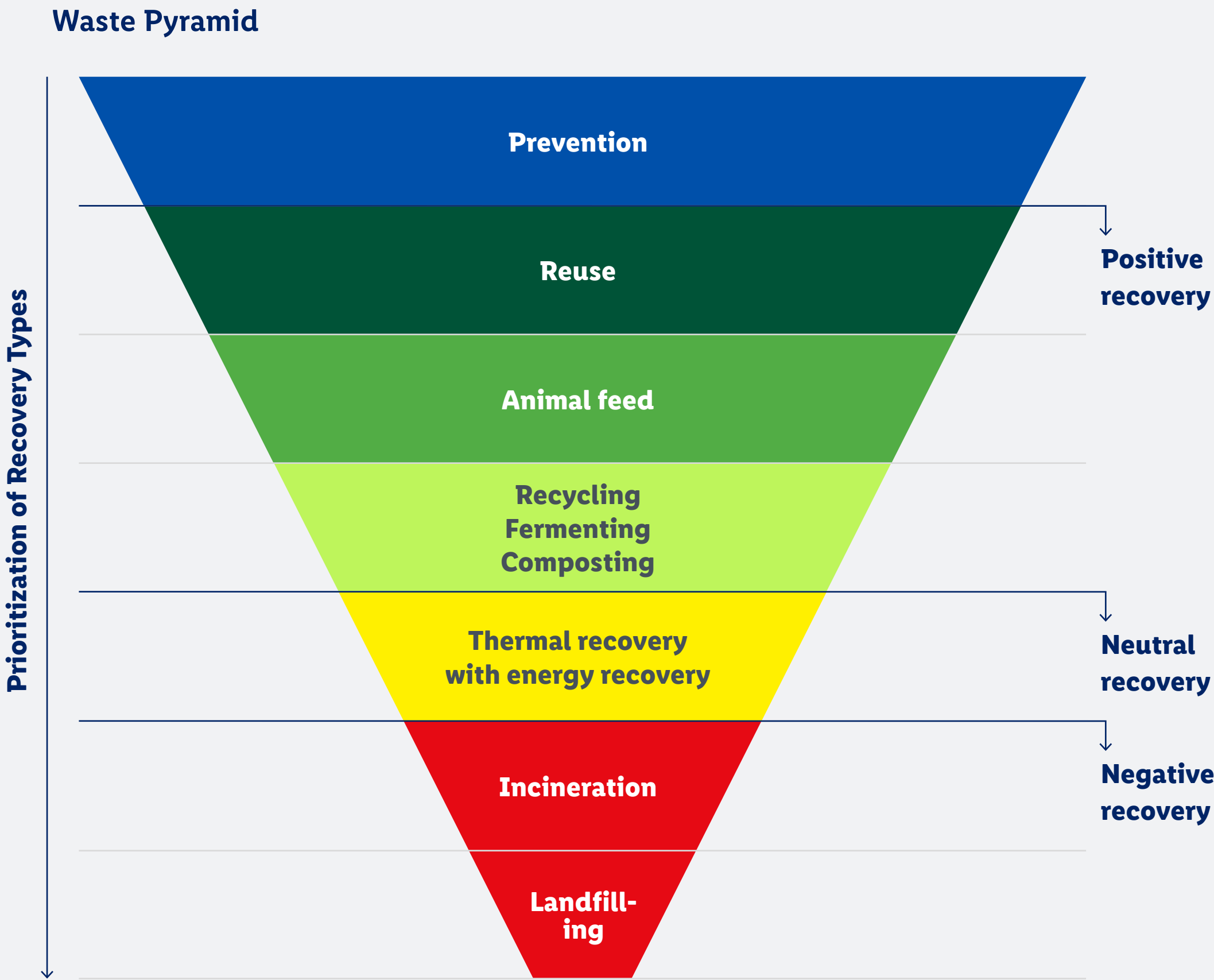
Despite our best efforts with our processes, it is not possible to completely avoid generating waste (e.g., cardboard, stretch film, wood, etc.). We dispose of these materials in accordance with the applicable regulations by various means of recovery. We are also working with our suppliers to raise awareness among our customers of how to handle waste responsibly.

Road to Zero Waste

We are committed to efficient resource and waste management and recycling. In doing so, we are reducing the use of resources and keeping valuable raw materials in the recycling loop. We record the resource flows in our operational processes and ensure the efficient separation and proper disposal of the resulting materials. With our “Road to Zero Waste” concept, we want to reduce our environmental impact and also secure strategic resources for the future. With the aid of our waste management system,

we are optimizing our recycling paths (reuse, animal feed, recycling, fermentation and composting) and minimizing non-recyclable waste, such as residual

waste. As well as introducing new disposal concepts, we are optimizing existing measures and promoting new concepts for waste prevention and separation.





Acting locally



Road to Zero Waste Certified to Gold Standard

On the road to zero waste, the national companies Lidl Netherlands, Lidl Czech Republic, as well as Lidl Ireland and Lidl Northern Ireland have reached a milestone: the “Road to Zero Waste” Gold certification from TÜV SÜD. This makes them the first retailers in their countries to be certified in accordance with the underlying DIN SPEC 91436 standard. This certification is the result of their long-standing commitment to waste prevention (using as little material as possible), reuse and recycling. Lidl Ireland was also recognized as Ireland’s most sustainable retailer in the Ireland RepTrak® Sustainability Index 2024, setting the standard in the industry once more.

Close Cooperation with PreZero

As the internationally active environmental division of the companies of Schwarz Group, PreZero delivers a comprehensive range of services in the area of waste and recycling management — both for external customers and within companies of Schwarz Group. GreenCycle, a PreZero company, takes care of internal waste and recycling management for Lidl.

The close collaboration with PreZero takes the form of workshops with employees and managers, training measures, advice shared in information letters and sorting instructions, to name a few examples. Other matters that the companies address together include separation concepts and changes in legislation. In addition, PreZero regularly evaluates relevant KPIs and discusses them with the responsible departments.

GRI 306-2, 306-4, 306-5

Sorting by Type Wherever Possible with GreenCycle

Since recyclable materials management differs greatly from country to country, the specifications, such as those concerning sorting and recycling rates, can differ nationally. As a general rule, waste in stores and logistics should be sorted and disposed of by the corresponding service providers or prepared for transport in accordance with defined specifications. GreenCycle supports our national companies with this, helping them to find suitable recyclers, establish separate streams of recyclables and share their experiences with one another. This allows recyclable materials to be reused, recycled, fermented or composted. Anything that is not recyclable or cannot be separated is disposed of by means of thermal recovery or incineration (without recovery) or sent to landfill.

Employees of the companies of Schwarz Group separate the collected waste at the annual Clean-Up Day.





Acting locally

Bringing the Circular Economy to Life

The TransforMAR program in Portugal has been part of the Lidl REset Plastic strategy since 2018. It was launched as a pioneering project by Lidl and the Portuguese waste management company Electrão — with the support of important partners such as Brigada do Mar (Portuguese NGO for coastal cleaning), the APA (Environmental Agency Agência Portuguesa do Ambiente) and ABAAE (Blue Flag Association for Environmental Education). The aim is to promote recycling awareness and to show how packaging waste can be turned into new, useful products. So far, over 270 tons of plastic and metal waste as well as fishing nets have been removed from Portuguese beaches, seas and rivers. TransforMAR also organizes fun, educational beach events to raise awareness of recycling and the circular economy among families.

Of the total 2,817,154 tons of recyclable materials, including residual waste, generated during the reporting period, we were able to reuse, recycle, ferment or compost around 2,563,431 tons. That is equivalent to more than 90 percent of our material volume. Despite our best efforts with our processes, it is not possible to completely avoid generating non-reusable and non-recyclable materials. As a result, 110,299 tons had to be thermally recovered, incinerated (non-recoverable) or landfilled. The share of thermal recovery was 3.9 percent, and incineration (non-recoverable) and landfill accounted for 5.1 percent.



Thanks to a number of measures, we are able to positively recover the majority of our waste.



More than **90%** positive recovery of our material volume



Acting locally

Award-Winning Waste Reduction

In 2023, Lidl Hungary initiated a comprehensive information campaign on waste separation on social media, aimed at followers, employees and — since 2024 — students. The goal was to raise awareness for environmentally friendly behavior and to provide practical tips on sorting waste. In recognition, Lidl received the 2024 CSR Hungary Award in the “Best CSR Communication” category. In addition, the national company offers its customers in-store collection containers to dispose of used cooking oils and fats. In 2025, customers safely disposed of their used oil at 124 stores throughout the country, which was passed on to be used in the production of biodiesel.



Tackling Food Waste GRI 301-3

Food loss and waste can arise anywhere along the entire value chain. At Lidl, we are tackling the issue at various points along the chain while also raising customer awareness of the need for responsible food consumption.

The main cause of food waste in the retail sector is the discarding of food that is no longer fit for sale. At Lidl, we want to avoid throwing away products with a limited shelf life as much as possible. We therefore rely on a demand-oriented materials planning system, an efficient supply chain with short transport routes, continuous compliance with cold chains, inventory monitoring and price reduction. Simultaneously, we also want to raise customer awareness of the need to appreciate food, see the section on [Raising Customer Awareness of the Need to Prevent Food Waste](#) (p. 56).

Innovative Solutions

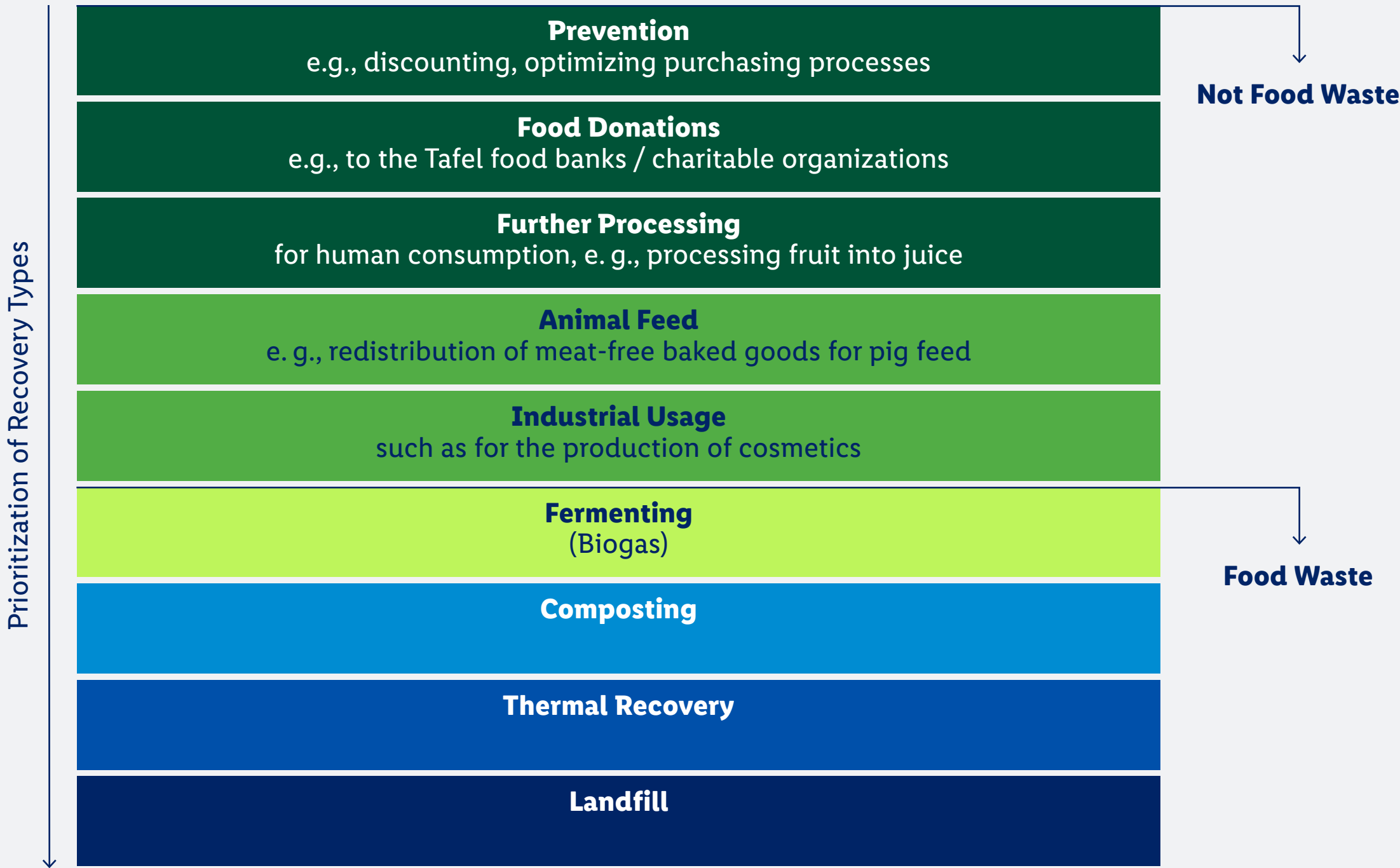
In order to reduce food waste, we also rely on innovative procedures. This is how the larvae of the black soldier fly convert unavoidable food waste into valuable resources: They break down the organic waste and make its nutrients reusable again as high-quality protein flour and insect oil. This creates an innovative alternative to conventional animal feed. PreZero, our environmental service provider, is working on implementing this process on an industrial scale.



LIDL III: Ensure responsible handling of food

Our Approach to Tackling Food Waste

In accordance with our food waste hierarchy, we concentrate on avoiding food waste. Where it does occur, we want to recover it as sensibly as possible.



“Rescue Me” and “Rescue Bag” Initiatives
Tackle Food Waste

As part of the “Rette mich” (Rescue Me) initiative launched in 2022, Lidl offers perfectly good items from all relevant product groups that are approaching their best-before date or use-by date at a discounted price. The Lidl national companies also point out that food that is still edible but only slightly damaged or discolored, or has dirty or slightly damaged packaging. Baked goods, dairy products and sausage products from the self-service area are included in the initiative as well as products from the dry food assortment and frozen goods. Another measure is the Lidl “rescue bag” for fruit and vegetables that no longer entirely meet our quality standards, yet are still suitable for consumption. These items are sold as a mixed bag or cardboard box at a reduced fixed price.

24 national companies are already successfully implementing the concept



By means of this measure, fruit and vegetables that are still edible but perhaps do not quite meet the high Lidl quality criteria are saved from the trash can.



Good to know

A Good Choice — The "Lidl Rescue Bag"

The concept of the “Lidl rescue bag” has already been successfully implemented in a total of 24 national companies and is currently in the test phase in one more. In the reporting year, the sale of over 27 million rescue bags saved more than 110,000 tons of fruit and vegetables from ending up in the trash.



Over 27 million rescue bags sold



Acting locally



Systematically Preventing Food Waste with Neighbourly & His Church

Since 2016, Lidl Great Britain has been working with charitable organizations Neighbourly and His Church to reduce food waste and support local communities. The Neighbourly platform connects each store and His Church connects each distribution center with local food banks. This ensures that surplus, edible food is delivered to social institutions every single day. In 2025 alone, almost 18.5 million meals were saved from disposal and distributed to those in need. Since these initiatives began, we have provided more than 50 million meals to charitable causes. This work remains a vital part of Lidl’s commitment to conserving resources, lowering carbon emissions and strengthening social cohesion across British communities.



Thanks to precise quantity planning and discount promotions as well as donations to the Tafel food banks, we avoid food waste.



Notes on our products inform our customers about their shelf life.

Donating Products to Charitable Causes

Despite the use of predictive quantity planning and the discount measures described above, food does still occasionally have to be written off at Lidl. If leftover food cannot be avoided, it can be put to good use, for example by donating it to charitable organizations. In compliance with the applicable regulations, we give goods that can still be enjoyed but are no longer fit for sale to charitable organizations that distribute the food to those in need. Our Lidl national companies work with local food banks to do this. We also work with companies that specialize in converting food waste into animal feed: They take baked goods and fruit and vegetables that are no longer fit for sale and reprocess them into animal feed.

Raising Customer Awareness of the Need to Prevent Food Waste

More than half of all food waste in Europe is produced in private households.⁵ That is why we encourage our customers to value food and reduce food waste. Since February 2020, we have been actively educating customers on this topic and providing relevant recommendations. By means of a note on products with best-before dates, we urge our customers to use their own judgment to assess the shelf life of food before disposing of it too soon.



Acting locally



“Hranozavest” Against Food Waste

Together with partners, Lidl Slovenia launched the “Slovenian Day Without Food Waste,” which has been officially recognized by the Slovenian state as a national day of action to be observed every April 24. The aim is to create broad awareness of how food should be handled responsibly and to promote a society that treats food with more respect. In this context, the term “Hranozavest” was coined — a new Slovenian word that Lidl Slovenia and its partners developed for the project, representing food awareness. Lidl has been investing in measures to change behaviors around food for years now, organizing a range of expert discussions, competitions and school projects to mark this annual day of awareness. For the accompanying campaign, Lidl received the 2024 Gold Quill Award of Excellence from IABC.

⁵ Eurostat: Food waste and food waste prevention — estimates, 2024.

The Drive Toward Recyclable Private-Label Packaging GRI 301-3, 306-2

When it comes to our ability to influence the packaging of products in our assortment, we have the most control over our private labels. We are working with our suppliers to advance the use of recyclable packaging through various pilot projects. We want to establish bottle deposit systems throughout Europe and are trialing the universal introduction of these systems in pilot stores.

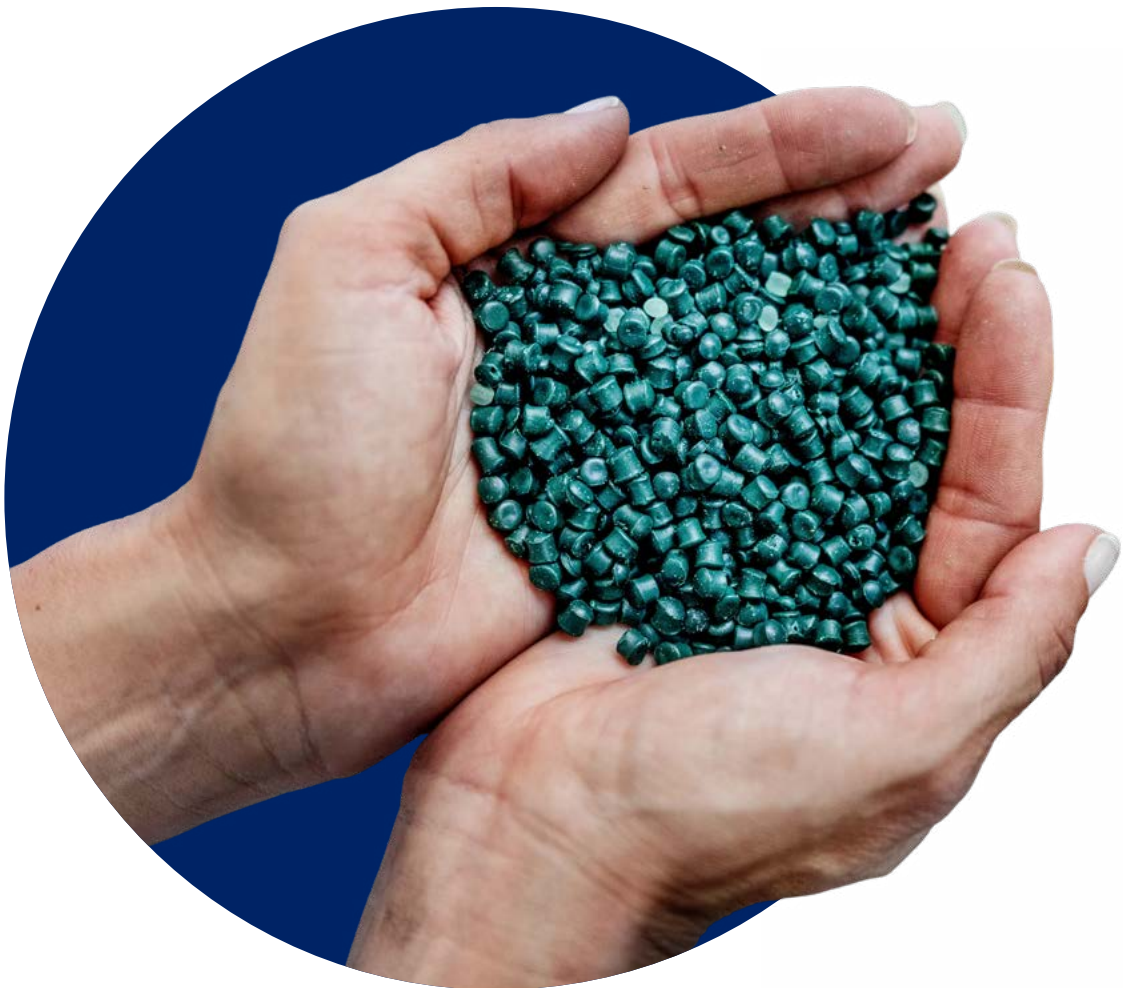
At Lidl we work together closely with other companies of Schwarz Group to make the packaging of our private labels suitable for recycling. Specific responsibilities for individual measures and process steps are assigned on a division-specific basis. For example, under the PreTurn brand of PreZero, intelligent multi-use pallets and pooling services are developed in cooperation with Schwarz Beschaffung.

Using More Recycled Material

Whenever possible, we use recycleate in our private-label packaging.⁶ The recycled plastic comes from sources including plastic packaging disposed of in private households. By means of innovative washing and sorting processes, we have managed to prepare the recyclable material in such a way that it fulfills the high statutory requirements for food packaging and is food safe.

We are also focused on the use of recycled material in packaging for laundry, cleaning and household products, as well as shampoos and shower gels, in cooperation with GreenCycle. In 2025, we were able to increase the proportion of recycled material in private-label packaging made of plastic from 19 percent to 25.8 percent. But our commitment to recycling extends beyond plastic: We also prioritize the use of recycled material in our paper and cardboard packaging. And if fresh fiber is used, it must be either certified by FSC® or PEFC. In the 2025 fiscal year, the proportion of certified pulp and paper contained in pulp and paper products and packaging was 69.1 percent.

More than **25 % recycleate**
More and more Lidl private-label packaging is made of recycled plastic



Loop Closed for Yogurt Pots Made of Recycled Material

The use of recycled material in non-PET packaging that comes into contact with food is currently still very restrictive. So far, recycleate has been used mainly in non-food and near-food, but less so in the food area. However, we have succeeded in closing another loop for yogurt pots thanks to the work carried out in a project launched in 2022 involving recycled polystyrene. It uses polystyrene that is disposed of by customers in their recycling bag or container and is then sorted and cleaned, before being processed into pellets and finally made into new yogurt pots. The project was carried out in collaboration with partners PreZero, supplier T.M.A., INEOS and Lidl, and marks an important milestone on the journey toward our targets for (plastic) packaging. In March 2025, we successfully concluded the pilot project, which also marks an important step in our preparations for the European Packaging Regulation (PPWR).

⁶ By recycled materials we mean 100 percent PCR (post-consumer recycled materials), i.e., recycled plastic from household waste, coloring (color pigment) and filler for the referenced product category.



Acting locally



Deposit Return Systems as a Core Element of the Circular Economy

Lidl Bulgaria has been carrying out a pilot project for the voluntary acceptance of deposit returns since March 2023. The national company is thus playing a pioneering role in the voluntary acceptance of deposit returns in the country. By the end of February 2026, Lidl Bulgaria was offering deposit returns in 37 stores in 22 cities all over the country, each equipped with two reverse vending machines. These return stations are not only open to customers, but enable all consumers to return PET bottles and cans, regardless of the original point of purchase. In the first month alone, around 300,000 PET bottles and cans were returned. From March 2023 to November 2025, a total of over 121 million PET bottles and cans were collected and recycled.



In the PreZero plant, plastic is sorted, cleaned and processed into high-quality recycled material for new bottles.

Plastic Recyclate for Personal Care Products

We are also driving forward the use of recycled material with innovative new ideas. One example is the high-density polyethylene loop, where we are able to use a plastic recyclate for personal care products thanks to state-of-the-art recycling technology. The used hard polyethylene (HDPE) bottles are collected from private households and sorted by PreZero according to type. The sorted HDPE packaging is then pressed into bales to optimize transport utilization. At the PreZero recycling plant, the packaging is first sorted by color, shredded into flakes and washed. The flakes are then cleaned and re-sorted before being processed into high-quality recyclate, which can be used to make new HDPE bottles.

Driving Forward Bottle Deposit Systems in Europe

The PET recycling loop also depends on consumer commitment. By using the bottle deposit system, the customers provide the basis for a functioning recycling loop. As a company of Schwarz Group, we support the development of single-use bottle deposit systems in all European countries in which no such systems currently exist. This also counteracts littering in public areas. In a trial project in selected stores, Lidl already allows customers to return single-use PET bottles and beverage cans via reverse vending machines in countries that do not require this by law. By collecting this packaging, we enable our internal partners to then process the material into high-quality recyclate, ensuring that the raw material stays in our value creation system. This project demonstrates that we at Lidl take responsibility even without statutory requirements and invest in economically viable circular economy solutions.

New Strategies with the Ellen MacArthur Foundation

Lidl is paving the way to a functioning circular economy, working in collaboration with partners and going beyond the statutory driving forces. Since signing the Global Commitment of the Ellen MacArthur Foundation, companies of Schwarz Group made a commitment in 2018 to actively work toward the more sustainable use of resources. This agreement was launched by the Ellen MacArthur Foundation in collaboration with the UN Environment Programme. In October 2025, the companies of Schwarz Group signed the Global Commitment once again. We hereby confirm the continuation of the partnership until 2030 and commit to reducing virgin plastic in the primary plastic packaging of our own brands by five percent by 2030 compared to 2018. We are developing new strategies and solutions together with the companies involved, as well as governments, NGOs and initiatives, to promote the circular economy, especially for plastics. The Plastics Pact Network of the Ellen MacArthur Foundation includes national plastics pacts in countries such as the UK, the USA and Poland as well as regional pacts such as the European Plastics Pact. The companies of Schwarz Group participate globally and support national implementation wherever possible on a company-specific or cross-company basis.



The Circular Economy in Non-Food GRI 301-3

Lidl is also actively committed to waste prevention and recycling in relation to its non-food products. Our focus here is on increasing the use of recycled raw materials in products such as textiles, household goods and electrical goods.

One of the ways in which Lidl supported the circular economy in the non-food area during the reporting year was through the use of shopping baskets made of recycled plastic. Lidl is rethinking its roller and hand-held baskets: In the future, hand-held baskets will be made from 93–95 percent recycled material, roller baskets from 80 percent recycled material and XXL roller baskets from 87 percent recycled material. Shopping baskets already in circulation are being replaced gradually so that baskets that are still in good condition are used for as long as possible. This measure minimizes resource consumption. The new models will then be delivered to stores in all of the countries where Lidl has a presence.

The recycled material used is post-consumer recycled material. The entire recycling and manufacturing process is handled in Europe.

In addition, Lidl uses protective strips made from 99 percent recycled material to conserve further resources and minimize its ecological footprint. Working in collaboration with PreZero, Lidl also uses recycled materials for the packaging of various laundry, cleaning and household products as well as shampoos and shower gels, also see the section on [The Drive Toward Recyclable Private-Label Packaging](#) (p. 57).

Furthermore, Lidl processes unsold textiles and other non-food items that are distributed via service providers in countries where Lidl is not represented. Around 3,951 tons  of textiles were reused in this way in the reporting year.



Lidl continues to make progress on the topic of recycling: Recycled material conserves resources and lowers emissions.



Donating Goods to Charity

Several Lidl national companies donate textiles and near-food to charity, including in Austria, Hungary, Latvia, Estonia and Romania. Lidl Austria and the HUMANA People to People Association have already collected almost 105 tons of textiles with clothing donation bins at 33 stores — with plans for more. Lidl Austria donates the rental fees collected for providing the bin locations to Pro Juventute, supporting children and young people. In Switzerland, Lidl has been cooperating with Tell-Text AG since 2017: Used clothing and footwear are collected in containers in store parking lots, for which a donation is made to Children’s Cancer Aid Switzerland. In Latvia, own-brand electronic devices returned while still under warranty are repaired, if possible, and donated to SOS Children’s Villages.

Quantities According to Material and Movement Type

GRI 306-5

Material in Tons	Movement Type	2023	2024	2025
PCC (paper, cardboard, cartons)	Reuse	–	23.9	–
	Recycling	1,436,041.0	1,498,074.3	1,561,277.5
	Thermal recovery	243.5	191.3	311.0
	Incineration	–	–	–
	Unknown ⁷	7,731.3	245.5	516.8
Organics	Reuse	28,190.5	31,413.8	36,830.3
	Fermenting	361,068.1	397,417.5	431,279.2
	Composting	11,826.6	15,077.6	21,002.5
	Recycling	50,363.7	22,145.9	13,004.5
	Thermal recovery	972.2	1,083.8	1,153.1
	Landfilling	7,203.3	5,012.1	5,587.6
	Animal feed ⁸	–	38,343.2	44,162.9
	Incineration	5,239.4	1,602.5	645.7
	Unknown ⁷	13,239.7	14,336.9	12,567.5
PET	Recycling	102,082.4	134,857.7	148,209.2
	Thermal recovery	7.8	–	–
	Incineration	–	–	–
	Landfilling	–	–	–
	Unknown ⁷	235.4	65.7	–
Plastics	Recycling	52,940.6	57,300.2	59,520.0
	Thermal recovery	3,995.0	4,150.7	2,958.2
	Incineration	1.6	10.1	31.2
	Landfilling	228.6	256.1	91.2
	Unknown ⁷	1,419.3	165.6	868.7

Material in Tons	Movement Type	2023	2024	2025
Wood	Reuse	27,156.4	32,995.1	35,363.7
	Recycling	48,606.4	50,448.4	54,541.8
	Composting	404.4	821.3	315.7
	Thermal recovery	3,122.8	3,532.6	2,487.2
	Incineration	67.1	116.2	61.6
	Landfilling	1,527.4	1,618.2	1,494.7
	Unknown ⁷	11.3	28.3	54.4
Textiles	Reuse	2,643.5	3,268.2	3,951.4
	Recycling	31.4	20.4	50.3
	Thermal recovery	14.8	23.2	35.1
	Incineration	23.4	26.2	69.4
	Landfilling	5.6	4.8	24.8
	Unknown ⁷	19.7	0.2	–
Glass	Recycling	18,823.5	46,472.2	73,527.0
	Landfilling	–	–	1.5
	Unknown	2.3	–	41.8
Scrap	Recycling	28,222.6	38,230.7	44,626.8
	Landfilling	20.9	10.0	6.8
	Unknown ⁷	64.7	22.8	7.0
Residual waste	Recycling	–	7,497.7	8,139.5
	Thermal recovery	88,892.8	93,198.8	101,385.8
	Incineration	1,849.5	1,902.9	2,198.6
	Landfilling	103,450.2	107,041.0	101,623.7
	Unknown ⁷	24,743.5	17,460.2	13,988.6

⁷ The category “Unknown” is a compound category which also includes volumes that cannot be positively assigned to the above-mentioned categories.
⁸ The KPI for animal feed was reported under recycling in the 2023 fiscal year, but has been reported separately since the 2024 fiscal year.



Quantities According to Material and Movement Type GRI 306-5

Material in Tons	Movement Type	2023	2024	2025
Other non-hazardous recyclables	Reuse	8,467.9	11,874.8	11,788.1
	Recycling	5,215.9	7,216.4	7,886.7
	Thermal recovery	3,477.2	1,730.2	1,631.9
	Incineration	75.2	127.9	389.7
	Landfilling	990.4	839.3	1,516.4
	Unknown ⁹	73.2	189.2	466.9
Non-hazardous recyclables	Reuse	66,458.4	79,575.8	87,938.2
	Recycling	1,742,327.5	1,862,263.9	1,970,783.2
	Composting	12,231.0	15,898.9	21,318.2
	Thermal recovery	100,726.2	103,910.6	109,962.3
	Incineration	7,256.2	3,785.8	3,396.1
	Landfilling	113,426.4	114,781.6	110,346.6
Hazardous recyclables ¹⁰	Reuse	1,159.4	1,390.6	92.3
	Recycling	6,418.7	6,363.0	7,857.2
	Thermal recovery	387.7	445.7	336.9
	Incineration	530.8	996.6	994.9
	Landfilling	310.8	148.6	165.8
	Unknown ⁹	55.5	42.0	9.1

Material in Tons	Movement Type	2023	2024	2025
Total	Total recyclables (including residual waste)	2,459,897.2	2,657,877.9	2,817,154.4
	Reuse	67,617.8	80,966.4	88,030.6
	Recycling	1,748,746.2	1,868,626.8	1,978,640.4
	Thermal recovery	101,113.9	104,356.2	110,299.1
	Incineration	7,787.0	4,782.3	4,391.0
	Landfilling	113,737.2	114,930.1	110,512.4
	Fermenting	361,068.1	397,417.5	431,279.2
	Composting	12,231.0	15,898.9	21,318.2
	Animal feed	—	38,343.2	44,162.9
	Unknown ⁹	47,596.0	32,556.4	28,520.7

⁹ The category “Unknown” is a compound category which also includes volumes that cannot be positively assigned to the above-mentioned categories.

¹⁰ This includes, for example, old paints/varnishes, household/industrial batteries, energy-saving light bulbs, electrical waste, fluorescent tubes, (neon) toner, cleaning products, acids and lye, solvents, spray bottles, and old fire extinguishers.



Material Volume by Type¹¹

GRI 306-3

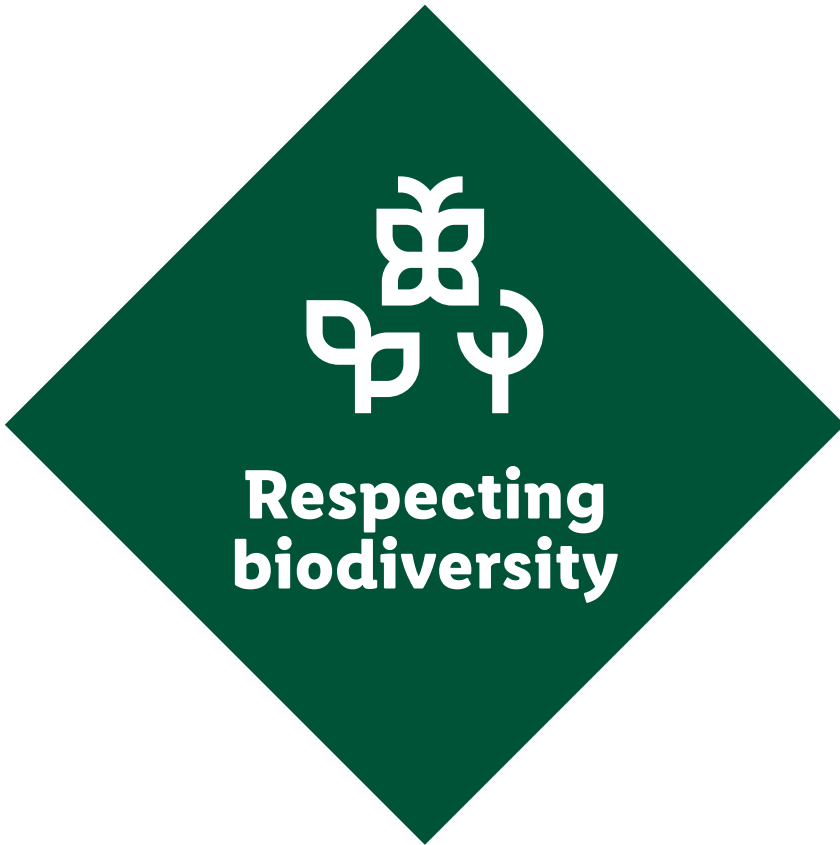
Material in Tons	2023	2024	2025
Non-Hazardous			
PCC (paper, cardboard, cartons)	1,444,015.9 58.7%	1,498,535.0 56.4%	1,562,105.3 55.5% ✓
Organics	478,103.6 19.4%	526,433.3 19.8%	566,233.3 20.1% ✓
PET	102,325.6 4.2%	134,923.4 5.1%	148,209.2 5.3% ✓
Plastics	58,585.1 2.4%	61,882.7 2.3%	63,473.9 2.3% ✓
Wood	80,895.8 3.3%	89,560.0 3.4%	94,319.0 3.4% ✓
Textiles	2,738.4 0.1%	3,342.9 0.1%	4,130.8 0.2% ✓
Glass	18,825.8 0.8%	46,472.2 1.8%	73,570.3 2.6% ✓
Scrap	28,308.2 1.2%	38,263.5 1.4%	44,640.5 1.6% ✓
Residual waste	218,935.9 8.9%	227,100.6 8.5%	227,336.2 8.1% ✓
Other non-hazardous recyclables	18,299.9 0.7%	21,977.9 0.8%	23,679.7 0.8% ✓
Hazardous			
Hazardous recyclables ¹²	8,862.9 0.3%	9,386.3 0.4%	9,456.1 0.3% ✓
Total	2,459,897.2	2,657,877.9	2,817,154.4 ✓

¹¹ Proportion of the particular material in the total material volume.
¹² This includes, for example, old paints/varnishes, household/industrial batteries, energy-saving light bulbs, electrical waste, fluorescent tubes, (neon) toner, cleaning products, acids and lye, solvents, spray bottles, and old fire extinguishers

Use of Plastic and Paper

GRI 301-1, 301-2

Material in Tons	2023	2024	2025
Paper			
Household leaflet advertising material/customer magazine/other	251,008.1	228,110.8	221,828.5
Printing paper consumption	2,349.2	2,655.4	2,264.8
Consumption of paper bread bags	17,016.5	18,894.3	17,231.5
of which recycled material			
Household leaflet advertising material/customer magazine/other – recycled fibers	157,347.7	171,188.8	164,194.6
Printing paper consumption – recycled fibers	1,339.6	1,665.5	1,369.4
Consumption of paper bread bags – recycled fibers	—	—	—
Plastic			
Plastic weight/garbage bags	5,752.3	6,775.3	7,626.3
Plastic weight/stretch film (packaging material)	8,207.4	9,062.7	9,802.5
Sold F&V reusable nets	3,213,720	3,069,800.0	5,223,176.0



Taking Responsibility Today to Cultivate Tomorrow’s Livelihood

Lidl is involved in protecting biodiversity around the world. Together with strong partners, we take active steps to preserve ecosystems and natural resources — in our value chain and beyond.



Interview

Joining Forces with WWF for a Bigger Impact

The only way to tackle the enormous global challenges we face — such as climate change and biodiversity loss — is if we all work together. That is why WWF and Lidl began a long-term international partnership in 2024. Christian Som, Senior Manager Sustainable Markets at WWF Switzerland, recently spoke to us about the aims, progress and expectations of this collaboration — and why biodiversity is such a big concern.



The protection of endangered species and habitats — joining forces with WWF for more biodiversity



Christian Som, Senior Manager Sustainable Markets at WWF Switzerland, answers our questions.

WWF wants to create a future where people and nature live in harmony. What specifically can Lidl do to help?

Christian Som: No company can bring about the level of change required alone. Alongside the strategic sustainability measures introduced within its own operations, Lidl has the opportunity to encourage the stakeholders in its supply chains to adopt more sustainable production methods and work with other retailers to make the entire sector more sustainable. To secure their own futures, companies must operate within planetary limits and reduce their “footprint.” But their “handprint” is also important — in other words, their positive impact beyond their own operations and supply chains.

Above: During their exchange, Christian Som and Susanne Keil, Content Communication Expert in Purchasing, Lidl Stiftung & Co. KG, discussed quality and sustainability — and how the partnership with WWF can drive real change for climate protection, biodiversity and the conservation of resources.

How is this collaboration helping to ensure we increase our handprint and make the sector more sustainable?

As part of our partnership, we have set some ambitious targets for greater supply chain transparency and more sustainable procurement of raw materials, as well as in relation to the climate, biodiversity, water, conscious nutrition and the circular economy. We have also come together to help consumers live more sustainable lifestyles, not just through improved environmental performance of the products sold, but also through information and inspiration. As part of this partnership, WWF is not just supporting Lidl with its sustainability efforts, but also holding Lidl to account when it comes to pursuing and implementing our agreed science-based [partnership targets](#).

Thinking about the results so far, what stands out over the past year for you?

Together, we have already achieved a great deal. Among other things, we have worked hard on Lidl’s raw materials targets to make sustainability in purchasing easier to measure and manage. And we reached a major milestone in conscious nutrition, which combines several issues and, through labeling

and awareness campaigns, makes the link between consumption habits and environmental impact more tangible for Lidl customers.

What practical help is WWF providing?

Given our presence in almost every country where Lidl has stores, we understand the local challenges and market conditions. WWF has extensive experience in corporate sustainability and environmental protection and has a reputation as a credible and trustworthy NGO. Our international network — with a presence in almost 100 countries — connects us with decision-makers, communities and conservationists affected by corporate value chains on both a local and global level. Born out of local collaboration, our approaches can be extended to an international level. We have also developed tools that make it easier to identify environmental challenges and come up with solutions, such as the [WWF Biodiversity Risk Filter](#). This global, local and specialist knowledge and understanding puts WWF in a particularly strong position to support Lidl’s environmental strategies and their implementation. Our experts are in regular contact with the Lidl teams, scrutinizing the methods they have adopted and highlighting key concepts and important frameworks.

Good to know

The ecological footprint is a concept that measures how many natural resources we consume and our resulting environmental impact. A bigger footprint indicates that we are consuming more than the Earth can sustainably provide. In contrast, our ecological handprint reflects the positive impacts of our actions. For example, when we encourage others to adopt environmentally friendly behaviors. Other examples include promoting sustainable products, supporting environmental initiatives or sharing environmentally friendly practices.





Biodiversity loss is accelerating worldwide. In your view, what are the main causes and how might it affect us in retail?

Our food system plays a crucial role in shaping the future of our planet. Big agricultural industries, particularly the meat and dairy sectors, are the biggest drivers of deforestation, water consumption, biodiversity loss and soil degradation. That is why a global food transition is so important. It means we need to change our production methods, reduce our consumption of animal-sourced products and promote more plant-sourced foods. Our experts have been supporting the Lidl teams with applying the WWF Planet-Based Diets retailer methodology and setting ambitious, science-based targets, such as Lidl’s protein split.¹ We are also working with Lidl to ensure long-term deforestation-free and conversion-free procurement of raw materials where there is a high risk of deforestation, such as palm oil, cocoa, beef and other products.

What approaches are there to protect biodiversity in our complex supply chains with all the raw materials and agricultural producers involved?

Biodiversity is incredibly location-specific. Plants and animals that live in one place can be completely different within just a few miles. Threats are also very site-specific. In one place, the biggest threat might be drought; in another, it might be ecosystem destruction. Protecting biodiversity requires local and bespoke solutions that consider the landscape and its stakeholders as a whole. That is why we are helping Lidl assess its impact on nature — from ecological risks to potential hot spots. We are also helping to leverage credible certifications and strong partnerships with producers to address these challenges.

We are working to inspire our employees and customers in over 30 countries to embrace sustainability. How do you rate our chances?

Retailers such as Lidl are strategically well-placed to have a positive impact far beyond their own operations. Lidl has significant potential within the retail sector to shape the way we produce and consume food and other goods. By combining employee engagement with customer awareness, Lidl can play a significant role in promoting more sustainable choices.

Thank you for speaking to us and sharing your insights. Any final thoughts?

When one of Europe’s biggest food retailers and a leading international environmental organization team up to make a positive difference to both people and nature, it presents a massive opportunity to achieve sustainable change for the better. Let us do everything we can to make the most of it!



¹ More information about Lidl’s protein split can be found in the chapter on [Promoting health](#) (p. 80).

Preserving Ecosystems and Biodiversity

GRI 3-3, 101-1

The ongoing loss of biodiversity and the destruction of ecosystems are among the two most severe global risks of the next decade.² Wherever our operations impact people, animals or the environment, we want to use our influence to bring about positive change and effectively contribute to protecting biodiversity.

Biodiversity is the key to functioning ecosystems and therefore to the ecosystem services that we, as humans, rely on for our survival. Half of all global economic output is moderately or even heavily dependent on healthy nature.² Yet we are currently witnessing rapidly accelerating species extinction, where the loss of pollinating insects alone poses a very real danger to food production. Worldwide, forests and jungles are still being cleared for farming. Pressure on freshwater resources is also increasing, particularly in countries and regions where water is scarce or polluted. Droughts and increasing water withdrawal by humans only exacerbate the problem.

→
We are aware of the challenges of our time and actively contribute to preserving diverse habitats.

We recognize that raw material production and other activities have a negative impact on biodiversity. With our global reach as an international food retailer, we want to help shape conditions that preserve habitats.

Lidl Purchasing is responsible for protecting biodiversity when our raw materials and products are being produced. The Ecology team in the Programs & Standards department develops the specifications for this, which are implemented in the international and domestic purchasing of the relevant products. Responsibility for biodiversity in construction, for example of logistics centers or stores, lies with the Real Estate department, which is supported in this by the CSR department in the Operations & Real Estate business unit at Lidl Stiftung & Co. KG.



² World Economic Forum: Global Risk Report 2026.



Using Agricultural Land and Fresh Water More Sustainably GRI 303-1, 101-1, 101-2, 101-4

Worldwide, we work with our partners to protect freshwater resources and make agricultural land more species-rich, fertile and resilient. Because to ensure we have fertile soil and clean water tomorrow, we need to act decisively today.



We take national and international responsibility for a more sustainable use of land and fresh water, both in our own operations and throughout our entire supply chains. Our commitment is particularly aimed at consistently minimizing the negative environmental impact of our primary products — from cultivation and harvesting to further processing and transport to stores.

Minimizing impacts

A river as a lifeline for people and nature: We follow our freshwater strategy to identify, reduce and responsibly manage water risks in our supply chain for the long term.



Acting locally



Coastal and River Conservation

With specific projects, Lidl Poland and Lidl Bulgaria aim to help protect bodies of water and endangered species. Lidl Bulgaria has been supporting the “Give Balkan Trout a Chance” project since 2013 to preserve biodiversity in Bulgaria’s rivers, especially the critically endangered Balkan trout. Over ten years, over 400,000 juvenile fish were released into more than 30 river sections. Riverbank cleanups and public awareness campaigns help bring local residents on board. Lidl Poland, together with WWF Poland Blue Patrol, has been committed to protecting biodiversity in the Baltic Sea region since 2025. Volunteer coastal patrols secure bird nesting sites, help seals and run educational activities. Lidl Poland has also taken part in the annual River Warta cleanup since 2022, collecting almost five tons of litter so far with the help of the local community.

Focus on Critical Raw Materials

To achieve more sustainable procurement, we have decided to focus on what is known as critical raw materials, such as palm (kernel) oil, soy, cocoa, coffee, wood / cellulose, natural rubber and beef. The decision is based on a systematic risk analysis carried out in collaboration with experts. The analysis shows that these raw materials have a particularly big impact on people and the environment and are also very important to our product range. To strategically improve how we handle these critical raw materials, we have set ourselves some raw material-specific targets within the context of our purchasing sustainability strategy. These certification and traceability targets contribute to our due diligence obligations under the EU Regulation on Deforestation-free Products and help protect and restore ecosystems and habitats.



We are pursuing these targets as part of our raw materials strategy, which is based on four pillars:

1. Understanding impacts

Regular, comprehensive risk analyses help us explore the opportunities and risks of our business. In addition to analysis of our risks, it also provides maximum transparency about the origin, tonnage, certification status, processing and packaging of the critical raw materials.

2. Establishing standards

We apply recognized environmental and social standards when purchasing raw materials. Working closely with certified suppliers and labeling organizations, using certified production facilities and adding labeled products to our assortment are some of the key tools we have at our disposal to address the social and environmental risks in our supply chain. Showing the corresponding labels on the packaging of our products makes it easier for our customers to make more sustainable purchasing decisions.

3. Promoting alternatives

Whenever we are unable to procure critical raw materials in a more sustainable way, we promote more sustainable alternatives in our product range. If there are no sustainable alternatives, we may — on a product-specific basis — review whether we should simply avoid using certain raw materials altogether in future. We also promote more sustainable solutions in terms of product innovations, for example, with recycled materials or plant-sourced alternatives.

4. Driving change

Many of the challenges related to raw material production and processing cannot be solved by Lidl alone. That is why we are working closely with other stakeholders in the food industry, governments, charitable organizations, standard-setting bodies and scientists, as well as local communities. Together, we can drive industry-wide change, boost standards and bring about real improvements.

Detailed information on this and a complete overview of our critical raw materials can be found in our purchasing policies [🔗 Deforestation-Free Supply Chains](#) and [🔗 Raw Materials](#).



We are continuing to work with suppliers and traders to improve transparency in our coffee supply chains.



Protecting Endangered Species

In cooperation with our suppliers, we have banned fish and types of seafood that are classified as vulnerable or endangered on the IUCN Red List. At the same time, we have set ourselves the target that 100 percent of our entire fish and seafood range in all Lidl national companies will come from sources that are classified as recommended or acceptable, according to scientifically recognized WWF criteria. With this target, we are aligning ourselves with the Global Biodiversity Framework and contributing, in particular, to its targets 5 (Ensure Sustainable, Safe and Legal Harvesting and Trade of Wild Species) and 10 (Enhance Biodiversity and Sustainability in Agriculture, Aquaculture, Fisheries, and Forestry).

At Lidl, we rely on certified agricultural products: All our agricultural producers participate in the GLOBALG.A.P. standard.

In accordance with our strategy, we are committed to a more sustainable offer, promote transparency and traceability and are guided by internationally recognized sustainability certifications. These include the EU Organic Standard and Bioland, Fairtrade, Forest Stewardship Council (FSC®), Marine Stewardship Council (MSC), BAP4 Star, Rainforest Alliance, Europe Soya and Roundtable on Sustainable Palm Oil (RSPO), as well as GLOBALG.A.P.

We also have targets in non-food, such as fiber targets for cotton, viscose and other raw materials, which we pursue by working with labels such as the Global Recycled Standard (GRS), Recycled Claim Standard (RCS), Organic Content Standard (OCS) and Global Organic Textile Standard (GOTS). We are in constant communication with standard-setting bodies to further develop and improve standards.

As a result of their mandatory participation in the GLOBALG.A.P. standard, all our agricultural producers must demonstrate their expertise in agricultural best practice when producing fruit, vegetables and flowers. We also recognize equivalent standards, such as the Milieu Programm Sierteelt (MPS) for flowers and plants, as well as the QS quality scheme in Germany for fruit and vegetables. This also includes checking whether production at the respective site could potentially pose risks to water availability or quality and how these risks can be minimized. We require our producers of fruit and vegetables to be certified to GLOBALG.A.P. IFA standard or equivalent. We believe that by continuing to develop GLOBALG.A.P., we can achieve far-reaching and systemic improvements.

LIDL I: Proportion of sustainably procured raw materials in the total purchasing volume (selection)³

Proportion of Certified Products in the Range in Percent	2023	2024	2025
Proportion of sustainable fish items	75.7	78.4	78.8 ✓
Proportion of sustainable cocoa in our cocoa product range	93.0	95.4	95.6 ✓
Proportion of sustainable coffee	90.8	98.3	98.4 ✓
Proportion of sustainable roasted coffee items	77.9	88.9	87.7 ✓
Proportion of sustainable tea in our tea product range	86.7	81.5	80.3 ✓

³ The calculation basis is the number of all actively listed private-label items in the fiscal year (as of the reporting date on November 30, 2025). Certified sustainable coffee items include coffee capsules, instant coffee/cappuccino, coffee pads and coffee drinks. Certified sustainable roasted coffee items include coffee beans and ground coffee. The items are certified by at least one of the following labels: Rainforest Alliance/UTZ, Fairtrade (Fairtrade product label), organic (Demeter, Naturland, Bioland, EU organic label).

**Improving Agricultural Practices:
The Example of GLOBALG.A.P.**

Lidl is playing an active role on the new Technical Advisory Committee (TAC), as well as in various other technical working groups, to systematically refine GLOBALG.A.P. standards. Together with GLOBALG.A.P., the Lake Constance Foundation and other important partners in the fruit and vegetable supply chain, Lidl has developed the BioDiversity add-on. It is the first industry-wide standard on biodiversity in conventional fruit and vegetable production, as an add-on to the GLOBALG.A.P. Integrated Farm Assurance (IFA) standard.



With the GLOBALG.A.P. Environmental Sustainability Solution, we are helping to develop a comprehensive standard that integrates regenerative agriculture, soil health, climate and further aspects.

1,200+
producers use
our **BioDiversity**
add-on

Since April 2022, GLOBALG.A.P. has made this add-on available to all market participants. At Lidl, we worked hard during the reporting period to extend it to all our European fruit and vegetable producers. By 2025, over 1,200 of our producers were already applying the add-on across more than 12,000 hectares of farmland in various European countries. Among other things, participating producers commit to implementing measures to enhance biodiversity on at least three percent of their agricultural land, rising to ten percent by 2030. The standard also prohibits the use of neonicotinoids.

As a member of the GLOBALG.A.P. working group on the Environmental Sustainability Solution (ESS), Lidl is working closely with 80 other stakeholders to develop an integrated sustainability standard for producers. The GLOBALG.A.P. ESS not only covers biodiversity, water, climate and soil health, but also other aspects of sustainability. This standard for environmental sustainability is intended to consolidate various existing certifications. For example, linking the BioDiversity add-on and the GLOBALG.A.P. SPRING certification, which covers responsible water management in agriculture.

Quality according to GLOBALG.A.P.: Our partners ensure care and sustainability directly in the field.



**New
GLOBALG.A.P.
ESS
standard**



Protection of Fresh Water

When it comes to fresh water, our focus is on responsible water use in our supply chains and the protection of ecosystems. We follow a strategic approach to these systematic processes.

To identify product groups that involve significant water risks, Lidl Stiftung & Co. KG regularly carries out cross-border analyses. Our approach to addressing the identified risks is as follows: Establishing standards, promoting alternatives and driving change. Since 2018, Lidl has been a member of the Alliance for Water Stewardship (AWS) and is active in the agricultural working group.

In the non-food area, Lidl is a member of the Leather Working Group (LWG), the Partnership for Sustainable Textiles and Cotton made in Africa® (CmiA), and has defined three main water-related goals in the textile sector that are in line with the Kunming-Montreal targets 7 and 16:

- Promoting safe handling of chemicals
- Reducing energy, water and chemical use
- Ensuring environmentally compatible waste disposal and appropriate wastewater management

Our water resources deserve special protection from plastic, given that it persists in the environment for a very long time. That is why we are committed to reducing plastic pollution and eliminating solid and liquid microplastics from all Lidl own-brand cosmetics and personal care products. You can find more information about this in the chapter on [Conserving resources](#) (p. 44).

Reducing the Use of Pesticides in Production

With the GLOBALG.A.P. IFA standard, which is mandatory for all producers, we are consistently reducing the use of pesticides in our fruit, vegetable, flower and plant assortment. Over the years, we have developed and adopted a target agreement together with our producers and suppliers. This agreement sets out a reduction in the use of pesticides. The Lidl Pesticide Reduction Program was launched in order to achieve our common goal. The program consists of concrete Lidl specification values for active substance residues in conjunction with so-called strategic active ingredient lists, which contain critical substances that need to be gradually phased out.

Our requirements go far beyond industry-specific and legal standards alone and, as a preventive measure, form the basis of safer products that are grown in a more environmentally friendly way.

We are promoting the protection and responsible management of fresh water in our supply chains.

01

Understanding impacts

We identify water risks in our supply chains and create transparency.

02

Establishing standards

We address water risks in our supply chains.

03

Promoting alternatives

We promote sustainable product innovations.

04

Driving change

We participate in initiatives and projects.

→ Together with other stakeholders, we are actively committed to the protection of fresh water and carry out regular analyses to this end.

GRI 303-2

Consuming Less Water and Promoting Biodiversity on Company Sites

We want to achieve positive impacts on biodiversity on our own agricultural land and by using our buildings differently, primarily by using water more sparingly and through measures designed to create habitats for plants and animals.

Within our own operations, we are working to steadily reduce our water consumption in stores, logistics centers and national headquarters. To do so, we are installing water-saving sanitary fixtures and faucets in both existing and new buildings within our real estate portfolio. We are using specialized faucets and sensor-controlled sinks, along with self-closing faucets and showers with optimized timer settings to prevent unnecessary water wastage. The rainwater and wastewater generated on our production sites is disposed of in accordance with the requirements of local utility companies. We are also working to improve our processes. You can find out more about this in the chapter on [🔗 Conserving resources](#) (p. 44).

With so many company sites, we have an opportunity to contribute to biodiversity preservation. We understand that we have an impact on the environment at every construction, storage and sales location. Through targeted measures, such as insect-friendly planting, green roofs and natural landscaping of outdoor spaces, we create habitats for plants and animals at our logistics centers, administration buildings and stores.



Lidl is also working in its own operations to use water carefully and avoid unnecessary consumption.

 **Acting locally**



Creating Habitats for Insects

Lidl in Germany has been actively working to protect and promote biodiversity since 2018 with the “Lidl Habitats” project, which was officially recognized as part of the UN Decade on Biodiversity in 2019. The aim of this 360-degree initiative is to raise awareness of threatened biodiversity and contribute to protecting wild bees and other pollinating insects. Since 2019, the Heinz Sielmann Foundation has been sharing its scientific expertise on an initiative to plant natural flowerbeds on Lidl sites. In order to create additional habitats, the foundation has planted 800,000 square meters of flowering areas, restored 100,000 square meters of moors and planted 100,000 square meters of orchard meadows since 2022. Together with Lidl partners in Germany, we successfully expanded this habitat for insects to a total of five million square meters.

GRI 101-2

Clearly Prioritizing Measures

Our approach is based strictly on the mitigation hierarchy. It defines a clear sequence for addressing impacts on biodiversity: First avoid, then minimize, then restore or rehabilitate and only as a final step transform. The aim is to avoid damage to ecosystems as completely as possible and to keep unavoidable losses as low as possible.

The following table serves to distinguish between measures implemented within our own operations, along our supply chain and outside our value chain:

Mitigation Hierarchy

Measures Taken by Lidl

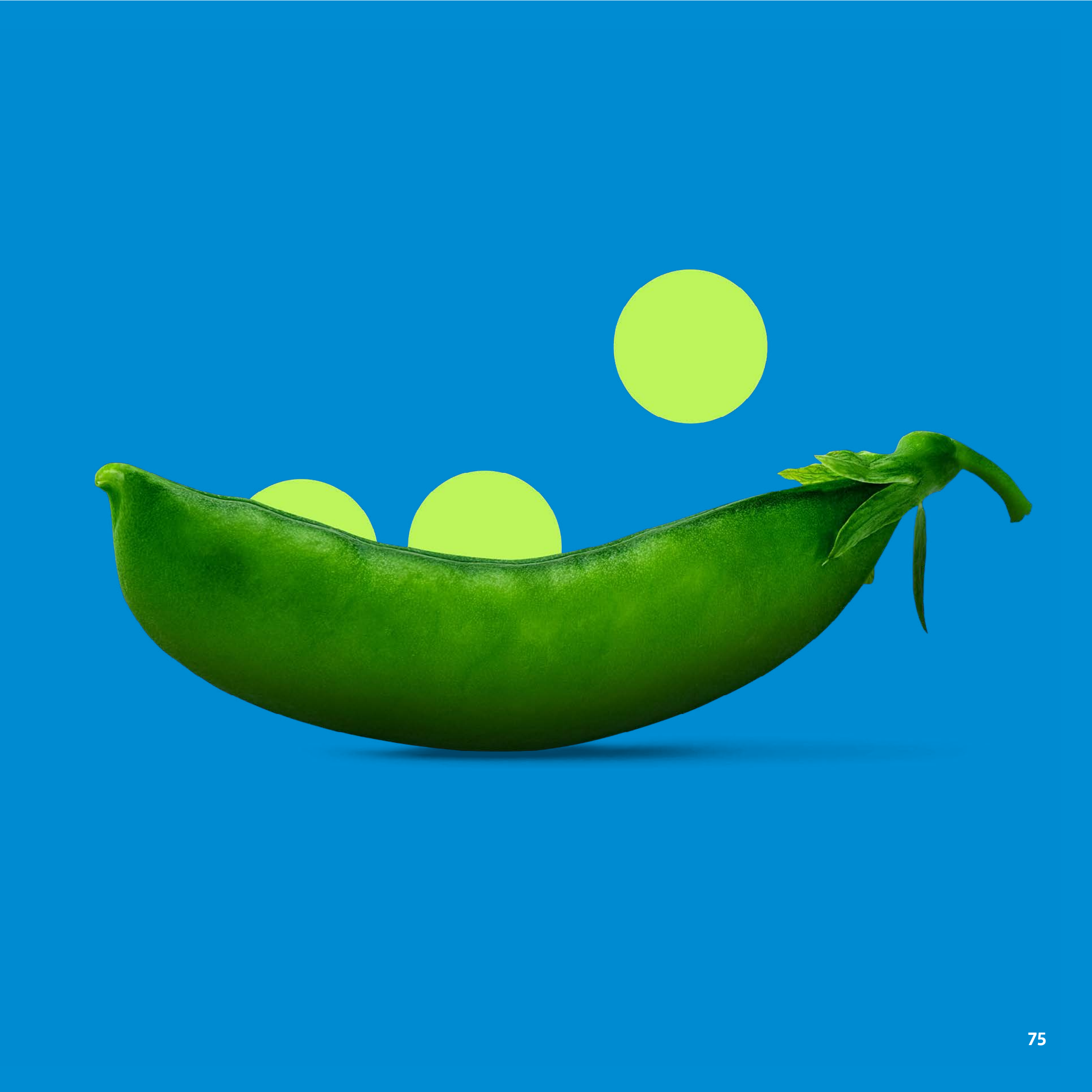
1. Avoiding impacts Measures taken to avoid negative impacts on biodiversity	Supply chain: • Banning fish and types of seafood that are classified as vulnerable or endangered on the IUCN Red List • Ensuring deforestation-free supply chains for high-risk raw materials • Cotton in textiles and hardware items certified according to Global Organic Textile Standard (GOTS), Organic Content Standard (OCS) or Cotton made in Africa® (CmiA) • Using recycled cellulose and cotton • Increasing the share of plant-sourced protein in our product range
2. Minimizing impacts Measures taken to minimize negative impacts on biodiversity that were unavoidable	Supply chain: • Continuously monitoring and reducing pesticides in the production of fruit, vegetables, flowers and plants • Over 1,200 fruit and vegetable producers use the GLOBALG.A.P. BioDiversity add-on • Certifying fruit and vegetable producers in high-risk countries according to recognized water standards • Reducing energy, water and chemical use in the production of textiles • Continuously expanding the range of both certified food and non-food products in accordance with our requirements for critical raw materials Own operations: • Using water-saving sanitary fixtures and faucets
3. Rehabilitation and restoration of habitats	Own operations: • Creating refuges for flora and fauna through insect-friendly planting, green roofs and natural landscaping of outdoor spaces at selected logistics centers, administration buildings and stores Outside the Lidl value chain: • Supporting selected, certified projects with conservation organizations such as WWF
4. Transformative measures	Supply chain: • Jointly developing the GLOBALG.A.P. BioDiversity add-on as the first industry-wide standard on biodiversity in conventional fruit and vegetable production





Conscious Choices, Better Living

A healthy diet is the key to a good life — for all of us and our planet. That is why we at Lidl are committed to making conscious nutrition easier. We are shaping the change toward a healthier and more sustainable food system by championing the Planetary Health Diet.





Interview

Opportunities of the Food Transition

The Planetary Health Diet shows how healthy eating can be achieved within the ecological limits of our planet. In this interview, Christoph Pohl, Chief Merchandising Officer of Lidl Stiftung & Co. KG, explains why it is also an invitation to combine the joy of eating with a clear conscience.



The Planetary Health Diet:

For ten billion people and a healthy planet



Christoph Pohl heads up International Purchasing. In this role, he manages the purchasing strategy, procurement, supplier relationships as well as the direction and transformation of the assortment – including collaborations on sustainability in purchasing.

More than just a retailer: How is Lidl transforming our food system?

Christoph Pohl: At Lidl, we believe our responsibility goes beyond offering outstanding value for money. Due to our size and market position, we carry a special responsibility – after all, millions of people of all ages rely on us for their food. We therefore aim to drive developments in the retail sector and provide impetus that has an impact beyond our own operations. Combating climate change, biodiversity loss and diet-related diseases requires a transformation of the food system. Retailers like Lidl have a key role to play, given our influence over consumer habits and the ways in which we can facilitate the food system transition through our assortment policy. A diet based on the Planetary Health Diet model, or PHD for short, helps to overcome several global challenges at the same time. As a retailer, we can encourage more conscious eating habits and inspire our customers. By expanding plant-sourced options, offering whole-grain alternatives and increasing the whole-grain content of products, we make it easier for customers to make healthier and more sustainable purchasing decisions.

What exactly is the Planetary Health Diet?

With the PHD, an international team of scientists developed a food system in 2019 that can feed ten billion people without exceeding planetary boundaries because, globally, humans consume 70 to 75 percent more resources every year than the Earth can replace. A large share of these resources is used in food production. The PHD is based on the principle of giving specific recommendations on how much of each food category people should be consuming on a daily basis to use the planet’s resources sustainably while maintaining a healthy diet. The focus is on more plant-sourced proteins such as legumes and nuts, more whole grains, fruit and vegetables as well as fewer animal products, especially red meat.

To what extent is Lidl’s product range changing?

Guided by these scientific findings, we have embarked on a journey to gradually align our assortment more closely with the PHD. In doing so, we are taking on a pioneering role, especially when it comes to transparency.

After all, we want to empower our customers as much as possible. Our approach comprises three key points: healthy eating, more sustainable eating, as well as transparency and empowerment.

How do Lidl customers benefit from this?

A diet in line with the PHD can significantly reduce the risk of cardiovascular disease, obesity and diabetes, given poor nutrition is the main cause of these types of diseases. However, this does not mean that you have to deprive yourself of anything. Rather, it is about having a moderate consumption of animal-sourced foods and a wide selection of plant-sourced proteins, fruit, vegetables and whole-grain products. By expanding our product range accordingly, we are giving customers a wider selection of products in line with the PHD. This includes, for example, our award-winning Vemondo products such as the vegan chive liverwurst-style spread “Levervurst Schnittlauch” and “No Ghurt,” as well as the popular Alesto nut range. At the same time, our customers can trust that they will receive the same high quality no matter what they choose.

A plant-forward diet and an occasional glass of milk: The PHD recommendations are suitable for all generations.





Story

Every Bite is Part of the Solution



The story of our fictional customer Anna shows how healthy eating within the ecological limits of our planet can work in everyday life — with a shopping list for a barbecue.

It is Friday afternoon. The weather is great, perfect for a barbecue. Just a quick shop to go. Our customer Anna makes her way up and down the aisles with her shopping cart. Her son, Tio, is helping. He reaches out for a packet of nuts; she grabs a new Vemondo spread. Fresh tomatoes, zucchini, mushrooms, garlic, hummus and lentils are already in the cart. She is shopping entirely in accordance with the Planetary Health Diet — which is turning out to be easier than she expected. Her family is constantly trying new things and discovering what tastes good, whether it is chili sin carne, whole-grain bread with beetroot spread, lentil soup or a bowl of soy yogurt with nuts, rolled oats and fresh berries. The kids particularly love the burgers — and have not even noticed they are made from pea protein.

Anna glances at her shopping cart as she heads toward checkout. For their weekend barbecue, the family was inspired by a website full of vegan recipes. They are having zucchini and mushroom skewers with garlic, grilled vegetable kebab, flatbread with hummus and lentil salad. The burgers and some sausages are also a must. For Anna, it is not about depriving yourself, but rather trying new ideas and a more balanced diet. For her, “planetary health” is no longer an alien concept. It is about new, positive feelings that last, whether out shopping, while eating or in life generally.

Focus on Conscious Nutrition GRI 3-3

To provide healthy food to a growing global population within our planetary boundaries, we all need to change the way we eat. The aim is conscious nutrition: Eating more plant-sourced products and considering the environmental impact of food production.

Despite increasing awareness of a healthy diet, eating habits have not changed all that dramatically: 770 million people are obese¹ and diet-related diseases are now considered to be the leading cause of death worldwide.² The consumption of animal-sourced protein puts an enormous burden on the environment: 75 percent of agricultural land and 69 percent of food-related greenhouse gas emissions can be attributed to animal-sourced products.³ A team of leading scientists from the [EAT-Lancet Commission](#) has worked out how around ten billion people worldwide can be supplied with healthy food within ecological limits by 2050. This resulted in the Planetary Health Diet (PHD) model.

At Lidl, we take responsibility for the social and environmental impact of the products we offer our customers — by placing food safety, a plant-forward diet rich in plant-sourced protein as well as

transparency and empowering our customers at the heart of everything we do. As part of the “Promoting health” field of action at Lidl, we are committed to conscious nutrition and align our product range with the PHD model. Based on this foundation, we have set new milestones for 2030 to support a more plant-based nutrition and will be ensuring transparency across all food groups in our product assortment. This is a task we are undertaking together, with the Health team of the Quality & Sustainability department at Lidl Stiftung & Co. KG. being responsible for the “Promoting health” topic. The measures for a healthy working environment also contribute to this topic. These are described in the chapter on [Acting fairly](#) (p. 89).



By 2030, Lidl will
increase the share of plant-
sourced food sales by
20%
compared to 2023⁴

¹ Food System Economics Commission: [Global Policy Report](#)
² WWF: Bending the Curve: [The Restorative Power of Planet-Based Diets, 2020](#)
³ WWF Germany: [The Taste of the Future: Culinary Compass for a Healthy Planet, 2021](#)
⁴ Compared with the 2023 base year; in terms of the PHD: legumes, nuts, seeds, whole grains, and fruit and vegetables; except for potatoes (starchy vegetables)

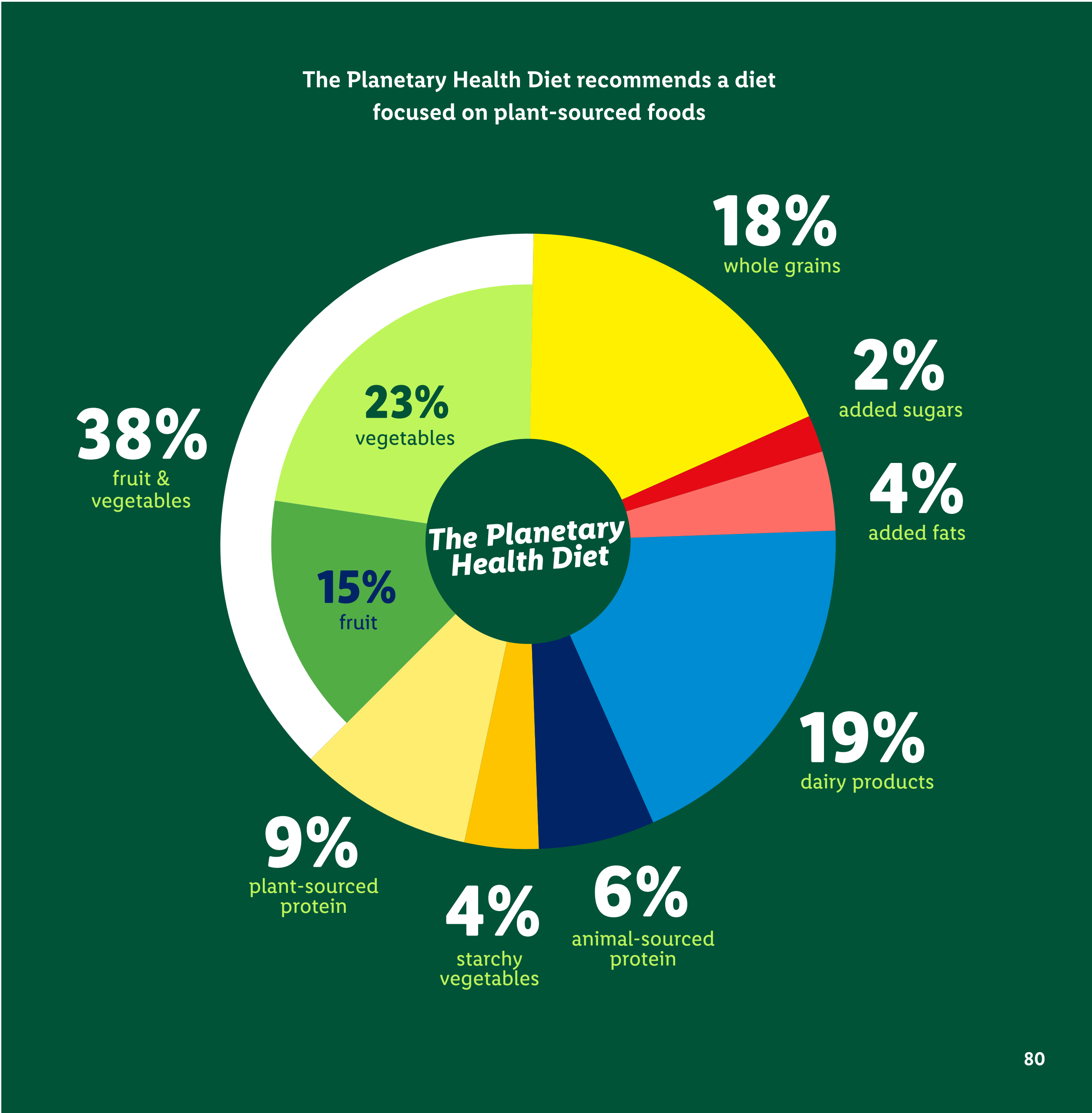
The Planetary Health Diet as Our North Star for a Healthy and Sustainable Product Range

The PHD guides our pursuit of healthier offers and greater sustainability. Our vision is to design our own-brand product range in such a way that it aligns with planetary limits while simultaneously contributing to a balanced diet.

Above all, the Planetary Health Diet⁵ (PHD) recommends a higher proportion of plant-sourced foods, such as whole grains, vegetables, legumes, nuts and fruit, and only moderate consumption of animal-sourced products. To achieve this, at Lidl, we regularly analyze the composition of our product range and set targets accordingly, including on the proportion of plant-sourced versus animal-sourced protein. To measure and evaluate the composition of our product range, we use the recognized WWF methodology. This allows us to determine the protein split and conduct a comparable, transparent analysis based on PHD criteria.

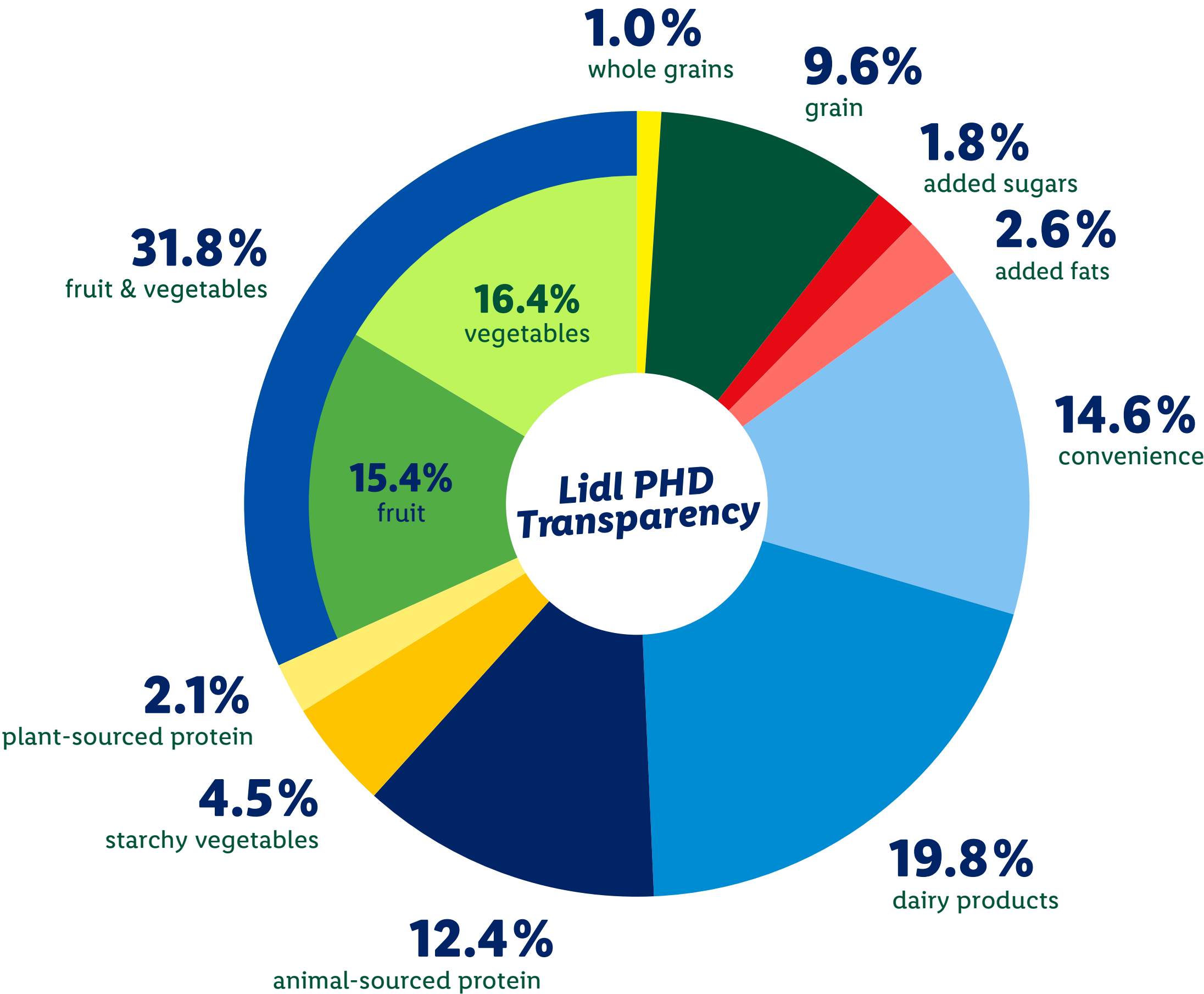
Findings are directly incorporated into the further development of our assortment as we seek to expand our plant-sourced options, offer whole-grain

alternatives, increase the proportion of whole grains and facilitate access to healthier, more sustainable food. That is why, at Lidl, we continue to promote the sale of fruit and vegetables. Plant-sourced proteins like nuts, legumes and seeds are nutritionally valued as they are rich in high-quality plant proteins and healthy fats. Nuts, in particular, contain unsaturated fatty acids such as Omega-3. These fats support the cardiovascular system and reduce inflammation. They also contain plenty of fiber, which promotes digestion and lowers the risk of chronic diseases. Moreover, they provide important micronutrients like magnesium, iron and vitamin E, as well as antioxidants that protect cells. These foods have a low glycemic index, which helps to keep blood sugar levels stable, and contribute to overall health. They also have a lower environmental impact than animal-sourced products.



⁵ The Planetary Health Diet was updated in November 2025. The associated changes were taken into account, but will only be made transparent in the next report.

The Lidl PHD transparency shows the extent to which our product range complies with the recommendations of the PHD⁶



We are the first food retailer to create transparency about our product range in accordance with the PHD in all 31 of our national companies and their stores.

PHD transparency means that the purchase quantities of the food in our range are assigned to the food categories of the PHD. The result shows the proportion of products that fall into categories such as fruit and vegetables, whole grains, plant-sourced proteins such as legumes, nuts and seeds, and animal-sourced foods. This allows us to track the extent to which our product range complies with the recommendations of the PHD. This has already been largely fulfilled for our range of fruit and vegetables as well as for dairy products, and we have already set corresponding targets for whole grains and plant-sourced proteins. By further developing our assortment in accordance with the PHD, we make it easier for our customers to choose more sustainable and healthy food.

During the reporting period, we revised our “Conscious Nutrition” strategy and defined binding targets with packages of measures, which are described in detail in our “Conscious Nutrition” purchasing policy. Our ultimate goal is to make Lidl the first choice for conscious nutrition. Within this strategic framework, the following targets will serve as key milestones on our path to the future:

- By 2030, we will increase the share of plant-sourced food products⁷ sold across all Lidl national companies by 20 percent compared to the 2023 base year. In the 2024 fiscal year, we successfully increased our share of plant-sourced food products sold (fruit and vegetables, plant-sourced proteins and whole grains) by 2.6 percent.
- The national companies pursue the goal of increasing the share of whole grains in relation to total grains. They also offer a whole-grain alternative in each relevant product group and publish their progress annually.
- Each national company aims to increase the share of plant-sourced protein⁸ in their product ranges versus animal-sourced protein by 2030 and will be transparent about their annual progress on the protein split.

You can find more information about how we determine our protein split in the section on [Offering More Plant-Sourced Proteins](#) (p. 83).

⁶ All figures refer to the 2024 fiscal year.

⁷ In terms of the PHD: legumes, nuts, seeds, whole grains, and fruit and vegetables; except for potatoes (starchy vegetables)
⁸ Among other things, this includes legumes, nuts, seeds and algae, as well as alternative vegan substitutes for meat, egg and fish products.

Our Strategy: In Line With the PHD



Conscious nutrition strategy

First choice for a healthy and more sustainable diet in line with the Planetary Health Diet by increasing sales of plant-sourced foods by 20%⁹



Healthy diet



More sustainable diet



Transparency & empowerment



Food safety

We believe that, with our product range and familiar low prices, we can bring more conscious lifestyles to mainstream society. Our customers will continue to have total freedom of choice — but with a healthier and more sustainable product range, we want to make conscious nutrition easier for them. We offer over 1,000 products labeled as vegan¹⁰ in our assortment across numerous national companies and we are continuously expanding our offer with additional vegetarian and vegan products. The quality of fats and oils in articles of Lidl’s own brands is also constantly improving as we increase our use of unsaturated fatty acids and decrease our use of saturated fatty acids. Our growing range of products with sustainability certification also plays an important role in conscious nutrition.

More than

1,000

products labeled as vegan in our range

📍 Acting locally



An Internal CSR Trade Fair With Interactive Activities

To kick off their internal communications campaign on the topic of conscious nutrition, Lidl Serbia hosted a mini CSR trade fair in 2025, giving colleagues the chance to experience the topic first hand at Lidl. Three booths explained the overall strategy based on the Planetary Health Diet, the importance of transparent communication with the help of Nutri-Score and the broader topic of health using specific product examples, all combined with some highly engaging activities. This internal employee event was a resounding success and introduced the employees of Lidl Serbia to what can be a complex topic in a fun and interactive way.

⁹ Compared with the 2023 base year; in terms of the PHD: legumes, nuts, seeds, whole grains, and fruit and vegetables; except for potatoes (starchy vegetables)
¹⁰ Refers to the average number of items per store for the product varieties labeled vegan with the V-Label across the entire food assortment (standard, promotional and seasonal goods).



Acting locally

Learning on the Lidl Farm

The Lidl Farm in Newbridge, County Kildare, Ireland, illustrates how food gets from farm to fork. On more than three hectares of land, schoolchildren aged between 7 and 12 experience a practical and free educational trip; only travel costs are not covered. In cooperation with the agri-food educational organization Agri Aware, students are taught on site in outdoor classrooms in alignment with the SESE curriculum (social, environmental and scientific education). Through workshops and discussions, experienced education officers promote understanding of agriculture, sustainability and nutrition. A special highlight is the Lidl Farm Train, which provides a look behind the scenes at a distribution center. There, children learn how products make their way from the farms of Irish food producers to their local Lidl stores.

→
The Lidl national companies publish their targets for the protein split and their annual progress.

→
To calculate the protein split, Lidl categorized the entire product range.

Lidl VI: Ingredients and nutritional information FP5, FP6, FP7

Offering More Plant-Sourced Proteins

In order to offer an increasingly plant-sourced range of food products within the meaning of the PHD, Lidl started providing transparency regarding the protein split — i. e., the proportion of animal-sourced versus plant-sourced protein in our product range — in the 2023 fiscal year. The Lidl national companies have set themselves corresponding targets and publish their progress on an annual basis.

We use the WWF methodology to carry out this analysis and transparently set out the structure of our product range in line with the PHD. This methodology is based on the PHD, which aims to reach a ratio of 60 percent plant-sourced and 40 percent animal-sourced protein by 2050. Based on the results, we plan to develop our strategy on conscious nutrition further, together with our partners. The methodology is also consistent with Germany’s food pyramids and other national recommendations in EU member states.

Based on the WWF methodology, our protein split is calculated at item level by comparing animal-sourced and plant-sourced protein in accordance with PHD classifications. To do so, we categorized our entire product range, i. e., the purchase quantities in kilograms for all own-brand and branded articles in our permanent and promotional ranges. The next step involved assigning individual products to their corresponding PHD category. Beverages and dietary supplements, for example, were not included, as these are

not covered by the PHD. Only plant-sourced and animal-sourced protein as defined by the WWF methodology can be considered when determining our protein split. Key animal-sourced products include eggs, fish, poultry, as well as red and processed meat. Plant-sourced proteins include legumes, nuts and seeds, as well as vegan alternative products for fish, meat, eggs and algae.

Detailed information on the WWF methodology and the underlying data can be found on the [WWF website](#).

For convenience products, semi-prepared and ready meals containing both plant-sourced and animal-sourced protein, we can only make a final classification once the product’s ingredients have been fully analyzed. This is the next logical step for us and is recommended in the underlying WWF methodology. As part of our partnership, we have been working with WWF to improve the method. Generally speaking, at Lidl, we would be very interested in seeing an industry-wide methodology established to evaluate conscious nutrition and calculate protein splits. We would also be very interested in implementing such an industry-wide solution.

At Lidl, we have been expanding our assortment to include more plant-sourced products for years. With our Vemondo private-label range, for example, we offer a wide variety of both vegetarian and vegan alternatives.

The Benefits of Using Whole Grains

Making the switch to whole grains is an important step from both a health and sustainability point of view. Whole grains are an essential ingredient for healthy aging.¹¹ As the name suggests, whole-grain products contain the entire grain kernel — including the outer layers and seedlings — and therefore provide significantly more fiber, secondary phytochemicals, vitamins (B1, B2 and folic acid) and minerals (zinc, iron and magnesium) than alternative white flour products. Fiber is indigestible to us humans, but it forms the nutritional basis for our gut bacteria. It has been proven to promote gut health, support a long-lasting feeling of fullness and can even reduce the risk of chronic diseases like type 2 diabetes and cardiovascular disease.

At the same time, whole grains also make ecological sense. When the entire grain is processed, more of the harvest can be used directly for human consumption. When we do not use the entire grain, the nutrient-rich husks often end up being used in animal feed, meaning humans lose out on valuable resources. Analyses show that cultivating, processing and consuming nutritious whole grains significantly increases nutritional efficiency in food systems. For example, 10 kilograms of whole grains can yield 32 loaves of bread, whereas white flour yields only 23 loaves.¹²

The Lidl national companies have set themselves individual whole-grain targets and publish their progress against these targets on an annual basis:

- By 2030, we will offer at least one whole-grain alternative in all relevant product groups across all national companies.
- We also aim to increase the share of whole grains in relation to total grains in our product range by 2030. All national companies have set their own ambitious targets for this, which they announced in press releases in January 2025. They will provide future updates in their sustainability reports and related documents.

As well as increasing whole-grain content, we are also looking at how we can improve the fatty acid profiles of our own-brand products by using more vegetable oils when updating recipes. This is part of our overall strategy to improve the nutritional profiles of our private-label products and therefore their Nutri-Scores.

→ Whole grains provide more nutrients and fiber than white flour — which is why Lidl will offer at least one whole-grain alternative in all relevant product groups by 2030.

Acting locally

Price Parity for Plant-Sourced Products

Since October 2023, Lidl in Germany has adjusted the prices of almost the entire vegan Vemondo range to match comparable animal-sourced products. Surveys show that price is a major barrier to purchasing plant-sourced products. According to the 2025 ProVeg Price Survey, Lidl in Germany offers a plant-sourced shopping basket at a lower price than an animal-sourced one. In seven categories, plant-sourced products are available at a lower price than their animal-sourced counterparts in all Lidl stores. To better guide customers and provide easy access, relevant Vemondo products are placed directly next to their animal-sourced alternatives in all stores. To this end, the range of vegan convenience products in the frozen food section has been expanded. With the “It’s Your Choice” campaign, Lidl is actively promoting plant-sourced alternatives.

¹¹ University of Washington: Health effects of dietary risks in 195 countries, 1990–2017: A systematic analysis for the Global Burden of Disease Study, 2017.
¹² In his [LinkedIn post](#), Frank Holleman points out that people often underestimate how healthy whole-grain products actually are, 2024.

LIDL VI: Provision of full and comprehensible details of ingredients and nutritional information

Promoting Labeling, Transparency and Empowerment

With transparent sustainability labeling, as well as providing details of ingredients and nutritional information on our products, we want to empower our customers to make informed purchasing decisions. This is why our own-brand products bear recognized labels. Our customers can also find information about the sustainability performance of our products in our leaflet, on our [website](#) and via other channels. We work hard to ensure these labels are easy to understand for our customers. Market analyses in the EU show that the increasing number of product-specific labels can be overwhelming. This is why we use simplified labeling for health, sustainability and animal welfare on our products. To explain nutritional properties, we use Nutri-Score.

Nutri-Score is a voluntary system for supplementary nutritional labeling on food products. It encourages customers to make nutritionally sound choices within product groups and guides them when making purchasing decisions. The score was developed by the French Public Health Agency (Santé Publique France). Nutri-Score’s five-level color-coded letter combinations range from a green A to a red E. Within each product group, a green A means the product contributes more to a healthy diet than a red E. Nutri-Score is generally used as a primary metric for product optimizations. In line with the latest version of Nutri-Score, key components within our product strategy — like plant-sourced proteins, fruit and vegetables, as well as whole grains — will be rated even more favorably in future. As such, new Nutri-Score ratings reflect values that are important to us and are consistent with our long-term targets. We are improving our offer by reformulating our products and strategically developing our product range toward healthier, more plant-sourced foods.

The five-level Nutri-Score is not only part of the consumer information, but also serves to further develop the products.



GRI 417-1

Adapting Marketing Targeted at Children, Promoting Healthy Eating

Advertising healthy food and refraining from advertising unhealthy food to children and in children’s environments are crucial for health.¹³ Particularly when it comes to marketing targeted at children, there is an opportunity to create appealing, healthy own-brand products while also introducing children to conscious nutrition from an early age.

In addition to the World Health Organization (WHO), the European Consumer Organization (BEUC) is also calling for a ban on the advertising of unhealthy foods aimed at children.^{14, 15}

We bear responsibility for how children are exposed to marketing and product designs. Our approach is based on the criteria of the WHO, alongside our own additional criteria. The WHO has developed a nutrient profile model that can be used to assess whether

a food product is suitable for marketing targeted at children. This nutrient profile divides foods into 17 different categories and sets thresholds for nutrients, beyond which their marketing must not be targeted at children. The assessment criteria include total fat and sugar content, saturated fats, added sugars and sweeteners, salt and the energy density of food.

All food products that meet the nutritional guidelines of the WHO nutrient profile and Lidl’s own additional criteria are considered healthy foods for children, and can therefore be marketed using child-friendly packaging designs and advertised both to children and in children’s environments.

“Children are particularly susceptible to advertising. Marketing targeted at children can shape their eating habits at an early age — even at the expense of a balanced diet. We provide positive impulses for conscious nutrition and support parents in their purchasing decisions.



Jana Dauenhauer
Expert in Food Operations, Marketing
Lidl Stiftung & Co. KG



¹³ The Federation of German Consumer Organizations: Lebensmittel mit Kinderoptik und deren Bewerbung, 2021.
¹⁴ The European Consumer Organization: Food marketing to children needs rules with teeth, 2021.
¹⁵ Foodwatch: Marktcheck press release, 2015.



→
As of 2026, Lidl only uses child-friendly designs on private-label products that meet WHO criteria for healthy food and Lidl’s own additional criteria.

To support our customers in preventing poor diets for their children, we promote marketing for healthier and more sustainable children’s diets. In concrete terms, this means that since 2023, we have completely refrained from advertising unhealthy private-label foods to children.

This includes advertising on television, the radio, social media and in our leaflets. Furthermore, starting in 2026, we have set ourselves the goal of only selling private-label foods with child-friendly designs on the packaging if they meet WHO criteria for healthy foods and Lidl’s own additional criteria. Our packaging has been gradually updated over the course of the reporting period. This does not include promotional items for Christmas, Easter or Halloween, as these are special occasions in a child’s life and are not reflective of everyday eating habits. As such, we have decided to make an exception for these events. For example, a chocolate Santa or a chocolate Easter bunny are cultural symbols that we do not want children to be deprived of.

Our Paw Patrol and SpongeBob cereals show how we specifically apply child-friendly designs on healthy products — in line with WHO criteria and our own policy on marketing targeted at children.



Country-Wide Information Meets Child-Friendly Education

Lidl Bulgaria launched the #MindfulEating awareness and educational campaign in 2024 in partnership with two specialized NGOs and a medical university. It is based on two national studies on the eating habits of adults and children, the results of which were shared with experts, the media and opinion leaders. The campaign included numerous events, 18 press releases, around 270 media articles and reached over one million readers. Lidl and its partners were represented in five TV programs (2.5 million viewers) and two radio broadcasts. Two interactive live shopping events received over 200,000 views. Lidl aims to promote conscious nutrition through information and education campaigns as well as new, child-friendly learning opportunities such as the educational garden “Lidl Farm” and other measures.

Reliable Product Quality and Safety GRI 416-1, 416-2

Safe food is the foundation of a healthy diet. Our quality assurance system demands careful monitoring of product quality and safety. We want to be able to constantly guarantee our promises on quality, which is why our private-label products undergo rigorous internal and external checks.

To systematically manage product safety, legality and high quality, Lidl operates in accordance with a recognized quality management system certified to ISO 9001:2015 standard. Product safety is our top priority. At Lidl, all relevant processes are carried out according to this management system, which governs quality targets and principles, as well as clear process specifications and responsibilities. All our processes are reviewed by a law firm specializing in food law and are also the subject of annual internal audits. Lidl employees are regularly trained in these processes.

An internal purchasing platform with specifications for selected raw materials also provides purchasers and quality managers with the necessary guidance and support to implement sustainability requirements for specific product groups.

Lidl has set out and incorporated some key steps to ensure food safety:

- Certification according to the International Featured Standard (IFS) or the British Retail Consortium (BRC) of production sites that supply Lidl with food and drugstore products as well as pet food in its own-brand range (82.7 percent according to IFS, 13 percent according to BRC)
- Regular, risk-oriented, unannounced production site audits by selected external certification bodies
- Risk-oriented inspection of all private-label items in the food, near-food and non-food area by accredited institutes to test their marketability
- Verifying compliance with all specification values that go beyond legal requirements

All potentially critical findings identified during the processes mentioned above are assessed by our Product Safety department. Working with our suppliers, we take immediate corrective action in the event of any deviations from our specifications. As a result, 147 private-label articles were publicly recalled, including 140 ✔ food products and seven ✔ non-food products. Both products and production sites are regularly audited by external institutes, in accordance with all applicable laws and other globally recognized criteria. During the reporting period, over 177,000 product audits were carried out, around 57,000 of which at Lidl Stiftung & Co. KG.

**Quality
targets clearly
defined**



Strict quality checks ensure product safety — supported by certified systems such as ISO 9001:2015 and regular, unannounced audits.



United for Fair Working Conditions

Our responsibility is reflected in how we treat people — whether within our company or along our supply chains. That is why we are committed to fair working conditions, diversity and the protection of human rights, working together with our partners to develop solutions that have a lasting impact.





Story

Improving Fairness: Living Wages in the Banana Sector

In 2022, Lidl sent a strong signal with the launch of the living wage project in the banana sector. As part of the human rights strategy for merchandise, Lidl is working with its suppliers to close its own share of the wage gap on plantations.



For selected supply countries, Lidl sources bananas from plantations where its own share of the wage gap is closed



“

Together with Lidl, we have developed and tested a tool that allows us to calculate the voluntary contributions that are needed to close the living wage gaps for their people and to identify potential disbursement mechanisms.



Jordy van Honk
Global Director on Living Wage
and Living Income
IDH



In banana production, fair wages are, unfortunately, not guaranteed. In fact, underpayment is a structural issue here with far-reaching consequences. Many workers do not earn enough to lead a dignified life. The potential risks are serious and include child labor, as well as forced labor. Rural regions are particularly affected, where over two thirds of the population live in extreme poverty and a similar proportion work directly in agriculture.¹

As a retailer, Lidl bears particular responsibility here, something we take seriously. As part of a comprehensive risk analysis, known as a Human Right Impact Assessment, Lidl investigated human rights risks, including underpayment in the banana sector, and identified starting points for ensuring living wages in its own supply chain. These are key to a life of dignity for the many people who work in our supply chain.

Lidl is doing pioneering work



Definition of a Living Wage²

A living wage is the income an employee needs to maintain a decent standard of living in a given location, to cover their basic needs and to achieve a certain degree of financial security. This includes paying for food, water, shelter, education, health care, transport, clothing and other essential needs, including a small reserve fund for unexpected events. The living wage gap, or wage gap for short, is the difference between the wage actually earned and the wage required to provide an adequate standard of living for the employee and their family.

¹ United Nations: [The Sustainable Development Goals Report 2019](#)

² According to the Global Living Wage Coalition (GLWC)

Four Steps Toward Fair Wages

With a clear objective in sight, Lidl is following an ambitious plan to close its own share of the wage gap on plantations in collaboration with its suppliers. The company will be supported in this plan by strong partners — the IDH sustainability initiative and the certification company FLOCERT. We work continuously to achieve this goal through an annual, four-step project cycle:

1. Empowerment

All relevant business partners, their upstream suppliers and producers are trained on how to use the IDH salary matrix. The aim is to shine a light on actual wages on plantations as accurately as possible.

2. Data collection

All the information needed to determine the wage gap and calculate any compensatory payments is methodically gathered.

3. Data verification

Submitted data is first checked for its plausibility and then randomly audited by FLOCERT. This is intended to ensure that the data is complete, consistent and correct.

4. Payment

Based on the verified data, we can then work out our share of the wage gap. Together with producers and suppliers, we can draw up appropriate action plans to close the gap through targeted payments.

A Successful Effort

In a major step forward, Lidl is working with its suppliers to close its own share of the wage gap — through voluntary contributions for all bananas sold in Germany, Austria, Switzerland, Belgium and the Netherlands. This applies to the entire banana assortment. The scheme is currently benefiting over 21,000 workers on 206 plantations in Ecuador, Colombia, Guatemala and the Dominican Republic. But this is just the beginning. Lidl will soon expand the project to impact even more people.

Living wage gap closed for:

-  **206 plantations**
-  **with over 21,000 workers**
-  **in four countries** (Colombia, Ecuador, the Dominican Republic and Guatemala)

This is one way in which Lidl is making a contribution to fair wages locally, sending a strong message to the entire industry and showing that responsibility means facing complex challenges in the supply chain together and taking action where others might turn their backs.



“
I know I can speak for the entire team when I say this bonus is an enormous blessing for us all. Thank you from the bottom of my heart.



Gloria Marín
Las Delicias farm
Unibán Magdalena, Colombia

Taking Social Responsibility GRI 3-3

People from all over the world play a role in our value chains. It is our responsibility to respect and protect their human rights. Together with our partners, we are globally committed to treating people, animals and nature with respect — with the aim of continuously strengthening our positive social impact.

As a retailer for food, non-food and near-food products that are produced in global supply chains, we are convinced that economic success is inextricably linked to social responsibility. Due to our global network and the vast number of stakeholders involved in it, our value chain is highly complex. Various legal frameworks and increasing demands for transparency and sustainability provide the starting point for the targeted development of our structures. This covers, for example, risks relating to health and safety at the workplace, freedom of association, child and forced labor, inadequate wages and discrimination. While the 2025 Global Gender Gap Index, for example, showed progress toward gender equality worldwide, more still needs to be done.³ At Lidl, we take responsibility for these issues and risks and see improving the situation as our priority.

Our corporate due diligence regarding the respect for labor and human rights is deeply embedded in our values and processes. We also strive to be a responsible and attractive employer for our employees. We therefore promote a non-discriminatory working environment and a diverse corporate culture in which everyone has the same opportunities for development, promotion and fair remuneration. Moreover, we offer job security and targeted support, continuous learning through professional training and development, as well as measures designed to help people achieve a better work-life balance. Our principles are set out in our “Compliance Rules of Conduct,” our “Together at Lidl mission statement,” as well as our “Policy on Equal Treatment and Non-violence in the Workplace.”

For our employees, the HR business unit manages topics such as labor and human rights, diversity, equal opportunities, as well as remuneration, internal qualifications and health promotion. The Operations & Real Estate business unit is responsible for the Occupational Safety department. The responsibility for ensuring labor and human rights are respected within our supply chains lies with our Quality & Sustainability department within the Purchasing business unit. Within our national companies, Purchasing is accountable for introducing measures, supported by multicountry cooperation between departments. The Operations & Real Estate business unit is in charge of procuring non-merchandise, although cross-divisional cooperation also takes place.



Fairness Throughout Our Supply Chains

With our Way To Go private-label range, Lidl promotes fair trade and taking responsibility for working conditions in global supply chains. In collaboration with Fairtrade, Lidl is supporting better wage conditions, further development, gender equity and transparency — particularly in regions where conventional cultivation barely allows for a living wage. Way To Go contributes to secure and higher incomes for smallholder families and, in the long term, to achieving a living wage. The program is intended to boost the economic self-determination of smallholders and is based on three pillars: stable social framework conditions such as gender equity, protection of women and children, as well as occupational health and safety; environmental stability through climate adaptation measures and more sustainable cultivation methods; and economic security through wage increases and diversification. Complete transparency and product traceability are the cornerstones of the program.

³ World Economic Forum (WEF): [Global Gender Gap Report 2025](#)

Safety Culture and Employee Well-Being

Those who want to achieve big things need a strong team behind them — #teamlidl. This is why we put people at the heart of what we do: with the clear promise to protect their rights, ensure their safety and actively increase their satisfaction.

We put people at the heart of everything we do. Fairness, mutual respect and appreciation form the foundation for a trusting relationship. Beyond our compliance with legally stipulated labor rights, we are also committed to employee satisfaction in a variety of different ways in order to be perceived as an attractive employer. Together, we want to create working environments where our employees can feel good and live up to their full potential.

GRI 2-7, 2-8, 2-30, 402-1

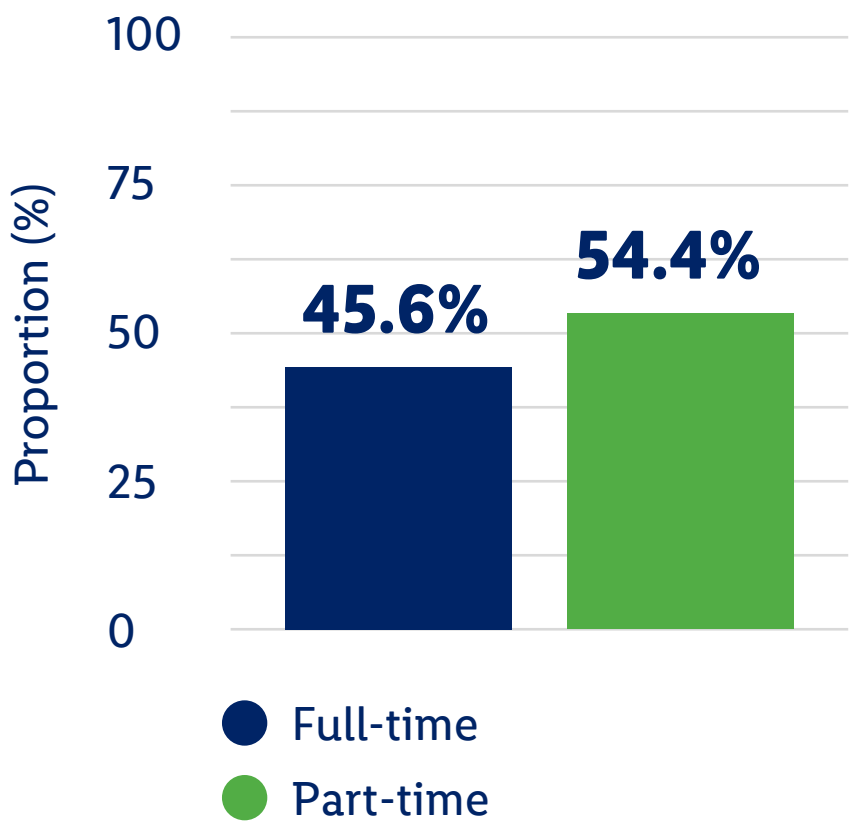
Our Number of Employees at a Glance

In the 2025 fiscal year, 386,342 people⁴ ✓ were employed at Lidl, 45.6 percent of whom were full-time employees and 90.3 percent of whom were on permanent contracts. We also hired a total of 90,801 new employees over the course of the reporting year. All programs for balancing career and family, as well as our range of employee benefits, apply equally to both part-time and full-time employees.

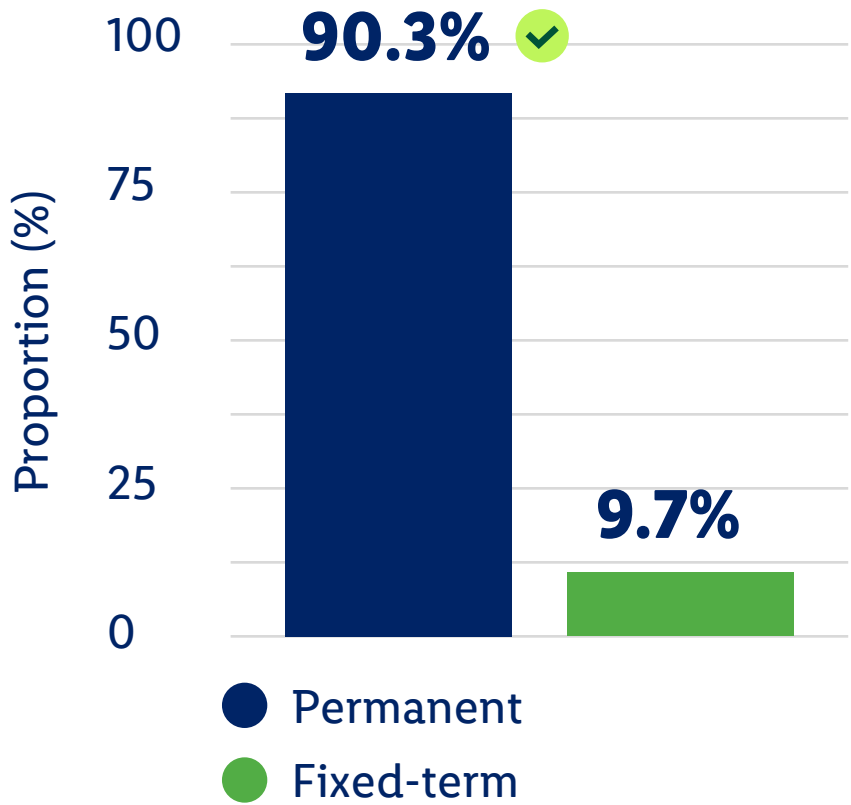
For us, a fair and reliable framework for working conditions is important. At Lidl, around 256,000 employees are covered by collective bargaining agreements. That is 66.3 percent of our workforce.

In order to be able to react flexibly to short-term staff requirements and to provide our employees with the best possible support during intensive phases, we also integrate temporary workers into our teams at Lidl.

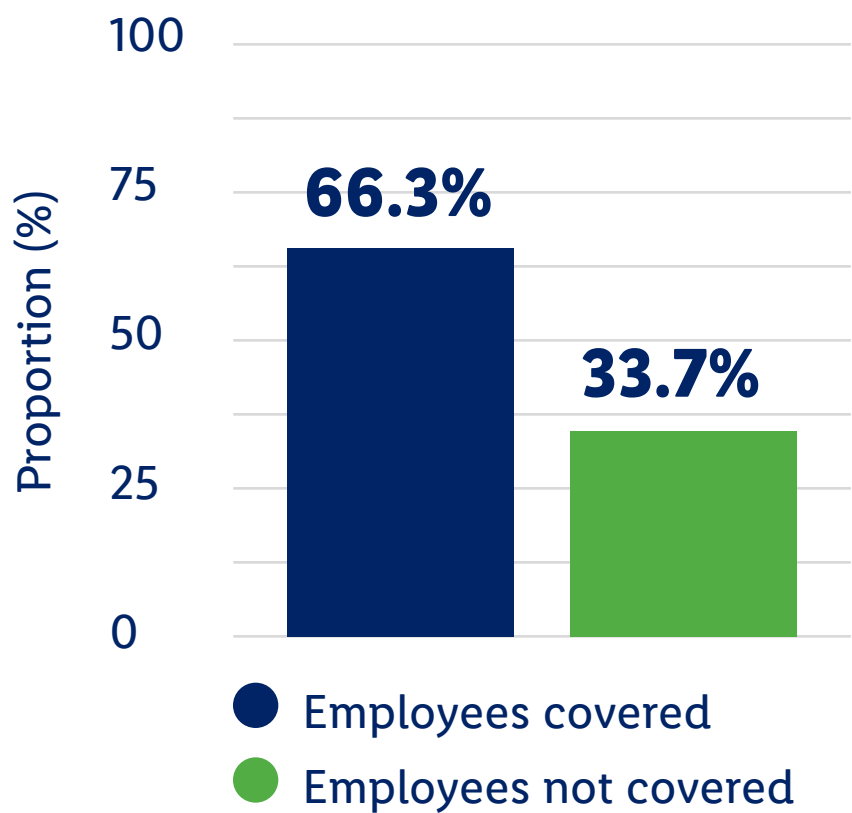
Employment Relationships⁵



Types of Employment



Collective Bargaining Agreements



⁴ The number of employees listed here shows the internal control figure, which is based on a different definition of employee to that used in the annual financial statement.
⁵ Employees with average working hours of less than 100 percent of full-time hours are classed as part-time. Unless there is national regulation on the issue, part-time is considered to be fewer than 163 hours/month.

GRI 2-8, 407-1

Respecting Employment and Labor Law and Workers’ Participation Rights

Our stores, administrative locations and warehouses are predominantly located in Europe and the USA. Over the course of the reporting year, we also opened 71 new stores in non-EU countries.

Country-specific legal requirements form the basis of ensuring our employees enjoy their statutory rights to freedom of association and collective bargaining. Taking into account the applicable employment and labor law and social security regulations, the HR department has established the “HR Compliance” CMS program as a key part of the Compliance Management System (CMS) at Lidl. This program is designed to ensure compliance with all applicable laws and internal policies in everything we do.

Lidl also values fair and continuous cooperation with existing collective labor bodies (e.g., employee representatives or trade unions). Their involvement in corporate decision-making is governed by relevant national legal requirements. Lidl also supports collective bargaining and adherence to collective bargaining agreements, provided they are in place in individual countries or in accordance with applicable national laws.

A company-wide standard for providing information to employee representatives in the case of operational changes does not exist. This process is governed by individual national laws. Notification periods as well as consultation and negotiation processes for any operational changes are established in accordance with collective bargaining agreements and specific laws.

Lidl employs a small part of its total workforce in the form of temporary employment (temporary workers). In accordance with the legal requirements for equal treatment, temporary workers are fully equal team members. In order to ensure complete legal compliance, our CMS program also includes the consideration of employment and labor law requirements in the area of temporary employment.

All employees — regardless of their role — can contact a central point of contact with any personal concerns or complaints. This point of contact usually takes the form of an employee relations consultant. This person is not just a neutral and trusting intermediary in conflict situations; they also provide employees with general support in the case of sensitive issues in their role as an impartial contact partner and initiator in the solving of problems. Employees and external parties can also submit information on potential compliance violations through various reporting channels. You can find more information about this in the chapter on Corporate governance under [🔗 Compliance](#) (p. 13).

←
Our “HR Compliance” CMS program helps us to also keep an eye on temporary employment.

←
All employees can contact a central point of contact with any issues. This person is a neutral contact partner and supports in finding solutions.



Acting locally

Staying Active in Retirement

As of 2024, Lidl France has been offering a special opportunity for employees who have been with the company for at least ten years and are two years away from retirement: Two days a month, they can use their working hours to support the Restos du Coeur association, which coordinates food aid and integration activities. If they choose to do so, they get to apply all their skills, whether in logistics or in warehouses, or by distributing food parcels and hot meals in direct contact with the community. This initiative is designed to promote social engagement while, at the same time, preparing colleagues to remain active in retirement.

GRI 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-8

Promoting Occupational Health and Safety in Our Operations

The health of our employees is our top priority. We take responsibility for protecting our employees in their everyday work and actively promoting their health. In our stores and logistics centers, for example, our employees pick, move and stock a wide variety of goods so that our customers can access our extensive product range. To make sure that this physical

work does not have a negative impact on the health of these employees, we take targeted preventive measures to prevent work accidents and work-related ill health.

In order to continually improve on our health-related framework conditions, we have established an occupational health management (OHM) system. It covers occupational safety, occupational medicine, as well as physical, mental and social health. We integrate the latest scientific research to continuously improve our processes and equipment, ensuring safe and healthy work environments. All newly introduced equipment is assessed against safety and ergonomic criteria. OHM covers all regions, stores, logistics centers and other facilities, and thus includes all employees, activities and workplaces at Lidl.

With this, our goal is to ensure that all Lidl sites are accident-free and health hazard-free places to work and shop. Lidl conducts ongoing risk assessments to identify potential harmful influences on employees at an early stage and derive suitable protective measures. We always adhere to the hierarchy of measures in our occupational health and safety management system and apply the measures that offer the highest levels of protection. All occupational health and safety processes are based on the ISO 45001 standard. Our aim is to reliably prevent accidents, particularly those caused by the actions of our employees. This is why we do not just give our

employees training to empower them to comply with safe work processes. We also show them how to detect hazardous situations, protect themselves and, if necessary, remove themselves from harm’s way. Every accident is analyzed, which includes a review of the effectiveness of existing measures.

Unfortunately, not all accidents can be prevented, despite preventive measures. In 2025, the accident rate at Lidl was 4.9 (OSHA rate: $\text{accident rate} = \frac{\text{accidents} \times 200,000}{\text{hours worked}}$), which is 0.1 lower than the previous year.

→ We protect our employees in their everyday work and promote their health — in our offices, stores and logistics centers.



When working in our logistics centers, our occupational health and safety management system helps in the background to prevent accidents as far as possible.

In the 2025 fiscal year, a new occupational health and safety strategy was developed and introduced in close collaboration with the Lidl national companies. This strategy sets the ambitious target of reducing the work accidents by 50 percent by 2030 and includes concrete measures through which to achieve this. Among others, these include having behavior-based conversations that cover both safe and unsafe behaviors. This means that managers talk to employees about occupational safety in specific situations and positively influence their behavior, either by warning or praising them, in order to promote a culture of safety. Another measure is the performance of so-called “safety spotlights,” where managers carry out short training sessions on a regular basis on safety-related topics. Lidl’s 2030 occupational health and safety strategy is at the heart of our efforts; it is implemented by each national company and substantiated by country-specific supplementary measures. In order to support this strategy, the Occupational Safety department cooperates with the regional contact partners on site and in a targeted manner, with these sessions being referred to as “strategy alignments.”

We offer our employees occupational medical care in accordance with national legal requirements. Through our network of occupational physicians, we also offer consultations on a variety of topics. Employees are given all relevant information during the onboarding process. Our aim is to identify any work-related ill health early so we can take appropriate action. As part of their training, we raise awareness among our employees of the importance of their health and encourage them to play an active role by involving

them in risk assessment processes. They can also share their own suggestions for improvement by speaking directly to their manager. Every suggestion is carefully reviewed and discussed with employees. Workable ideas are communicated to all national companies as best practice. Employees who are particularly enthusiastic can also be trained as fire wardens, fire safety officers, first aiders, safety officers and evacuation wardens.

Moreover, we have started to introduce the POSH software for occupational health and safety management in all national companies, with this launch expected to be completed by the end of 2026.

To ensure our employees are best protected, every Lidl employee is trained in occupational health and safety. With a careful balance of practical and theoretical training, our employees acquire the skills needed to work safely before they even get started.

As part of our regular training sessions during normal working hours, we can ensure that new skills are being shared throughout our entire workforce. At Lidl, particularly vulnerable people, such as expectant mothers, young people or people with disabilities, are offered tasks in line with their requirements as well as special training that takes their individual risk situations into account. We carry out regular employee surveys in order to evaluate the effectiveness of the training and to check how we can even better prepare the employees for their working situations.

50%

less work accidents by 2030 as our goal



→
A variety of measures serve to support our employees' health care.

By prioritizing health care, we aim to enhance our employees' well-being and satisfaction, and we are pressing ahead with a variety of measures in order to achieve this. Alongside providing information on nutrition, stress and addiction, we also give our employees the chance to take part in various sporting activities — free of charge — and offer discounts with our sports partners. In our work canteens, we focus on a balanced, varied, cost-effective diet. We also offer free fruit. We support employees who have not been able to work for a prolonged period due to health problems by helping them return to everyday work while protecting their health in the long term.

GRI 401-3,
LIDL V: Company's contribution to employee work-life balance

Strengthening Well-Being and Work-Life Balance

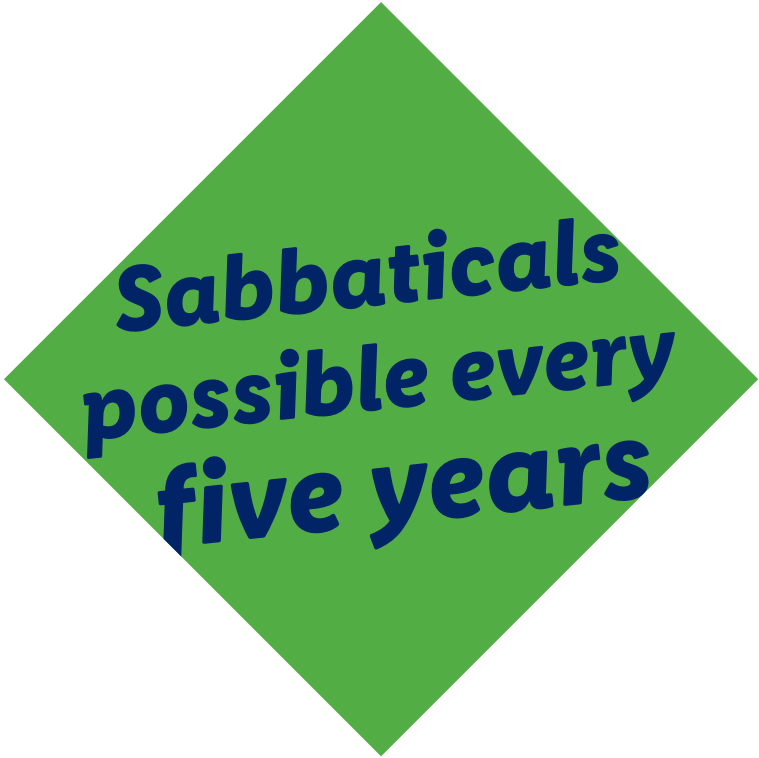
Balancing family time, leisure and work plays a big part in our employees' overall health and well-being. At Lidl, we support our employees through various phases of their lives. To this end, we have created opportunities that we are continually developing, such as the option of mobile working. To take advantage of such an arrangement, employees need to have a job that can be carried out effectively from another location. If this is the case, we give them the IT equipment they need for mobile work.

→
Lidl supports balancing career and family by actively promoting parental leave.

By actively promoting parental leave, we support a better balance between career and family, and are therefore making a contribution to improving equal opportunities and belonging. As of the reporting date on November 30, 9,790 employees

were on parental leave. Lidl has also introduced parent-child offices at various locations, where office workers have the option of bringing their children to work with them. Rooms are equipped with play areas, hygiene articles, changing tables and kitchens to meet the needs of parents and children alike.

Alongside annual leave, we also give our employees the opportunity to take a sabbatical. This is part of Lidl's desire to offer a work-life balance model that is more closely oriented toward the life phases of its employees. The sabbatical is aimed at anyone who has been continuously employed by a company of Schwarz Group for at least five years. It can be tailored to individual needs and can be taken once every five years. The length of a sabbatical can be anywhere between one and three months. All Lidl employees are guaranteed their jobs back when returning from a sabbatical. As of the reporting date on November 30, 2025, 254 people took a sabbatical.



📍 **Acting locally**



Collaboration with a National Anti-Violence Network

Lidl Italy is taking a clear stance against gender-based violence — a persistent and pressing social issue. Working alongside D.i.Re, the country's biggest nationwide network trying to combat violence against women, this is one example of a national company supporting efforts to bring about a cultural shift. The aim of the project is to raise awareness and empower employees, support women survivors and bring the issue to the forefront of national discourse. In the fall of 2024, the second phase of the project began, with an expanded focus on managers, new training opportunities for anti-violence centers and a wide-ranging communications campaign.

Equal Opportunities

We want to offer development opportunities to everyone who works at Lidl. Respect, belonging and acceptance are therefore basic requirements, since we believe that the diversity of our workforce enhances our company.

By signing the Diversity Charter, we are sending a clear signal for respectful cooperation and the equal participation of all employees. Under the umbrella term of diversity, equity and belonging (DE&B), equal opportunities are an integral part of our values and our corporate principles. At Lidl, we are committed to providing a work environment where all employees are treated with respect — regardless of characteristics such as their age, immigration background and nationality, gender and gender identity, physical and mental abilities, religion and belief, sexual orientation, or socioeconomic background. Our actions and our leadership are characterized by social responsibility and the values that define our corporate culture: performance, respect, trust, grounded and belonging. This also involves creating equal and fair conditions for everyone and, for example, continuing to promote gender equality. Lidl incorporates DE&B values in all our processes, from recruitment and onboarding to employee development and offboarding.

GRI 405-1

Diversity in Management Positions and the Workforce

The management levels in companies also act as role models when it comes to DE&B. We believe that promoting diversity in management positions is vital to meet the challenges we face as a company. One aspect of diversity is gender. Over the course of the reporting year, the percentage of female managers was 40 percent ✔ at management level, 15 percent ✔ at senior management level and 19.1 percent ✔ at top management level. This means that around 39.4 percent ✔ of all managers are female. Through targeted initiatives, we foster diversity within our management committees and consistently build upon it.



Since 2020, Lidl has been involved in the international LEAD network (Leading Executives Advancing Diversity), supporting women in management positions in the European retail and consumer goods sector and extending our commitment beyond our own company. By taking part, all Lidl employees benefit from free access to the network’s website. There, they can share ideas with people from other companies and attend various webinars. To further strengthen women’s opportunities, Lidl has signed the UN Women’s Empowerment Principles (WEPs). This is the first global initiative designed to systematically promote and empower women in business. Some key aspects include equal pay for equal work, promoting measures designed to empower women, as well as a zero-tolerance policy on sexual harassment in the workplace.

Good to know

Lidl Awareness Team at Soccer Matches

As an official partner of the UEFA Women’s EURO 2025™, Lidl sent a strong message in terms of its commitment to social responsibility and lived values, and introduced its own Awareness Team at the stadiums. 57 dedicated employees from Lidl in Germany, Lidl Switzerland and Lidl Stiftung & Co. KG formed a network to support visitors around the stadium, including dealing with issues like harassment and discrimination. Location-based QR codes, a direct presence and designated “safer spaces” meant we were able to provide quick and professional support. Intensive trainings prepared the team for the task ahead of them and helped turn the initiative into a gold standard for respectful and inclusive stadium experiences. The project was designed around fairness, diversity and respect, and had a tangible impact beyond the event itself. Our employees were clearly in favor of the scheme, with a comprehensive survey of all participants in the Awareness Team revealing a very positive rating.

📍 **Acting locally**

The Lidl Effect

FY24

Lidl GB's socioeconomic impact



**The Lidl Effect:
Equal Opportunities and Equitable Pay**

The first Lidl store in Great Britain opened in 1994. The so-called “Lidl effect” measures the annual socioeconomic impact — which is considerable. In 2024 alone, Lidl generated approximately £14.5 billion in gross value added (GVA) for the UK economy, directly and indirectly supporting a total of more than 281,000 jobs. A key component of this positive impact is actively practicing equal opportunities and equitable pay. Lidl combines economic impact with social responsibility and sets standards: For the fourth year in a row, the median gender pay gap is zero percent and the mean gender pay gap is eight percent — well below the British average of 13.1 percent. The Lidl effect makes progress toward real equal opportunities and fair pay for all employees measurable and visible.

**Equal pay
as a principle
at Lidl**



GRI 405-2

Closing the Gender Pay Gap

As part of the Lidl HR strategy, we are pursuing the objective of putting equal opportunities into practice and ensuring equal treatment with regard to remuneration. Since the 2021 fiscal year, we have therefore been collecting an adjusted and an unadjusted KPI relating to the Gender Pay Gap (GPG) to highlight structural differences in employment and career paths. The key performance indicators on the GPG in the 2025 fiscal year (see [📄 Gender Pay Gap table, p. 113](#)) show that such a pay gap also exists at Lidl. Despite our principle of equal pay, this disparity cannot be completely avoided due to structural differences. These include, for example, the higher proportion of women in entry-level positions, which results in lower average wages. Our established payment system provides us with a basis for avoiding gender-based wage discrimination. To close the structural pay gap, we are working specifically on measures to objectify recruitment and promotion processes.

GRI 202-1

Attractive and Competitive Pay

Lidl is committed to fair and competitive pay. In almost all national companies, we have defined a Lidl minimum wage that is above the market minimum wage. This applies to employees working in stores and warehouses. Our pay structure is based on objective criteria, such as professional experience, expertise, skills and areas of responsibility.



We ensure fair remuneration as our pay structure is based on objective criteria.

Our payment system is based on the Lidl HR strategy and is regularly reviewed and adjusted, as required. With this system, we create attractive and fair conditions for our positions that are in line with the market and that are designed to be independent of sex, age, background, sexual orientation, worldview, religion, or physical and mental abilities. We also offer our employees a range of benefits to further support their financial security and well-being. This applies to part-time and full-time employees equally.



GRI 404-1, 404-2

Unlocking Potential Through Training and Development

As well as offering our employees secure prospects, we also want to actively support their professional development and give them access to ongoing learning opportunities. By doing so, we are making a contribution to the personal and professional training and development of our employees, and are creating an environment where they can continually further develop themselves. Lidl has established numerous programs and initiatives for this purpose.

When selecting training opportunities, Lidl employees and managers have access to a wide range of courses, seminars, training sessions, workshops and e-learning modules.

To help suitable employees become team managers, senior managers or vice presidents, we launched an international management development process back in 2020 covering all levels of the company. Through various development days and seminar series, potential managers are trained on topics such as targeted communication and leadership to ensure they have the right skills to take on higher-level roles in future. The Lidl national companies are responsible for the ongoing development of team managers and senior managers. The process for becoming a vice president takes place on an international level.



With ongoing learning opportunities, we support the personal and professional development of our employees.



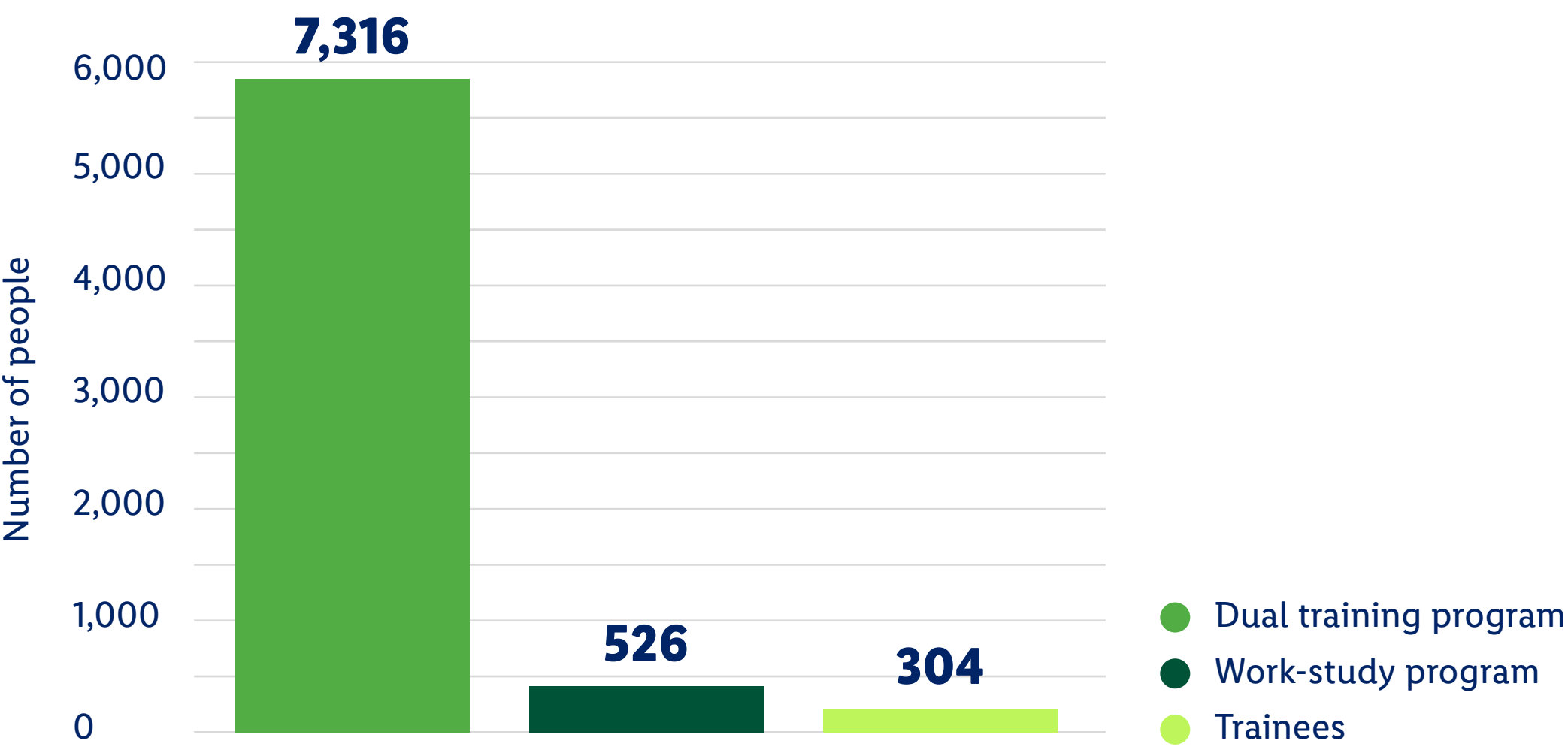
Lidl offers structured development programs at management and specialist level.



Together on the Job Market

As part of the cooperation with Lev Job, Lidl Denmark wants to help people with cognitive impairments such as autism, ADHD or learning disabilities to facilitate their access to the labor market. The initiative supports these individuals with securing regular employment and achieving long-term integration in the workplace. At the same time, the partnership enables employees to use their skills in an inclusive environment and take individual support needs into account. The collaboration is part of Lidl Denmark’s commitment to inclusion in the workplace — with a special focus on individual skills and a safe working environment.

Lidl Future Talents in the 2025 Reporting Year



Another aspect of the professional and personal development opportunities we offer is our international job rotation program. It allows employees from junior levels upward to develop their skills overseas and encourages international exchanges. Stays abroad last from 12 to 24 months, during which time participants get to complete a language course, receive on-the-job training and independently take on a range of different tasks. The Lidl national companies also benefit from the scheme. As of the reporting date on November 30, 180 employees were taking part in the job rotation program in 2025.

We want to help young professionals find secure and exciting careers through our wide range of entry-level programs. This includes our nationwide trainee program run by the Lidl national companies. The program gives university graduates a comprehensive insight into how an international company operating in the food retail market really works. With this program, we are preparing trainees to take responsibility for the various tasks within a Lidl national company. In 2025, a total of 304 trainees were employed by our national companies and Lidl Stiftung & Co. KG.

At Lidl, trainees gain a comprehensive insight into the internationally operating company.





The dual training program at Lidl combines theory with practice, leading to recognized professional qualifications.

For high school graduates, we also offer a work-study program and a dual training program as ways into the company. This is one way future talents can gain important theoretical and practical knowledge, as well as qualifications, once they complete their apprenticeship or degree. In 2025, as of the same reporting date, 7,316 people were on the dual training program and 526 on the work-study program.

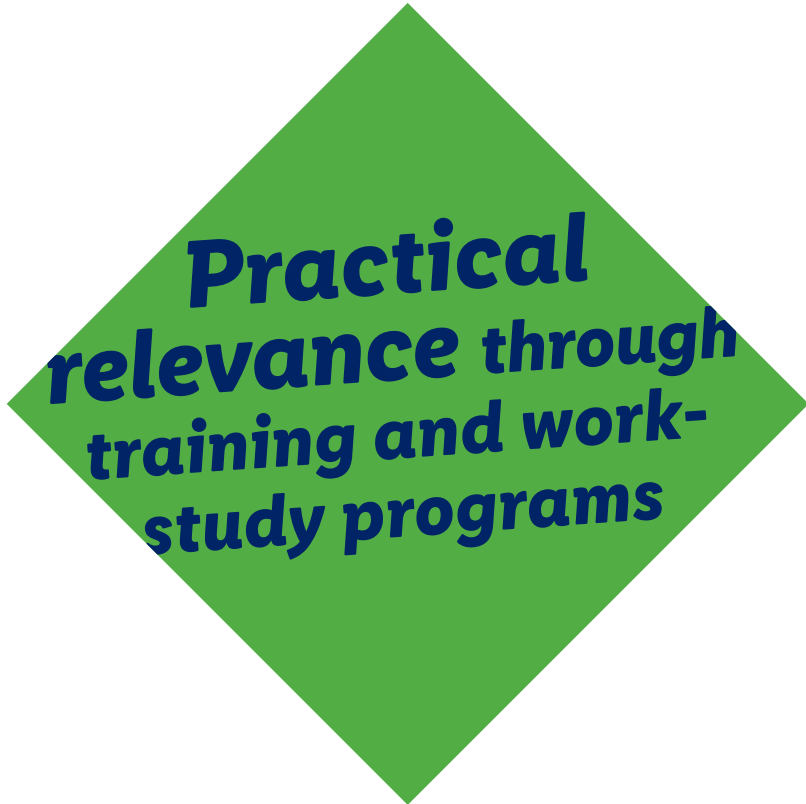
Guaranteeing Structured Onboarding

From the very beginning, we want to prepare our employees for their everyday work in the best way possible, inspiring them and fostering a sense of loyalty. As well as receiving tailored support from managers and colleagues, every new employee is given a detailed onboarding plan that provides information on the onboarding process. Moreover, when joining the company, all Lidl employees are assigned to a dedicated point of contact as part of our mentoring program. This individual supports them as they integrate into the company and find their way within their individual departments and teams.

GRI 404-3

Promoting Individual Development

In order to put employee potential to best possible use and to present individual development prospects, we have created the talent management process to establish a uniform procedure that is the same for all employees. An annual development meeting between the employee and manager provides scope for sharing feedback on performance and skills. These meetings are also an opportunity to map out any development opportunities. In addition, an annual interim review is held to focus on the employee’s well-being, development status and goals, as well as an open exchange. We carry out our talent management process — an international Lidl standard — once a year. As part of the process, employees take part in performance and career development reviews led by their line managers. Over the course of the reporting period, 100 percent of employees took part in the talent management process.



Labor and Human Rights in the Supply Chain GRI 414-2, 408-1, 409-1, 2-24

Globally connected, locally active: With our international partners, we fulfill our due diligence obligations along our supply chains. In doing so, we want to work with our suppliers to improve the living and working conditions of the people involved in our value creation — and we are driving forward industry-wide progress together.

→ We take responsibility for ensuring that human rights are respected in our upstream value chain.

At Lidl, we take our responsibility to fulfill our human rights and environmental due diligence obligations throughout our supply chains very seriously. Through targeted commitments, we want to drive improvements in our upstream value chain. As a leading retailer, we see it as our responsibility to lead by example when it comes to [human rights throughout the entire value chain](#).

As a company of Schwarz Group and therefore a member of the UN Global Compact (UNGC), we are committed to observing and actively protecting human rights. We support the UN Guiding Principles on Business and Human Rights (UNGPs) and advocate for measures to strengthen and ensure compliance with the ILO’s core labor standards. At Lidl, we are continuously working on implementing these principles on human rights due diligence into company-wide processes.

Purchasing follows our [Human Rights Strategy](#) for merchandise, which defines clear principles, goals, standards and responsibilities for the protection of human rights. We provide updates on our progress toward achieving our human rights targets in our annual progress report. To improve understanding throughout the company, we ensure our employees are made aware of the standards and requirements that apply to our supply chains in a variety of ways.



The SASI Working Group in South America

Since 2023, we have been actively involved in a working group of the German retail sector (EH-AG) on living incomes and wages along with other retailers. This working group operates under the umbrella of the Sustainable Agricultural Supply Chains Initiative (SASI), which is supported by the German Federal Ministry for Economic Cooperation and Development. The aim is to improve living and working conditions in our global supply chains and promote a living wage for producers. In early 2025, we were part of the launch of a pilot project supporting coffee producers in Honduras and Peru. The project focuses on three strategic targets:

- 1. Establishing responsible and sustainable purchasing practices
- 2. Promoting resilient production systems and strengthening producer organizations
- 3. Expanding cooperation at local, regional and international level and using synergies for sustainable change in the entire sector

Expectations of Our Business Partners With Regard to Human Rights and Environmental Standards Clearly Defined

We require our business partners to work with us in a collaborative manner and to operate in compliance with the law. In particular, we are committed to ensuring that human rights and environmental standards are respected. Based on the Code of Conduct (CoC), we inform our suppliers of our fundamental principles and expectations regarding our collaboration. The CoC sets out fundamental specifications in the areas of child and forced labor, wages and working hours, occupational health and safety, fair treatment and anti-discrimination, which are based on applicable international standards. We have been using this CoC for many years in our negotiations with suppliers from a risk-oriented standpoint. Our direct suppliers are expected to address and enforce these provisions accordingly with their own contractual partners.

In the event of a breach, we expect all parties to engage. We also provide our business partners with a training video on the content of the Code of Conduct. At the same time, we acknowledge that many of our business partners have already invested a great deal of time and effort in developing their own codes of conduct.

In addition to the principles and standards set out in the CoC, we have also defined additional expectations for the purchasing of merchandise for private-label suppliers from a risk-oriented standpoint. These are referred to as our “Sustainable Purchasing Policies.” Through the expansion of

internal systems for collecting supplier data and collaboration with external stakeholders, we are continually increasing transparency in our supply chains.

Establishing Effective Complaints Mechanisms

Fundamentally, complaints mechanisms need to be legitimate, freely accessible, legally compliant, transparent and clear. Our business partners must establish an internal reporting system for breaches of the standards set out in the Code of Conduct. Employees who report breaches must not be disciplined or disadvantaged as a result. To improve the effectiveness of our internal and external complaints mechanisms, we check them against UNGP principles, legal requirements and key performance indicators, such as the number of complaints received. Taking these insights on board, we then adapt the mechanisms as much as possible to increase their effectiveness.

In addition, complaints can be submitted via an internal [☑ online reporting system](#), which is available to all Lidl employees as well as all affected parties in the supply chain. You can find more information about this in the chapter on Corporate governance under [☑ Compliance](#) (p. 14). Those affected can use the system to report complaints, anonymously if they wish. Lidl runs multi-stakeholder initiatives to find industry-wide solutions, with a particular focus on avoiding multiple complaints mechanisms in the same assortment or country context.





 **Acting locally**

Preserving Traditional Olive Groves

Lidl Spain relies on national suppliers and works closely with them to ensure fair conditions and profitability for the producers. One example is the “Traditional Olive Groves” project, supported by Lidl Spain, which encourages rural development and more sustainable agriculture. More than 250,000 families depend on traditional olive cultivation techniques for their livelihoods and the project aims to preserve these practices and ensure fair prices and profitability for producers who maintain them. Products are manufactured entirely in Andalusia and exported to other European countries.

→
With the Code of Conduct, we inform our business partners of our fundamental principles and expectations of cooperation with regard to human rights and environmental standards.



📍 **Acting locally**



Hand in Hand for Victim Protection

The UK Modern Slavery & Exploitation Helpline is a victim-focused service operated by the anti-slavery organization Unseen. Through this helpline, potential victims and concerned citizens can contact trained staff. Callers are referred to specialist organizations, such as safe houses, religious organizations, the National Referral Mechanism or law enforcement agencies. Information reported to the Modern Slavery Helpline is shared with member companies (e.g., Lidl Great Britain) via the Unseen Helpline Business Portal when cases relate to their own operations or supply chains. Companies work with Unseen to coordinate next steps and mitigate or remediate each case. This portal enables multiple companies to be connected, fostering cross-industry collaboration to optimize resources and increase leverage.

In such cases, we advocate for collaboration between initiatives to strengthen the effectiveness of existing mechanisms. In concrete terms, we support industry-wide complaints mechanisms in purchasing merchandise, such as the International Accord, amfori Speak for Change and ACT for the textile range.

During the reporting period, we concentrated on extending this risk-based approach from our textile range into our food, fruit and vegetables, flowers and plants supply chains. Initial steps include taking part in industry-wide working groups and launching pilot projects in high-risk supply chains.

Whistleblower Protections

Providing access to effective complaints mechanisms can be challenging, particularly in complex supply chains and on local smallholder farms. Nevertheless, we want to give as many people involved in producing goods for Lidl as possible the opportunity to contact us in the event of any breaches of policy. Within our own sphere of influence, Lidl ensures whistleblowers’ identities are kept confidential and that anyone wishing to report something can do so anonymously.



Lidl supports industry-wide complaints mechanisms for a more effective reporting system.

Good to know

A Pilot Project for Dealing With Complaints in the Food Sector

In late 2024, Lidl became the first retailer to sign a memorandum of understanding to take part in the “Nossa Voz” pilot project. Supported by the International Labour Organization (ILO) and funded by the US government until early 2025, the project aims to roll out a local complaints mechanism in the Brazilian coffee supply chain by the end of 2026. The mechanism will operate in collaboration with a technical service provider, a major national trade union and relevant government agencies in Brazil. Official project partners include the Global Coffee Platform and the Rainforest Alliance. Two coffee wholesalers from Lidl’s supply chains are also taking part. Their nominated farms will start being trained and onboarded during the 2025 harvest season. Lidl will receive a monthly report of all the complaints received on participating farms. The project is designed to gain insights so that the coffee supply chain can be equipped with a more effective complaints mechanism in the long term.

Good to know

Appellando: The Complaints Mechanism for Supply Chains

In 2020, Lidl published a human rights impact assessment looking into the human rights impacts in the berry supply chain in Huelva, Spain. In response to the findings, Lidl piloted an effective complaints mechanism in the region in 2021. Based on the findings and recognizing that solutions require joint industry management, Lidl has driven forward the development of the first cross-retailer complaints mechanism in the fruit and vegetable sector. Developed in collaboration with all the major German retailers and the EHI Retail Institute, the system — known as Appellando — is designed to create new, effective mechanisms while harmonizing existing ones. Employees working for producers are able to report breaches of social and environmental standards without fear of discrimination. The system is currently being rolled out in Spain, with other countries soon to follow.



We also draw on proven national initiatives for our international approach.



HRIAs lead to concrete measures if a need for action is identified.

Generally speaking, Lidl works to roll out complaints mechanisms across borders for maximum impact. At the same time, promising national initiatives can be found in individual countries where Lidl operates, which we assess for quality and scalability and, wherever possible, integrate them into our international approach. These include, for example, the UK Modern Slavery Helpline and the Earthworm Foundation’s complaint screening tool in France.

A Risk-Based Approach With Human Rights Impact Assessments

Our annual systematic risk analysis is supplemented by further investigations into our supply chains. At Lidl, we carry out social impact studies, also known as human rights impact assessments (HRIAs). These assessments are carried out in accordance with internationally recognized procedures. HRIAs focus on human rights risks at the lower end of the supply chain. Through HRIAs, we hope to gain a clearer understanding of the risks and impacts within a selected high-risk supply chain so that we can take appropriate steps to reduce them. As part of this process, Lidl works with various stakeholders, including civil society organizations, employee representatives and communities. When action is required, we draft specific action plans in which we — in consultation with both internal and external stakeholders — can explore which measures are both feasible and appropriate to reduce the risks.

Acting locally



Being a Part of the Solution with Earthworm Foundation

Since 2020, Lidl France has been a member of the palm oil working group led by the Earthworm Foundation NGO. This group brings together French food retailers that have committed to procuring palm oil which has guaranteed traceability and was produced in compliance with the No Deforestation, No Peat and No Exploitation (NDPE) principles. This collaboration facilitates identifying the biggest importers within the working group. In the event of a breach, Lidl France will receive an alert; the complaint will then be classified and prioritized internally. The working group will then demand a corrective plan of action. This measure is supplemented by the commitment based on the cooperation with the Roundtable on Sustainable Palm Oil (RSPO); as of the 2024 fiscal year, the palm oil available at Lidl France is 100 percent RSPO-certified.

Based on these plans, we can then take appropriate preventive measures, embedding any related targets in our own operations and the wider supply chain. Measures need to address both the potential and, where applicable, actual negative impacts on human rights and contribute to their prevention or reduction.

Good to know

Hear From Those Affected: The “Workers’ Voice” Project

In the 2024 fiscal year, around 81,000 workers in textile factories in the high-risk procurement markets of Sri Lanka, Pakistan and China were surveyed regarding their working conditions. The survey was conducted remotely and on a voluntary basis. Carried out alongside global risk management partner LRQA, the “Workers’ Voice” survey provided insights into working conditions, health and safety standards, environmental factors and the management systems used by our producers, going beyond the scope of typical social audits. The findings from the survey were used by Lidl as an additional source of information to support its ongoing due diligence activities. The results highlighted a range of topics, including aspects related to non-discrimination and gender, based on worker responses.

To date, we have carried out HRIAs for the supply chains for tea, berries, bananas, tinned tomatoes, wine, prawns, cashews, cut flowers and orange juice. All of these reports, as well as our action plans, can be found on our website.

As part of the processing of reports of shortcomings in our supply chains, we also carry out additional ad-hoc risk analyses.

Our Approach to Protecting Children’s Rights

In many parts of the world, child labor is not an isolated case; it is a structural problem. It is closely linked to poverty, the lack of access to education and the lack of a social security system. Children often work to contribute to their family’s income — a reality that can be seen primarily in the Global South but also in certain sectors with high levels of informal work, seasonal work or migrant labor. In the process, fundamental children’s rights are violated, such as the right to protection, education and a carefree childhood. For Lidl with its global supply chains, this situation calls for a particular responsibility to be observant, to identify risks and to work with partners to ensure that children’s rights are not just protected but strengthened too.

With the “Workers’ Voice,” Lidl gains valuable insights into the working conditions in textile factories in order to initiate targeted improvements.

Lidl is actively committed to preventing child labor within our supply chains and giving younger workers special protections. Suppliers must provide safe working environments in accordance with local laws and guarantee opportunities for further development.

Nobody under the age of 15 (or 14 when in accordance with national laws) or children who are still of school age should be employed. If national laws set lower requirements, at least the provisions of ILO Convention 138 apply.



Recruitment policies and working conditions must comply with both international and national requirements. Suppliers must verify the age of applicants, including when using recruitment agencies, and must make complaints mechanisms available. In order to support our suppliers in the meeting of these requirements, we ran the “Train of Trainers” program in the 2024 fiscal year, together with our partners Save the Children and The Centre for Child Rights and Business. This program is designed to help our business partners train their suppliers on how to comply with the requirements. As well as verifying the age of applicants, the program also aims to strengthen the management systems, ensure safe workplaces for young people and provide access to complaints mechanisms and possible remedial actions. During the reporting year, our business partners began rolling out the program in their factories.

25,000

euros per year for the REACT fund in order to take action within just 72 hours in the event of suspicious cases

**Good
to know**

Combating Child Labor with the Child Rights Action Hub in Malaysia

The fight against child labor in global supply chains is a key component of our commitment to fair trade. Sabah is a center of palm oil production, with 59 percent of child labor cases in Malaysia originating from this state. In order to address this, we are a partner of the Malaysia Child Rights Action Hub, which is being established by Save the Children and The Centre for Child Rights and Business in collaboration with local partners. The project combines bespoke solutions to combat child labor through capacity building and knowledge sharing. Specific achievements to date include training over 40 case managers and accrediting 15 junior case managers, contributing to the creation of a robust system to prevent and eliminate child labor and closely supporting those affected in and around the plantations.

Responding to Suspected Child Labor

Lidl has a zero-tolerance policy when it comes to cases of child labor. When breaches of children’s rights occur within our supply chains, Lidl is obligated to rectify the situation in the best interests of the children concerned. Affected families are supported by The Centre for Child Rights and Business, with the aim of identifying the appropriate training prospects and future prospects for the children involved based on their individual situation. Lidl expects its suppliers to actively cooperate and support the remediation process, whether they detect child labor or learn that young people are performing hazardous work. In these circumstances, direct suppliers must inform both Lidl and the respective expert organization. They must also support the subsequent remediation process.

As part of the ongoing development of our approach to promoting children’s rights in our supply chains, we took a decisive step toward strengthening our human rights due diligence obligations in the reporting year: the introduction of the REACT (rapid evaluation and action on child labor cases) fund.



Taking decisive action against breaches of children’s rights



Collaborating closely with partners & civil society



Enforcing mandatory age verification for applicants



Identifying and systematically eliminating risks

The REACT fund is a central, financially secure instrument that, in collaboration with our partner The Centre for Child Rights and Business, allows us to respond immediately to suspected cases of child labor within our supply chains. With an annual allocation of €25,000, the fund allows us to close a critical gap. Upon receiving a tip off, The Centre for Child Rights and Business can immediately investigate and, if necessary, take action within just 72 hours. The fund covers the costs of investigation and critical action such as transport, safe accommodation and medical care. This means that children’s welfare can be immediately protected even before liability has been assigned.



Combating and Preventing Forced Labor

Lidl firmly rejects all forms of forced labor. Nevertheless, the reality shows that employees in certain global supply chains may be at risk of forced labor. We rigorously investigate any potential breaches of the requirements as part of our due diligence obligations. We put particular focus on respecting the rights of migrant workers, who often find themselves in highly dependent relationships with their employers or recruitment agencies. In order to systematically prevent forced labor in our supply chains, we work with other stakeholders in the supply chain, civil society, social partners and competitors. This work includes projects and initiatives designed to address the risks of forced labor, because compliance with fundamental labor standards, such as prohibiting forced labor, is an essential part of our corporate due diligence.

We want to continually improve on our processes for detecting forced labor situations and to provide effective remedial action and redress for people affected by forced labor. The established complaints mechanisms already contribute to this. Nevertheless, the fact that many forced labor situations remain hidden and are often not detected by social audits remains a challenge for all market participants. This is why we are developing new approaches for tackling forced labor and scaling tested risk-minimization methods as part of an international strategy.



We are also committed to ensuring fair working conditions on our producers' plantations.

Animal Welfare Standards

At Lidl, we are committed to improving the production conditions of animal products through labeling and in close collaboration with our suppliers. We are working to ensure that all national companies set their own targets for animal welfare by 2030.



→
Animal welfare is highly relevant for Lidl across the entire company.

Although the level of concern regarding animal welfare differs significantly from region to region, it is a highly relevant issue across the entire company for Lidl. We therefore follow an independent animal welfare strategy that serves as a base for deriving international and national measures. The topic is allocated to the “Acting fairly” field of action within our reporting.

Many products in our assortment contain animal-sourced raw materials, the production and origin of which are subject to extensive social expectations regarding animal welfare.

By 2030,
all national companies are to define national targets for animal welfare standards

In establishing fields of action and new measures, we are guided by the Five Freedoms of the British Farm Animal Welfare Committee (FAWC), widely considered the fundamental principles of animal welfare, and their continued development by initiatives like the Five Domains model by David J. Mellor, Professor at New Zealand’s Animal Welfare Science and Bioethics Centre. They aim at a balanced diet, a species-appropriate environment and shelter, comprehensive health care, encouraging natural behaviors and avoiding stress and anxiety. These measures provide a forward-thinking framework for taking a holistic view of animal welfare and helping Lidl demand, implement and achieve our animal welfare targets. These principles also provide a framework for the efforts of our national companies. One area of focus is the labeling of products of animal origin, which ensures a more transparent disclosure of husbandry conditions. We have set ourselves national targets for increasing the animal welfare standards of our fresh meat assortment by 2030.

These cows are on a farm in Germany that is certified according to Bioland criteria. Lidl is working on expanding its range of certified organic meat products.

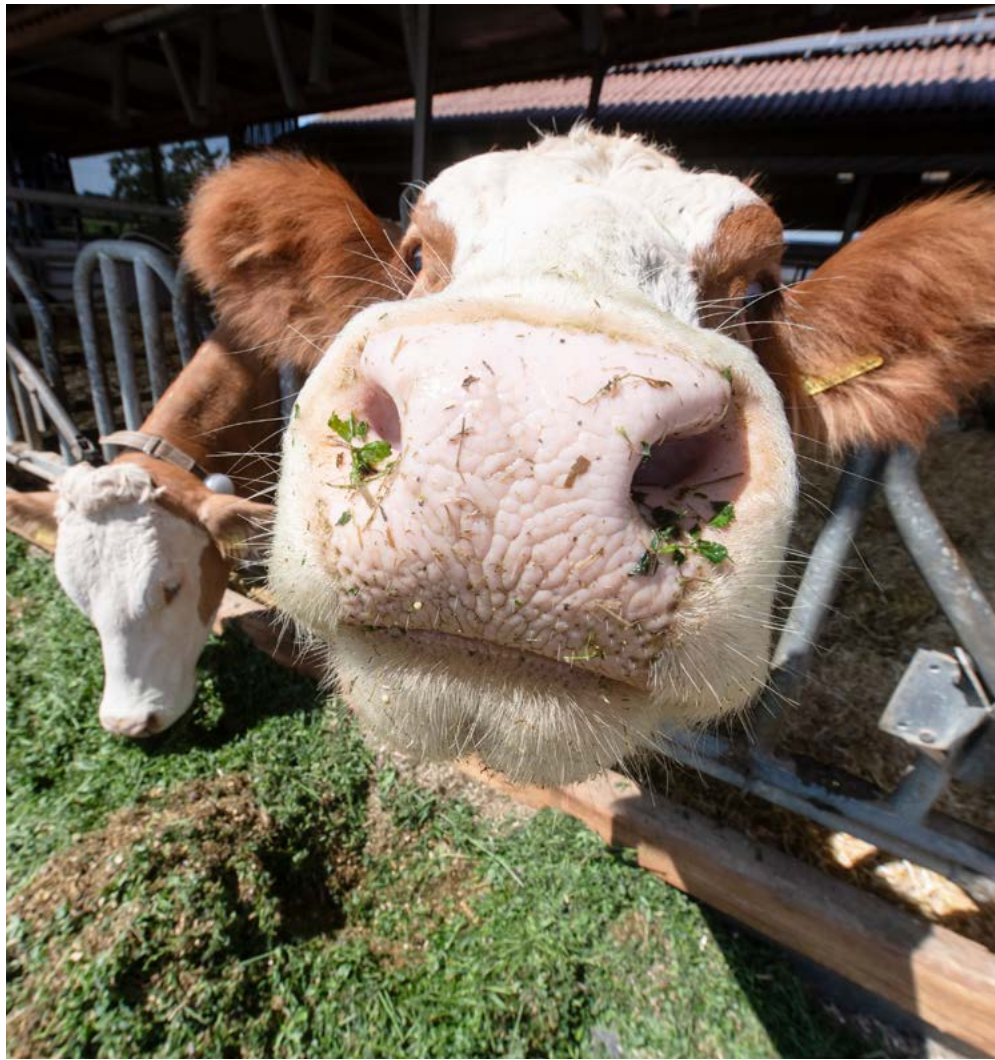


📍 **Acting locally**



Targets for Improved Animal Welfare Conditions

Lidl in Germany has been committed to improving animal welfare for many years. The company’s own “Better conditions – For the benefit of animals” label consistently combines animal welfare with regional responsibility, linking husbandry with origin. The items bearing this label originate 100 percent from German agriculture and are guaranteed to be supplied by animal welfare farms operating at husbandry system level 3. Lidl in Germany is aware that improving animal welfare entails higher costs for farms. For this reason, the national company pays an animal welfare premium to offset these additional costs and enable higher standards in the barns. By 2030, all chilled fresh meat articles and all Metzgerfrisch sausage products will meet at least husbandry system level 3, provided sufficient stock levels are available.



Commitment to Improved Animal Welfare Conditions for Laying Hens

We aim to completely phase out caged systems for laying hens for both fresh eggs and items containing egg across all national companies, while taking security of supply and regional market conditions into account. Today, over 90 percent of our fresh eggs are already laid in barns or come from higher husbandry systems. We are driving this development forward and supporting higher standards through targeted measures and close collaboration with our suppliers and associations.

Complaints Mechanisms Involving Lidl

GRI 414-2

Name	Approach	Status
BKMS	Access to complaints mechanisms for all stakeholders in our supply chains	Active
International ACCORD	Access to complaints mechanisms for workers in T1 factories for textile producers in Bangladesh	Rollout in Pakistan
ACT dispute resolution mechanism	Access to complaints mechanisms for workers in T1 factories for textile producers in Bangladesh	Currently no further rollout planned
amfori BSCI Speak for Change (S4C)	Access to complaints mechanisms for workers in BSCI-certified factories in Bangladesh, Vietnam, India, Turkey	Active
Wovo app from Labour Solutions	Access to the complaint channel for workers in T1 factories for textile producers in Myanmar	Discontinued
Appellando	Access to complaints mechanisms for workers in supply chains for fruit, vegetables and plants in Spain	Rollout in progress

Gender Pay Gap

GRI 405-2

Gender Pay Gap of the Companies of Lidl Group (Unadjusted) in Percent ⁶	2024	2025
Mean	16.8	14.9
Median	7.1	5.9

⁶The unadjusted gender pay gap compares the gross hourly wages of all employees across all hierarchy levels based on gender; it shows the average percentage difference between male and female wages. It reflects structural disparities.

Employees With Performance Reviews

GRI 404-3

Performance Reviews by Gender in Percent	2024	2025
Total	90.2	100
Female	57.4	61.2
Male	32.8	38.8
Other	0.0	0.0
Not specified	0.0	0.0

Workforce Structure GRI 405-1

Diversity Among the Workforce ⁷	2023	2024	2025
Employees	385,665	382,412	386,342
Breakdown by gender (percent)			
Female	64.1	61.5	61.0
Male	35.9	38.5	39.0
Age structure (numbers)			
< 30 years old	128,598	129,931	129,414
30-50 years old	211,963	205,359	206,644
≥ 50 years old	45,067	47,081	50,230

⁷The number of employees listed here shows the internal control figure, which is based on a different definition of employee to that used in the annual financial statement. Whereas the annual financial statement states the number of employees including those on long-term sick leave and employees on maternity leave as end-of-quarter averages for the fiscal year, the figure is reported internally as of the reporting date. Employees on maternity leave and long-term leave are not included in the calculation.

GRI 401-1

Diversity Among Newly Hired Employees and Turnover Rate ⁸	2023	2024	2025
Newly hired employees	102,542	131,796	90,801
Breakdown by gender (percent)			
Female	53.4	53.5	51.7
Male	46.6	46.5	48.3
Age structure (percent)			
< 30 years old	65.4	64.5	66.1
30-50 years old	30.6	31.6	30.1
≥ 50 years old	4.0	3.9	3.8
Turnover rate (percent) ⁹			
Total	29.0	26.1	19.6
Female	25.1	22.7	16.9
Male	36.1	31.5	23.8

⁸ All new hires in the companies of Lidl Group are included in the relevant FY, irrespective of whether the employees are hired on a fixed-term contract (start date).

⁹ Employee turnover is calculated as the ratio of employees who leave the company compared with the average number of employees.

Diversity Within Management Bodies ¹⁰	2023	2024	2025
Employees in management	27,847	27,396	27,861
Breakdown by gender (percent)			
Female	41.1	39.8	40.0
Male	58.8	60.2	60.0
Age structure (percent)			
< 30 years old	11.9	11.7	11.3
30-50 years old	78.5	78.1	77.9
≥ 50 years old	9.5	10.2	10.9
Employees in senior management	519	531	541
Breakdown by gender (percent)			
Female	14.6	15.3	15.0
Male	85.4	84.7	85.0
Age structure (percent)			
< 30 years old	0.2	0.2	0.2
30-50 years old	82.9	80.4	78.7
≥ 50 years old	17.0	19.4	21.1
Employees in top management	251	225	215
Breakdown by gender (percent)			
Female	16.3	19.6	19.1
Male	83.7	80.4	80.9
Age structure (percent)			
< 30 years old	0.0	–	–
30-50 years old	78.1	79.1	74.9
≥ 50 years old	21.9	20.9	25.1

¹⁰ Employee categories are defined according to our joint understanding as follows: Top Management = Management Level I – II, Senior Management = Management Level III, Management = Managers from Management Level IV – VI excluding deputies / no specialist level, employees without management role = other employees.

GRI Index

Statement of Use	Lidl Stiftung & Co. KG has reported for the 2025 fiscal year and thus for the reporting period from March 1, 2025 until February 28, 2026 pursuant to the GRI Standards.
Use GRI 1	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	In the reporting year, we checked the sector standard “GRI 13: Agriculture, Aquaculture and Fishing Sectors 2022“ and, owing to the Lidl business model, came to the result that this is not applicable to Lidl.

GRI Standards	External Assurance	Page(s)	Omissions / Comments
GRI 2: General Disclosures 2021			
The Organization and Its Reporting Practices			
2-1: Organizational details		4, 5, 9, 10	
2-2: Entities included in the organization’s sustainability reporting		4	
2-3: Reporting period, frequency and contact point		5	
2-4: Restatements of information		4	
2-5: External assurance		5, 124	
Activities and Employees			
2-6: Activities, value chain and other business relationships		11	
2-7: Employees	x	94	Information not available / incomplete: The data basis for disclosures on employees without guaranteed working times, broken down by gender and region (2-7 b iii), is not currently available to the companies of Lidl Group. An improvement of the data basis for future reporting is being examined.
2-8: Workers who are not employees		94, 95	Information not available / incomplete: The quantitative disclosures on workers who are not employees are currently not fully available, as a uniform and standardized data collection methodology has not yet been implemented. We are working on establishing an appropriate data collection system.
Corporate Governance			
2-9: Governance structure and composition		12	
2-10: Nomination and selection of the highest governance body			Not applicable: Owing to the corporate structure of Lidl Stiftung & Co. KG, there is no governance body similar to a supervisory board in a stock corporation.

GRI Standards	External Assurance	Page(s)	Omissions / Comments
2-11: Chair of the highest governance body			Not applicable: Owing to the corporate structure of Lidl Stiftung & Co. KG, there is no governance body similar to a supervisory board in a stock corporation.
2-12: Role of the highest governance body in overseeing the management of impacts			Not applicable: Owing to the corporate structure of Lidl Stiftung & Co. KG, there is no governance body similar to a supervisory board in a stock corporation.
2-13: Delegation of responsibility for managing impacts		17	
2-14: Role of the highest governance body in sustainability reporting			Not applicable: Owing to the corporate structure of Lidl Stiftung & Co. KG, there is no governance body similar to a supervisory board in a stock corporation.
2-15: Conflicts of interest		12	
2-16: Communication of critical concerns			Not applicable: Owing to the corporate structure of Lidl Stiftung & Co. KG, there is no governance body similar to a supervisory board in a stock corporation.
2-17: Collective knowledge of the highest governance body			Not applicable: Owing to the corporate structure of Lidl Stiftung & Co. KG, there is no governance body similar to a supervisory board in a stock corporation.
2-18: Evaluation of the performance of the highest governance body			Not applicable: Owing to the corporate structure of Lidl Stiftung & Co. KG, there is no governance body similar to a supervisory board in a stock corporation.
2-19: Remuneration policies			Restrictions due to a duty of confidentiality: The required disclosures on the remuneration policy are subject to confidentiality constraints pertaining to the commercial interests of the companies of Lidl Group.
2-20: Process to determine remuneration			Restrictions due to a duty of confidentiality: The required disclosures on the remuneration policy are subject to confidentiality constraints pertaining to the commercial interests of the companies of Lidl Group.
2-21: Annual total compensation ratio			Restrictions due to a duty of confidentiality: The required disclosures on the remuneration policy are subject to confidentiality constraints pertaining to the commercial interests of the companies of Lidl Group.
Strategy, Policies and Practices			
2-22: Statement on sustainable development strategy		3	
2-23: Policy commitments		14	
2-24: Embedding policy commitments		15, 104	
2-25: Processes to remediate negative impacts		13	
2-26: Mechanisms for seeking advice and raising concerns		13	
2-27: Compliance with laws and regulations			Restrictions due to a duty of confidentiality: The required disclosures on fines and instances of non-compliance are subject to confidentiality constraints pertaining to the commercial interests of the companies of Lidl Group.
2-28: Membership associations		22	
205-2: Communication and training about anti-corruption policies and procedures		14	

GRI Standards	External Assurance	Page(s)	Omissions / Comments
Stakeholder Engagement			
2-29: Approach to stakeholder engagement		24, 25	
2-30: Collective bargaining agreements		94	Information not available / incomplete: The information on the treatment of employees without collective bargaining agreements is not currently available to the companies of Lidl Group, since the labor law regulations differ greatly from country to country. An improvement of the data basis for future reporting is being examined.
GRI 3: Material Topics 2021			
3-1: Process to determine material topics		19	
3-2: List of material topics		20	
Adaptation to Climate Change			
GRI 3: Material Topics 2021			
3-3: Management of material topics		20, 30	
GRI 203: Indirect Economic Impacts 2016			
203-1: Infrastructure investments and services supported		40	
GRI 308: Supplier Environmental Assessment 2016			
308-2: Negative environmental impacts in the supply chain and actions taken		40	
Energy			
GRI 3: Material Topics 2021			
3-3: Management of material topics		20, 30	
GRI 302: Energy 2016			
302-1: Energy consumption within the organization	x	33, 36, 43	
302-3: Energy intensity		33, 36	
302-4: Reduction of energy consumption		33	
302-5: Reductions in energy requirements of products and services		31	
Climate Protection			
GRI 3: Material Topics 2021			
3-3: Management of material topics		20, 30	

GRI Standards	External Assurance	Page(s)	Omissions / Comments
GRI 305: Emissions 2016			
305-1: Direct (Scope 1) GHG emissions	x	32, 40, 42	
305-2: Energy indirect (Scope 2) GHG emissions	x	32, 33, 42	
305-3: Other indirect (Scope 3) GHG emissions	x	32, 41, 42	
305-4: GHG emissions intensity		32, 42	
305-5: Reduction of GHG emissions		33, 36	
Biodiversity & Ecosystems			
GRI 3: Material Topics 2021			
3-3: Management of material topics		20, 67	
GRI 101: Biodiversity 2024			
101-1: Policies to halt and reverse biodiversity loss		67, 68	
101-2: Management of biodiversity impacts		68, 74	Information not available / incomplete: The data basis for the disclosure of sites with the most significant impacts on biodiversity and existing biodiversity plans are not available to the companies of Lidl Group. A consolidated collection and quality assurance for future reporting will be checked.
101-3: Access and benefit-sharing			Not applicable: The companies of Lidl Group do not utilize any genetic resources or the associated traditional knowledge held by indigenous peoples and local communities (pursuant to the Nagoya Protocol).
101-4: Identification of biodiversity impacts		68	Information not available / incomplete: The data basis for the disclosure on site-based information on diversity is not available to the companies of Lidl. A consolidated collection and quality assurance for future reporting will be checked.
101-5: Locations with biodiversity impacts			Information not available / incomplete: The data basis for the disclosure on site-based information on diversity is not available to the companies of Lidl. A consolidated collection and quality assurance for future reporting will be checked.
101-6: Direct drivers of biodiversity loss			Information not available / incomplete: The data basis for the disclosure on site-based information on diversity is not available to the companies of Lidl. A consolidated collection and quality assurance for future reporting will be checked.
101-7: Changes to the state of biodiversity			Information not available / incomplete: The data basis for the disclosure on site-based information on diversity is not available to the companies of Lidl. A consolidated collection and quality assurance for future reporting will be checked.
101-8: Ecosystem services			Information not available / incomplete: The data basis for the disclosure on site-based information on diversity is not available to the companies of Lidl. A consolidated collection and quality assurance for future reporting will be checked.

GRI Standards	External Assurance	Page(s)	Omissions / Comments
GRI 303: Water and Effluents 2018			
303-1: Interactions with water as a shared resource		68	
303-2: Management of water-discharge-related impacts		73	
LIDL: Raw Materials		70	
LIDL I: Proportion of sustainably procured raw materials in the total purchasing volume	x		Note: This is an indicator specific to Lidl.
Circular Economy: Resource Inflows and Usage			
GRI 3: Material Topics 2021			
3-3: Management of material topics		20, 49	
GRI 301: Materials 2016			
301-1: Materials used by weight or volume		62	
301-2: Recycled input materials used		51, 62	
LIDL: Circular Economy Strategy			
LIDL II: REset Resources		50	Note: This is an indicator specific to Lidl.
Circular Economy: Recyclables and Waste			
GRI 3: Material Topics (2021)			
3-3: Management of material topics		20, 49	
GRI 301: Materials (2016)			
301-3: Reclaimed products and their packaging materials		54, 57, 59	
GRI 306: Waste (2020)			
306-1: Waste generation and significant waste-related impacts		51	
306-2: Management of significant waste-related impacts		52	
306-3: Waste generated	x	51, 62	
306-4: Waste diverted from disposal		52	
306-5: Waste directed to disposal	x	52, 60, 61	
LIDL: Food Waste			
LIDL III: Ensure responsible handling of food		46, 52	Note: This is an indicator specific to Lidl.

GRI Standards	External Assurance	Page(s)	Omissions / Comments
Workforce: Other Work-Related Rights			
GRI 3: Material Topics 2021			
3-3: Management of material topics		20, 93	
GRI 401: Employment 2016			
401-1: New employee hires and employee turnover		114	
GRI 402: Labor / Management Relations 2016			
402-1: Minimum notice periods regarding operational changes		94	
LIDL: Life Balance			
LIDL V: Company’s contribution to employee work-life balance		98	Note: This is an indicator specific to Lidl.
Value Chain: Other Work-Related Rights			
GRI 3: Material Topics 2021			
3-3: Management of material topics		20, 93	
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		95	
408: Child Labor 2016			
408-1: Operations and suppliers at significant risk for incidents of child labor		104	
409: Forced or Compulsory Labor 2016			
409-1: Operations and suppliers at significant risk for incidents of forced or compulsory labor		104	
414: Supplier Social Assessment 2016			
414-2: Negative social impacts in the supply chain and actions taken		104, 113	
Workforce: Working Conditions			
GRI 3: Material Topics 2021			
3-3: Management of material topics		20, 93	

GRI Standards	External Assurance	Page(s)	Omissions / Comments
GRI 202: Market Presence 2016			
202-1: Ratios of standard entry level wage by gender compared to local minimum wage		100	Information not available / incomplete: The data basis for the disclosure of the gender-specific breakdown of the starting salaries as well as the specification of the minimum wages actually paid in countries without a statutory minimum wage are currently not available to the companies of Lidl Group. A consolidated collection and quality assurance for future reporting will be checked.
GRI 403: Occupational Health and Safety 2018			
403-1: Occupational health and safety management system		96	
403-2: Hazard identification, risk assessment, and incident investigation		96	
403-3: Occupational health services		96	
403-4: Worker participation, consultation, and communication on occupational health and safety		96	
403-5: Worker training on occupational health and safety		96	
403-6: Promotion of worker health		96	
403-7: Prevention and mitigation of occupational health and safety impacts directly linked to business relationships			Restrictions due to a duty of confidentiality: The required disclosures on prevention and mitigation of direct work-related impacts are subject to confidentiality constraints pertaining to the commercial interests of the companies of Lidl Group.
403-9: Work-related injuries			Restrictions due to a duty of confidentiality: The required disclosures on work-related accidents are subject to confidentiality constraints pertaining to the commercial interests of the companies of Lidl Group. Unfortunately, not all accidents can be prevented, despite preventive measures. However, as a general rule, Lidl does not publish any information on sick leave or absence rates, since these are sensitive internal data.
403-10: Work-related ill health			Restrictions due to a duty of confidentiality: The required disclosures on work-related ill health as well as the number of fatalities as a result of work-related ill health are subject to confidentiality constraints pertaining to the commercial interests of the companies of Lidl Group.
GRI 405: Diversity and Equal Opportunity 2016			
405-2: Ratio of basic salary and remuneration of women to men		100, 113	
Workforce: Equal Treatment & Equal Opportunities			
GRI 3: Material Topics 2021			
3-3: Management of material topics		20, 93	
GRI 401: Employment 2016			
GRI 401-3: Parental leave		98	Information not available / incomplete: Disclosures on parental leave, broken down into gender as well as return and retention rates, cannot be reported at the moment, since the labor law regulations differ greatly from country to country. A consolidated and comparable presentation at international level is therefore not possible.

GRI Standards	External Assurance	Page(s)	Omissions / Comments
GRI 404: Training and Education 2016			
404-1: Average hours of training and development per year per employee		101	Information not available / incomplete: The data basis for the disclosure on the number of hours of training and development per employee category is not currently available to the companies of Lidl Group. A consolidated collection and quality assurance for future reporting will be checked.
404-2: Programs for upgrading employee skills and transition assistance programs		101	
404-3: Percentage of employees receiving regular performance and career development reviews		103, 113	Information not available / incomplete: The data basis for the disclosure on the percentage of employees with performance and career development reviews by gender and per employee category is only partially available to the companies of Lidl Group. A consolidated collection and quality assurance for future reporting will be checked.
GRI 405: Diversity and Equal Opportunity 2016			
405-1: Diversity of governance bodies and employees	x	99, 114	
405-2: Ratio of basic salary and remuneration of women to men		100, 113	
Security			
GRI 3: Material Topics 2021			
3-3: Management of material topics		20, 79	
GRI 416: Customer Health and Safety 2016			
416-1: Assessment of the health and safety impacts of different product and service categories	x	88	
416-2: Incidents of non-compliance concerning the health and safety impacts of products and services		88	
Information Rights and Data Protection			
GRI 3: Material Topics 2021			
3-3: Management of material topics		20, 79	
GRI 417: Marketing and Labeling 2016			
417-1: Requirements for product and services information and labeling		86	

GRI Standards	External Assurance	Page(s)	Omissions / Comments
Additional Reported Topics			
Conscious Nutrition			
FP: Food Processing			
FP5: Proportion of the production volume produced on sites certified by an independent third party pursuant to internationally recognized standards for food safety management systems		83	
FP6: Proportion of sales volume of products with reduced fat, trans fats, salt and sugar		83	
FP7: Proportion of the total sales volume of consumer goods, broken down by product category, that have an increased content of health-promoting ingredients such as fiber, vitamins, minerals, secondary plant substances or functional food additives		83	
Sustainable Product Design and Quality			
LIDL: Ingredients and Nutritional Information			
LIDL VI: Provision of full and comprehensible disclosures of ingredients and nutritional information		85	Note: This is an indicator specific to Lidl.

Auditor's Report

Assurance report of the independent German public auditor on a limited assurance engagement in relation to sustainability information.

To Lidl Stiftung & Co. KG

Assurance conclusion

We have conducted a limited assurance engagement on the selected items of sustainability information whose disclosures were identified by a  in the accompanying sustainability report of Lidl Stiftung & Co. KG, Neckarsulm, (“Company”), for the period from 1st of March 2025 to 28th of February 2026 (“sustainability information”).Our engagement exclusively refers to the selected items of sustainability information whose disclosures were identified by a  in the sustainability report. Other disclosures made outside this sustainability information were not subject to our assurance engagement. Based on the procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the sustainability information of the Company is not prepared, in all material respects, in accordance with the reporting principles of the Global Reporting Initiative (GRI Standards).

Basis for the assurance conclusion

We conducted our assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised): Assurance Engagements Other Than Audits or Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board (IAASB). The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.Our responsibilities under ISAE 3000 (Revised) are further described in the section “German public auditor’s responsibilities for the assurance engagement on the sustainability information.” We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in

accordance with these requirements. Our audit firm has applied the requirements for a system of quality control as set forth in the IDW Quality Management Standard issued by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW): Requirements for Quality Management in the Audit Firm (IDW QMS 1 (09.2022)). We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our assurance conclusion.

Responsibilities of the executive directors for the sustainability information

The executive directors are responsible for the preparation of the sustainability information in accordance with the reporting principles of the Global Reporting Initiative (GRI Standards) and for designing, implementing and maintaining such internal control that they have considered necessary to enable the preparation of sustainability information in accordance with these requirements that is free from material misstatement, whether due to fraud (i.e., fraudulent sustainability information) or error. This responsibility of the executive directors includes selecting and applying appropriate reporting policies for preparing the sustainability information, as well as making assumptions and estimates and ascertaining forward-looking information for individual non-financial disclosures.

German public auditor’s responsibilities for assurance engagement on the sustainability information

Our objective is to express a limited assurance conclusion, based on the assurance engagement we have conducted, on whether any matters have come to our attention that cause us to believe that the sustainability information identified by a  has not been prepared, in all material respects, in accordance with the reporting principles of the Global Reporting Initiative (GRI Standards).

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised), we exercise professional judgment and maintain professional skepticism. We also:

- Obtain an understanding of the process used to prepare the sustainability information.
- Identify disclosures where a material misstatement due to fraud or error is likely to arise, design and perform procedures to address these disclosures and obtain limited assurance to support the assurance conclusion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Consider the forward-looking disclosures, including the appropriateness of the underlying assumptions. There is a substantial unavoidable risk that future events will differ materially from the forward-looking disclosures.

Summary of the procedures performed by the German public auditor

A limited assurance engagement involves the performance of procedures to obtain evidence about the sustainability information. The nature, timing and extent of the selected procedures are subject to our professional judgment.

In performing our limited assurance engagement, we:

- Obtained an understanding of the determination of the sustainability information, the structure of the sustainability organization and stakeholder engagement.
- Inquired of the executive directors and relevant employees involved in the preparation of the sustainability information about the preparation process, about the internal controls relating to this process, and about disclosures in the sustainability information.
- Inspected relevant documentation of the systems and processes used to collect, aggregate and validate relevant data in the reporting period.

- Identified and assessed the risk of material misstatement of the sustainability information.
- Performed analytical procedures and made inquiries in relation to selected disclosures in the sustainability information.
- Performed selective testing relating to the collection and reporting of selected disclosures in the sustainability information and obtained evidence.
- Assessed the CO₂ compensation certificates with regard to their existence, but not with regard to their effectiveness
- Assessed the presentation of disclosures in the sustainability information.

Restriction of use

We draw attention to the fact that the assurance engagement was conducted for the Company’s purposes and that the assurance report is intended solely to inform the Company about the result of the assurance engagement. As a result, it may not be suitable for another purpose than the aforementioned. Accordingly, the assurance report is not intended to be used by third parties for making (financial) decisions based on it. Our responsibility is to the Company alone. We do not accept any responsibility to third parties. Our assurance conclusion is not modified in this respect.

General Engagement Terms and Liability

The “General Engagement Terms for Wirtschaftsprüferinnen, Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften [German Public Auditors and Public Audit Firms]” dated 1 January 2024, which are attached to this report, are applicable to this engagement and also govern our relations with third parties in the context of this engagement (ey-idw-aab-en-2024.pdf).

In addition, please refer to the liability provisions contained there in no. 9 and to the exclusion of liability towards third parties. We accept no responsibility, liability or other obligations towards third parties unless we have concluded a written agreement to the contrary with the respective third party or liability cannot effectively be precluded.

We make express reference to the fact that we will not update the assurance report to reflect events or circumstances arising after it was issued, unless required to do so by law. It is the sole responsibility of anyone taking note of the summarized result of our work contained in this assurance report to decide whether and in what way this result is useful or suitable for their purposes and to supplement, verify or update it by means of their own review procedures.

Stuttgart, 22 June 2026

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