



# Human Rights Impact Assessment

## Berries, Spain | Action plan

In December 2020, Lidl conducted a Human Rights Impact Assessment (HRIA) in the Spanish berries sector. The report analyses the potential human rights impacted within the berry supply chain in Huelva, Spain.

Since the conclusion of the HRIA, Lidl has been working intensively on the findings and has developed measures to address the risks identified in collaboration with its suppliers and in consultation with local NGOs and trade unions. We recognise that many of the identified risks cannot be addressed by Lidl alone, and understand that cross-sector collaboration will be necessary to help address these systemic issues.

Lidl understands its responsibility to proactively minimise the negative impacts identified through the HRIA and use its influence for positive change.

**From the 2021/2022 harvest season, Lidl will work with its suppliers to implement the following measures within their Spanish berry supply chain:**

### **1. Strengthening internal capacity to implement corporate due diligence**

The HRIA has shown that the Lidl Code of Conduct is not known or understood throughout the supply chain. Therefore we will work with our suppliers to support them to build their internal human rights resourcing and capacity to ensure that the standards within the Code of Conduct are being embedded within their companies.

### **2. Participating in the Spanish Ethical Trade Forum**

The challenges identified within the HRIA are systemic within the sector, and therefore do not only affect Lidl's direct supply chains. We will therefore require our suppliers to join the Spanish Ethical Trade Forum, in which Lidl (including Lidl GB and Lidl Spain) have been involved for several years. The purpose of these forums is to ensure collaboration amongst all tiers of the supply chain, in order to develop an overarching approach to addressing the known and emerging risks within the sector. Lidl will work to ensure that the voices of civil society stakeholders are also heard within the Spanish Ethical Trade Forum.

### **3. Conducting unannounced social audits**

All fruit and vegetable producers within Lidl's supply chain must present a Global G.A.P. GRASP audit with the result "fully compliant". In order to strengthen this approach, our suppliers will carry out additional social audits during the harvest season. This will focus specifically on the risks and violations identified within the HRIA.



#### **4. Strengthening the monitoring of working conditions in cooperatives and producing companies**

As part of improving internal capacity on human rights due diligence, suppliers will strengthen their monitoring of production sites and cooperatives. This includes using the Sedex platform to carry out risk assessments of the supply chain, analysing social audits more consistently, and working with individual producers to support the implementation of requirements.

#### **5. Participating in the Stronger Together training program**

Lidl categorically prohibits all forms of forced labour within its direct and indirect business operations, however we recognise that forced labour can often go undetected within complex supply chains. We therefore place strong importance on supporting the training of our business partners and their upstream suppliers on the topic of forced labour and practical prevention measures. This training helps businesses to recognise potential indicators of exploitation and forced labour within their own operations, which could be discovered through social audits or grievance mechanisms. This is particularly relevant for suppliers who employ migrant workers. We are working with a specialist partner, Stronger Together, to deliver these sessions to our suppliers.

#### **6. Participating in a Lidl pilot project to set up effective, on-site grievance mechanisms**

Access to an effective grievance mechanism is an essential element of our [corporate due diligence](#) approach to uncovering rights violations. Lidl has therefore set itself the goal of piloting grievance mechanisms in various supply chains, in order to identify a scalable and effective approach. Alongside our partner Elevate, we are piloting an on-site grievance mechanism in Huelva, which meets the criteria of the UN Guiding Principles for Businesses and Human Rights. We aim to work with other stakeholders on this topic going forward, in order to align learnings and work to reduce grievances.

We are confident that the implementation of these measures will provide important improvements to the living and working conditions of local workers throughout the Spanish berries sector. At the end of 2022, we will report on the experiences and progress made. Constructive cooperation with other stakeholders, including civil society and social partners, will continue to play an important role in addressing challenges holistically.