

Lidl Denmark's action plan towards a more responsible purchase of coffee

Vision of the alliance:

“Behind every cup of coffee consumed in Denmark lie committed partnerships to regenerate nature, improve livelihoods and build climate change resilience”

The alliance aims to contribute to progress towards a more responsible production of coffee by facilitating collective action for a responsible, climate resilient and more equally distributed value chain. This is done by creating a platform for knowledge sharing, cross-sector collaboration, and by developing a joint understanding of what responsible coffee value chains imply and which steps can be taken next – depending on the type of business.

As a member of the alliance, Lidl has committed to:

- Publish a timebound action plan, which describes initiatives that must ensure progress towards the vision.
- Report progress annually to the alliance's secretariat - for the first time before the end of August 2023.

In addition, the alliance's work is based on four missions, that we are integrating into our approach:

1. Regeneration and climate action
2. Living income and better livelihoods
3. Accountability in the value chain
4. Communication



Lidl's approach to responsible coffee

Lidl Denmark's CSR-strategy

At Lidl we work with an overall CSR-strategy that consists of 6 strategic focus areas. Our focus on more sustainable sourced coffee is tapping into more than one of these strategic focus areas. It affects both the focus area **respecting biodiversity, protecting climate, conserving resources, engaging in dialogue**, and **acting fairly**. In that way working towards more responsible coffee can be done with different approaches depending on the issue.



Description of Lidl Denmark's existing initiatives within the work towards more responsibly produced coffee

- In 2022, we published a [purchasing policy](#) on our strategy and work with critical raw materials, including coffee.
- As part of our raw materials strategy, we certify our critical raw materials. That is why 100 % of all our coffee in our own brand in the fixed range and promotional items has been certified since 2020. The certifications used are Fairtrade, Rainforest Alliance and Organic. This applies to both instant coffee, capsules, cappuccino, and roasted coffee.
- To get a better understanding of the impact of our own actions, we have made a risk analysis, which can also be found in our purchasing policy.

KAFFE



Sociale risici

- Børnearbejde: Etiopien, Colombia
- Tvangsarbejde: Etiopien, Indonesien, Colombia
- Arbejdstagers rettigheder: Brasilien, Guatemala, Indonesien
- Diskrimination: Etiopien, Honduras, Indien

Miljømæssige risici

- Biodiversitet: Indonesien, Honduras, Vietnam
- Klimasårbarhed: Brasilien, Indien, Vietnam
- Arealanvendelse og skovrydning: Brasilien, Indonesien, Colombia
- Vandrisici: Brasilien, Indonesien, Vietnam

Future support in Honduras and Ghana - Lidl's own Way To Go coffee:

In collaboration with Fairtrade, Lidl has developed the long-term “Way To Go” project that supports small farmers in Honduras and Ghana with additional services that go beyond the Fairtrade minimum price and the Fairtrade premium and flow directly into local and agricultural projects. This includes, for example, training in business administration or further training in sustainable cultivation and processing techniques that will help them achieve more productive harvests and open additional sources of income to secure your livelihood. Project components to promote equality specifically tailored to women are also included: for example, they get access to literacy courses or participate in the Fairtrade Women’s School of Leadership.

So far, we only sell the Way To Go coffee in a few countries, but we are working on also selling the coffee in our Danish stores and communicating the message and the story behind through our communication platforms.



Lidl Denmark’s contribution towards the common vision in the alliance:

Since we are part of an international company that operates in 32 countries, we both have international goals as well as national goals when it comes to our assortment. Since coffee often is purchased through our international purchasing team we stick to our common international goals. However, we can still pave the way for a more responsible purchase of coffee from national ground. Therefore, we have defined national as well as international initiatives that will help us ensure progress towards the joint vision in the alliance.



Our national and international goals can be linked directly to some of the alliance's four missions as stated in the overview below.

Nationally

By the end of FY 2024 we want to:

- Implement Lidl's own Way To Go coffee in our product range at Lidl Denmark to further support the local livelihoods and projects in Honduras and Ghana (mission 2)
- Gain an understanding of where we as a company place ourselves in relation to the archetype model presented by [NewForesight](#). This will make it more clear to us where we stand now and what goals we can define for ourselves for the future (mission 3)
- Actively join the workshops in the alliance to get a deeper insight in the field (mission 3).
- Further motivate and train our national buyers to investigate new options of more responsible sourced and produced coffee (mission 3)
- Reach out to our customers by putting more emphasis on the importance of responsible produced and purchased coffee in our leaflets and other communication platforms (mission 4).
- Further engage in dialogs with national stakeholder such as Fairtrade and be present at relevant events and panel discussions (mission 4).

Internationally

By the end of FY 2027 we want to:

- Build an even stronger collaboration with our international colleagues, to expand our work with responsible sourced coffee (mission 3)
- Look into the possibility of larger international projects similar to Lidl's Way To Go project, where the focus is on more than just living wage / living income (mission 3)
- Become more transparent about the origin of the coffee we sell in our stores (mission 4)

