LIDLDETOX COMMITMENT







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Abbreviations explained

AP – Alkylphenols

APEO – Alkylphenol Ethoxylates

C2C - Cradle to Cradle

CSR - Corporate Social Responsibility

DMF/DMFA - Dimethylformamide

GIZ – (German Corporation for International Cooperation)

GOTS - Global Organic Textile Standard

GRS - Global Recycling Standard

IPE - Institute of Public and Environmental Affairs

KPI – Key Performance Indicator

MRSL/RSL - Manufacturing Restricted Substances List/Restricted Substances List

PFC - Perfluorinated Chemicals

PU - Polyurethane

PURE - Project for Environmental and Resource Efficiency

PVC - Polyvinyl Chloride

SCCP – Short-Chained Chlorinated Paraffins

VOC – Volatile Organic Compounds

ZDHC – Zero Discharge of Hazardous Chemicals

Release date: June 2020



1. Strategy and Milestones

1.1 Introduction 1.2 Strategy

In 2014, Lidl became the first food retailer to join Greenpeace's Detox Campaign. Through this campaign we committed to working towards the removal of potentially harmful substances from our textile and shoe manufacturing processes. Six years on, we are pleased to report that we are now successfully avoiding hazardous chemicals in our production processes, significantly reducing pollution and protecting both people and the environment.

This report provides an update on our Detox Commitments, spanning responsible production, systemic change and sustainable consumption. We are reflecting on the key milestones achieved between 2019 and 2020, as well as providing an outlook on how we will continue to uphold our commitments and further develop the Detox strategy in the years ahead.



From protecting the environment to upholding human rights, securing a sustainable future remains a complex challenge. As one of the largest retail companies in the world, we recognise that we play a key role in tackling these global issues and supporting sustainable improvements, whilst also understanding the importance of close collaboration with others, including expert partners, to ensure our products come from responsible and sustainable sources for the long term.

In order to define what sustainability means to Lidl, we conducted a strategic analysis of our vision and mission to pinpoint the priority issues that we can measure, monitor and manage over the short, medium and long term.

The priority issues within Lidl's sustainable sourcing strategy are:

- Climate change
- Water consumption and contamination
- Circular economy
- Human rights
- Raw materials
- Biodiversity
- Responsibly-manufactured products

The Lidl Detox Commitment encompasses all of the above issues.

Our aim is to completely eliminate all 11 chemical groups defined by Greenpeace as particularly harmful in the manufacture of textiles and shoes from the production of our own brand products by 2020, replacing them with non-harmful substances where necessary. In doing so, we seek to promote better social and environmental production conditions in the textile and shoe industry.

Lidl's Detox Commitment:

- To eliminate potentially harmful chemicals
- To reduce wastewater contamination
- To reduce pollution affecting people and impacting the environment

By championing safe, environmentally responsible production methods in our supply chains, we aim to support wider systemic change. By switching to more recyclable materials, we are helping to create a circular economy and by investing in ecological, resource-efficient fibre innovation, we are supporting more sustainable consumption.

Our approach is guided by the principles of credibility, feasibility, risk-based approaches, and effectiveness.



1. Strategy and Milestones

1.3 Milestones

Detox Compliance Roadmap 2015-2020

Since becoming the first food retailer to sign the Greenpeace Detox Commitment in 2014, we have come a long way. Our Detox Compliance Roadmap shows some of the milestones that we achieved between 2015 and 2020.

2015

- Framework agreements refined
- MRSL/RSL published
- Only ZDHC-compliant chemicals are accepted for orders
- Case study on eliminating phthalates published
- Case study on eliminating perfluorinated chemicals
- (PFCs) published
- BIONIC-FINISH® ECO coating replace PFCs

2016

- Framework agreements further refined to eliminate APEOs
- Case study on eliminating DMFA in polyurethane (artificial leather) published
- Winner of Fairtrade 'Retailer of the Year' award

2017

- 600+ own-brand textiles and shoe production facilities disclosed
- STeP-by-OEKO-TEX certification

2018

• Global Organic Textile Standard (GOTS) certified textile assortment expanded

- PURE training courses for more than 400 employees from 80 manufacturing sites in China and Bangladesh, benefitting approximately 150,000 employees
- introduced for tier 1 suppliers (wet processing)
- EcoVero[™] adopted as a more environmentally-friendly fibre

2019

- First fully biodegradable printing paste for textiles developed to Cradle to Cradle Certified™ Gold standard
- Cradle-to-Cradle textile collection launched with shirts, sleepwear and bedding
- Green Button testing process completed

2020

Products labelled with the Green Button and Cotton Made in Africa certification arrive in stores

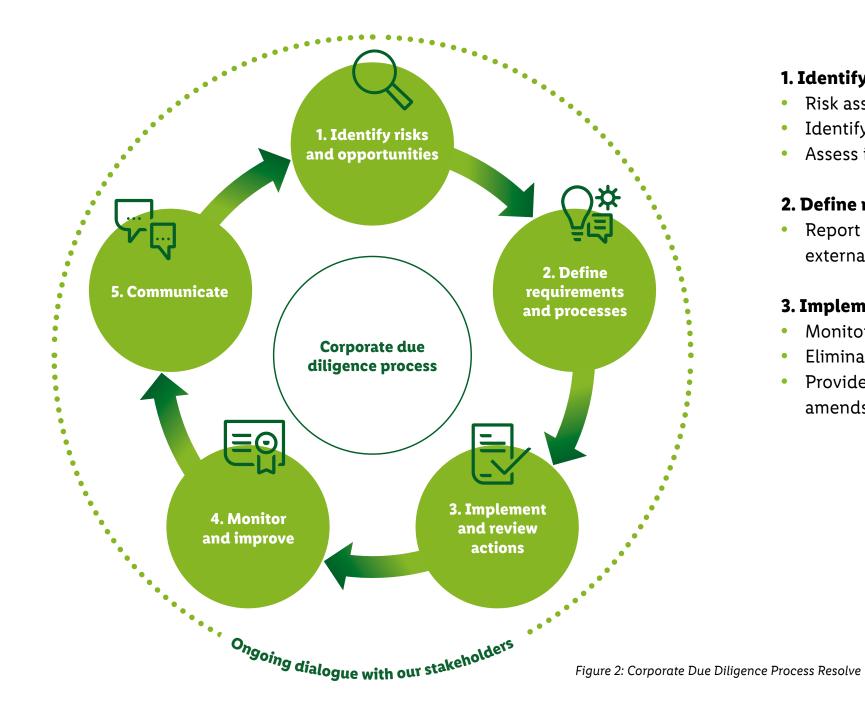
Figure 1: Detox Compliance Roadmap 2015–2020



2.1 Our approach

A systematic management approach is critical to implementing our CSR strategy consistently across our global business. This begins with analysing potential risks relating to human rights infringements and environmental harm, both within our business processes and in the manufacturing of own-brand products. In understanding these risks, we can implement measures alongside our supply chain partners.

Further detail on this approach is set out in our <u>Human Rights and Environmental</u> Due Diligence Policy.



1. Identify risks and opportunities

- Risk assess supply chain
- Identify risks and opportunities
- Assess impacts and organisational opportunities

2. Define requirements and processes

• Report transparently on progress and learnings to internal and external stakeholders

3. Implement and review actions

- Monitor and improve requirements and processes
- Eliminate, reduce and avoid negative impacts
- Provide access to effective grievance mechanisms and make amends for infringements

4. Monitor and improve

- Define clear requirements, goals and objectives
- Establish auditable processes
- Allocate roles and responsibilities

5. Communicate

- Implement activities and interventions in the supply chain
- Audit, assess and develop the supply chain
- Engage with stakeholders



2.2 Environmental stewardship

"By taking a **proactive approach**, we are able to optimise chemical management in partnership with suppliers and systematically eliminate all harmful chemicals."

At Lidl, we sell textiles and footwear throughout our stores globally. It is therefore important that we continue to work towards our goal to create safer, more environmentally-friendly manufacturing processes along our textile supply chain.

We regularly monitor and audit suppliers for chemical use and water quality. In addition, we have produced a handbook that outlines a clear and pragmatic application of our policies, processes and procedures. Our tier 1 'wet processing' suppliers that are responsible for the dyeing and washing of garments are required to share the handbook with downstream suppliers (tier 2). By cascading these requirements, workers are engaged and empowered to adopt safe, responsible practices.

Four pillars of environmental management



Figure 3: The Four Pillars of Environmental Management

Chemical management

The garment sector is one of the largest consumers of chemicals in the world. Whether in the dyeing and finishing or printing and washing - chemicals are ubiquitous throughout the production process. Through our Lidl Detox Commitment, we want to counteract the potentially hazardous effects to both people and the environment. We have a range of policies, processes and procedures in place to support suppliers in the proper use, storage and disposal of chemicals.

Our goals:

- To protect the health of employees and ensure their safety
- To prevent water contamination
- To avoid waste
- To adhere to statutory regulations, as well as Lidl requirements

Chemical requirements

As well as stringently prohibiting the use and disposal of 11 harmful chemical groups, our Chemical Requirements state that every chemical used in product manufacturing on behalf of Lidl must meet at least one of the following standards:

- 1. Lidl MRSL or RSL
- 2. bluesign® APPROVED chemical products
- 3. ZDHC MRSL
- 4. GOTS positive list
- 5. ECO PASSPORT
- 6. GreenScreen Certified™



2.2 Environmental stewardship

2.2.1 RESTRICTED SUBSTANCES

Since 2015 our Manufacturing Restricted Substances List (MRSL) and Restricted Substances List (RSL) have applied to all commercial agreements between Lidl and our textile and shoe suppliers. They are reviewed annually and updated as required.

2.2.2 WASTEWATER TESTING

Assessing the effectiveness of chemical management within a wet processing facility requires wastewater and sludge testing. These are conducted annually by independent experts to monitor harmful substances. In addition, the facility's chemical inventory is inspected periodically. As part of our Detox Commitment, we aim for the highest levels of transparency when disclosing chemical findings in our supply chain. Since 2015, all suppliers undergoing testing have been required to upload results to the IPE.org database.

Results in 2019

Out of our 79 wet processing suppliers, tests were conducted at 21 facilities in 2019, with a total of 89 samples taken. We saw 100% positive results for supply and pre-supply water samples and 96% for post-treatment and sludge samples. We also recorded the elimination of nine out of the 11 toxic chemical groups (five fully eliminated and four almost-fully eliminated).

Detailed findings also included:

- No phthalates, flame retardants, azo dyes, perfluorinated chemicals or **chlorobenzenes** were found in chemical analyses.
- AP/APEOs, organotin compounds, chlorophenols and short-chained chlorinated paraffins were present but eliminated in more than 90% of the factories tested.
- Chlorinated solvents were detected in the wastewater of 15% of factories
- Heavy metals were identified in the wastewater of 78% of factories. While this represents a 19% reduction since 2015, there is clearly more work to do to eliminate heavy metals.

As part of our Detox Commitment, we have committed ourselves to removing the following 11 priority groups of hazardous chemicals from our supply chain:

- 1. Alkylphenolethoxylates (AP/ APEO)
- 2. Phthalates
- 3. Brominated and chlorinated flame retardants
- 4. Azo dyes
- 5. Organotin compounds
- 6. Perfluorinated chemicals (PFC)
- 7. Chlorobenzenes
- 8. Chlorinated solvents
- 9. Chlorophenols
- 10. Short-chain chlorinated paraffins (SCCP)
- 11. Heavy metals: cadmium, lead, quicksilver and chrome (VI)

Figure 4: The 11 Priority Groups of Detox Chemicals



2.2 Environmental stewardship

Chlorinated solvents

While chlorinated solvents had been eliminated from both fresh and wastewater samples at our Bangladesh supply factories in 2019, in China they were found in 23% of fresh water samples and 15% of wastewater samples among our suppliers. These solvents remain a challenge in China as they remain prevalent in water supplies.

Heavy metals - a global challenge

Heavy metals were detected in fresh water, wastewater and sludge samples in each manufacturing country. They were also found in the supply water at 86% of sites.

Chemicals in the water supply

Eight of the 11 priority groups of hazardous chemicals in the Detox campaign were already present in the water supply.

- Chlorobenzenes (1% of samples), phthalates (3%), organotin compounds (5%) and PFCs (15%) were found in the water supply in a small number of the factories.
- In just under a quarter of the factories (23%), chlorinated solvents were found in the water supply.
- In just under half the factories (47%), flame retardants were detected.
- And heavy metals were detected in most of the factories (86%).

Wastewater treatment

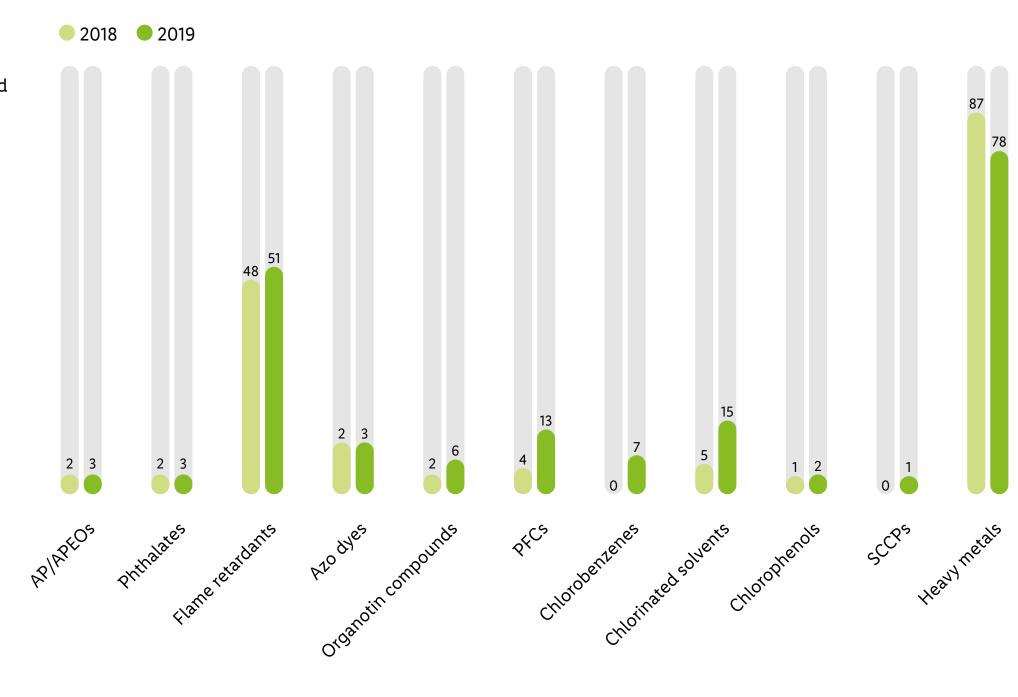
Our analysis of fresh water, wastewater and sludge revealed that wastewater treatment does not completely purify water. If chemicals are already present in the water supply, residues can remain after treatment. This applies primarily to heavy metals and chlorinated solvents.

Supply chain transparency

Lidl committed to establishing the highest level of transparency possible regarding supply chain chemical consumption. For this reason, all suppliers have been required to upload the results of wastewater tests to the wwwen.ipe.org.cn database since 2015.

Wastewater test

Wastewater results in tested factories in 2018 and 2019, in %





2.2 Environmental stewardship

2.2.3 ALTERNATIVES TO HARMFUL CHEMICALS

In collaboration with chemical manufacturers and research institutions, as well as our production partners, we are continually testing technologies that could replace the use of certain chemicals in textile production. Over the years, we have shared our findings in a number of case studies.







Cradle-to-Cradle hooded sweatshirt

Water-based printing

Water-based printing pastes have been proven as a successful ecological alternative to solvent-based pastes that contain phthalates and PVC. In 2016, we commissioned testing of water-based printing for our UEFA T-shirt collection. Working with the CHT Group, EPEA GmbH and the Beneficial Design Institute, a fully biodegradable printing paste was formulated, which we have shared with other manufacturers of our own-brand products. It also features in our 2019 Cradle to Cradle Certified™ Gold collection.

PFC-free waterproofs

Waterproof clothing such as jackets, ski wear and children's trousers have traditionally used perfluorinated compounds (PFCs) to achieve a water and oil-repellent finish. At the end of a garment's life, PFCs take a long time to break down and can be harmful to the environment and human health. Since 2012, Lidl has been replacing PFCs with **BIONIC-FINISH® ECO** fluorine-free technology in our textiles.

Artificial leather without DMF

Frequently found in PU leather, dimethylformamide (DMF) carries health risks. It is also resource-intensive and polluting. While exploring ways to eliminate DMF from the supply chain, Lidl came across INSQIN® technology, which enables artificial leather to be manufactured not only without DMF but also organic solvents. The process requires 50% less energy and 95% less water. In addition to this, we are permanently testing new technologies and checking whether they meet our quality and sustainability requirements.



2.3 Supply chain management

"We want to empower our supply chain partners to continually develop their environmental safety measures. In doing so, they can reduce negative impacts on the environment and conserve resources."

We recognise the important role we can play as a major global retailer, in catalysing change throughout our supply chain.

Like many apparel retailers, around 80% of our own-brand supply comes from Bangladesh and China. We therefore focus our efforts on supporting suppliers in these countries, paying particular attention to wet processing sites, as dyeing and washing processes cause the greatest environmental impact.

2.3.1 ENVIRONMENTAL AUDITS

At Lidl, we have developed our own monitoring system for ownbrand textile manufacturers. Since 2018, all direct and verticallyintegrated wet processing facilities have been required to become certified to **STeP by OEKO-TEX**® certification system. In 2019, approximately 50% of suppliers had achieved this.

For wet processing operations further down the supply chain (tier 2 suppliers), we partner with accredited certification

experts to conduct independent, unannounced inspections to assess environmental and chemical management, pollution and wastewater treatment. In 2019, 52, tier 2 environmental audits were conducted, representing 96% of factories (compared to just 19% in 2018). Common findings related to 'permission and license' (77%) and wastewater management (62%). Each plant receives a corrective action plan (CAP) and expert partners will help to implement these measures. If they remain non-compliant, Lidl is entitled to cancel any order.

Focus on tier 2 suppliers

52 environmental audits were carried out in the reporting period and critical findings were reported in half of the factories audited. Why is this? Although Lidl has required its vertically integrated wet processing facilities (tier 1 suppliers) to be STeP by OEKO-TEX® certified since 2018, audits since 2019 have turned their attention to suppliers further down the supply chain (tier 2). These didn't fare quite as well in comparison. 96% of tier 2 factories were audited in 2019 (compared to 19% in 2018). The most frequent shortcomings were critical issues relating to 'permissions and licences' (77%) and wastewater management (62%).

2.3.2 PRODUCTION DISCLOSURE

Lidl is making its supply chain more transparent. Since 2017, we have disclosed our main production sites for textile and footwear manufacturing. Updated every six months, the list includes the names, addresses and countries and in 2019, comprised of 570 facilities. The focus areas for our Detox Commitment, has been with 79 direct and vertically-integrated wet processing facilities, primarily in Bangladesh, Pakistan, China, India and Turkey.



2.4 Training & capacity building

"Achieving sustainable practices requires behavioural change. That is why training measures for safer chemical handling and conserving energy are just as important as establishing technical processes."

2.4.1 PURE

Training our suppliers – and enabling them to build capacity among their own business partners – is fundamental to our partnership approach.

Since the majority of the world's textiles are produced in China and Bangladesh, our aim is to build capacity among suppliers to manage resources responsibly with regard to our own-brand textile products. We have defined three main goals for this:

- Promote safe chemical handling
- Reduce the use of energy, water and chemicals
- Improve waste and wastewater management

Consciously sustainable

Alongside GIZ, in 2017 we piloted the Project for Environmental and Resource Efficiency (PURE). The PURE training programme promotes awareness of environmental and safety standards among our suppliers in China and Bangladesh. Senior-level staff receive onsite training delivered by GIZ on responsible chemical management (focusing on the 11 high-risk chemical groups) so that they can, in turn, extend the learnings to their teams. By transferring knowledge and setting up an appropriate chemicals management system, the aim is to remove the chemical groups mentioned in the Lidl Detox Commitment from production altogether over the long term.

Project impact

In the past two years, more than 400 managers from 80 manufacturers have completed PURE training and shared learnings with 148,000 employees.

- 20%+ energy savings
- 22,728 tonnes of carbon emissions avoided annually
- 5,877,979 cubic meters of water saved

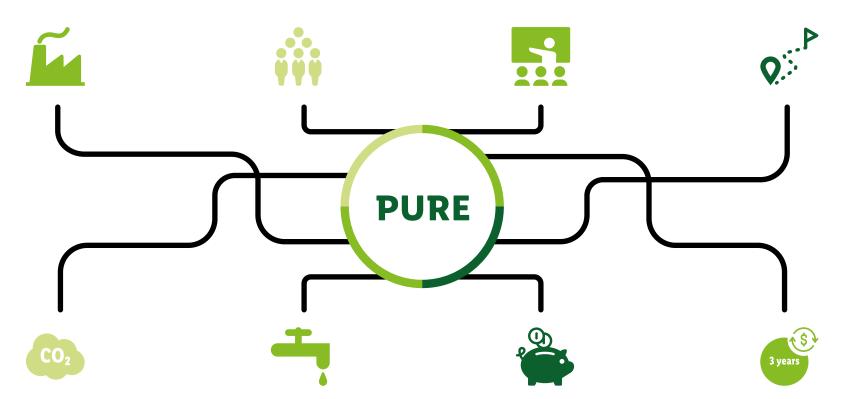
IMPACT IN NUMBERS

Since July 2017, **80 factories** have successfully completed the PURE programme.

148,000 factory workers have now been introduced to PURE.

Over **400 factory** workers on site have received training in key environmental issues.

Energy costs can be cut by **more than 20%** in individual cases.



Thanks to PURE, it is possible to save 22,728 tonnes of carbon emissions each year.

Factories can reduce their water consumption by 5,877,979 cubic metres.

The measures have enabled total savings of **21,410,247 euros** for the participating factories.

On average, the factories' investments will pay for themselves in just 3 years.



2.5 Partnerships 2.6 Systemic change

For many years, Lidl has been committed to improving the lives of people working in its global supply chain and protecting the environments in which they live. Whilst making significant progress in reducing chemical use in our own-brand textile and footwear supply chain, we recognise the need to work together with the wider sector to achieve lasting, systemic change.

Partnership for Sustainable Textiles

As a founding member of the Partnership for Sustainable Textiles in 2014, we joined forces with approximately 120 representatives from businesses, labour unions, non-governmental organisations (NGOs) and the government to improve the conditions of global textile production across the value chain.

The partnership strives to improve conditions in global textile supply networks — from the production of raw materials to the disposal of textiles. Its approach to this goal is based on OECD due diligence guidance. Members are encouraged to join partnership initiatives in production countries to foster structural change on the ground. They are also requested to uphold their individual responsibility in a structured, meaningful, and transparent manner. Moreover, the partnership serves as a platform for dialogue and learning in the various issues related to the textile production.

We are continually innovating and developing new approaches towards more sustainable systems of production and consumption, fulfilling our responsibility to employees, suppliers, society and the environment.

2.6.1 CLOSING THE LOOP

High quality garments designed with longevity in mind, combined with consumer reuse and recycling, offer the potential for circular, **closed-loop** systems of production and consumption in the apparel sector. These Cradle-to-Cradle principles support a waste-free economy, in which raw materials are used and reused again and again.

Cradle-to-Cradle

The Cradle-to-Cradle approach is developed upon intelligent product design that allows products and their components to be reused and reusable. It also ensures product materials are sourced in ways that are not harmful to human health or the environment. From textiles and consumer goods, to cosmetics and packaging – there are many different types of products can attain the Cradle to Cradle CertifiedTM (C2C) product standard. The concept was developed by chemistry professor and process engineer Prof. Michael Braungart and US architect William McDonough.





2.6 Systemic change

In 2019, we launched our first **Cradle to Cradle textile collection** as part of a pilot project. The collection included shirts, pyjamas and bedding and the products were certified to either Cradle to Cradle Gold or Silver Certified™ and printed with fully-biodegradable dyes. All aspects of the production were assessed by independent partners, from resourceefficiency, water and chemical use, to renewable energy and recyclability. The collection offers our customers products that are kinder to the environment and gentle on skin.

What sets Cradle-to-Cradle textiles apart is the fact that they can be recycled. During the production, particular attention was given to the effective use of raw materials, responsible handling of chemicals, water cleanliness and the use of renewable energy.

From source to source

Within the textile sector, the Cradle-to-Cradle project is just one way in which the industry is working towards a systemic shift to a circular economy. As part of our broader CSR objectives, we continue to increase the recycled content of paper, cardboard and plastic used in our primary packaging. Working with the Schwarz Group's 360° REset Plastic **strategy**, we are also continually increasing the recyclability of packaging materials. Going forward, we seek to scale and replicate Cradle-to-Cradle products and processes.







2.6 Systemic change

2.6.2 MORE SUSTAINABLE FIBRES

Cotton is the main fibre used in our garments and we source around 178,000 tonnes each year. This is followed by polyester, of which we source 62,000 tonnes. Despite cotton and polyester being two very different materials, both are associated with various environmental challenges. Whether microplastics pollution linked to polyester, or water and pesticide-intensive cotton cultivation, we are working hard to reduce our reliance on cotton and polyester by deploying more sustainable alternatives.

Status quo: Like the rest of the sector, Lidl's most used fibre for textile production is cotton (approx. 178,000 tonnes), followed by polyester (around 62,000 tonnes). The negative impacts of both these fibres are widely known, from the use of oil as a non-renewable resource and the resulting microplastic pollution in the case of polyester products, to the high volumes of water and intensive use of pesticides and other chemicals in conventional cotton cultivation. To guarantee more sustainable consumption, Lidl is keen to identify alternative fibres that make efficient use of resources, or fibres that are recycled, recyclable and/or organically sourced. The long-term aim is to constantly increase the proportion of such fibres in use. Organic cotton is one area in which particularly good results have been achieved.

Organic cotton

In 2019, we used approximately 11,200 tonnes of **GOTS-certified organic cotton** in our own-brand textiles. This equates to 6% of our total fibre usage across our non-food products, growing from 5% in 2018. However, in the global market, **organic cotton** production only relates to 0.7% of the total produced (Textile Exchange, Organic Cotton Market Report 2019). We have made the commitment that all our cotton will be sourced from sustainable sources by 2025, including Cotton Made in Africa, GOTS or Fairtrade certification standards.

Polyester alternatives

By the end of 2019, we had replaced all synthetic viscose in our own-brand textiles range with **EcoVero™**. EcoVero™ is a more resource-efficient, wood-based fibre, sourced from sustainably-managed forests.

We have also been increasing our use of **recycled polyester** following the Global Recycling Standard (GRS) and we look forward to scaling this further.



Textiles made from LENZING™-ECOVERO™ fibres. Photo: Richard Ramos, Lenzing AG



2.7 Sustainable consumption

Promoting the importance of more sustainable consumption is a key aspect of our environmental responsibility across our supply chain. It's crucial that we share this information and awareness with our customers across multiple channels, including our website, social media, CSR reporting, in-store messaging and product labelling.

2.7.1 PRODUCT LABELLING AND CERTIFICATION

We work with third-party certification schemes to support more sustainable minimum standards. These schemes help to inform and educate our customers on the steps we are taking to ensure the sustainability of products that they buy in our stores.

Fairtrade

The Fairtrade Label stands for fairly produced and fairly traded products that comply with certain social, ecological, and economic criteria. Fairtrade certification ensures the producer organisation receives a Fairtrade Minimum Price that covers the cost of sustainable production, and an additional Fairtrade Premium that they can choose to invest in development projects in their local community. We offer a range of Fairtrade products and in 2016, we won the Fairtrade Retailer of the Year Award.

Global Organic Textile Standard (GOTS)

GOTS identifies exceptionally high ecological and social standards in textile production. Only products containing more than 70% organically-produced natural fibres receive this seal.

Cradle to Cradle

In 2019, we launched our first Cradle to Cradle textile collection as part of a pilot project. The collection included shirts, pyjamas and bedding and the products were certified to either Cradle to Cradle Gold or Silver Certified™ and printed with fully-biodegradable dyes. All aspects of the production were assessed by independent partners, from resourceefficiency, water and chemical use, to renewable energy and recyclability.

Sustainability labels and certifications applied in 2019

- Blue Angel
- Cradle to Cradle Certified™
- Fairtrade
- Fur Free Retailer
- OEKO-TEX













Green Button

the year.

Cotton Made in Africa





In addition to the aforementioned labels, we are already preparing to introduce others:

In 2020, we are aiming to adopt Germany's Federal Ministry of Economic Cooperation and

Development's (BMZ) 'Green Button' scheme. This is the first initiative of its kind, whereby

a seal will feature on identified products that meet 46 social and environmental criteria

verified by an independent agency, DAkkS. We have already completed the application

process for Green Button and aim to achieve its stamp on 90 products by the middle of

Products certified to Cotton Made in Africa will start appearing in our stores from 2020.

These garments must meet stringent ecological, social and economic criteria for cotton

production and processing. Revenue from this certification is reinvested in projects in sub-Saharan Africa that support small-holder farmers to adopt more environmentally-friendly





- EU Ecolabel
- GOTS
- GRS











farming methods through agricultural training courses.







3. Summary & Outlook

3.1 Overview & next steps

Between 2015 and 2020, we achieved the following steps as part of our Detox Commitment:

Responsible production

- Established safer and more environmentally friendly production systems.
- Avoided or eliminated all 11 Detox chemicals
- Introduced lists of banned chemicals
- Conducted environmental audits and wastewater tests
- Implemented STeP-by-OEKO-TEX certification as a requirement for tier 1 suppliers with wet processing facilities
- Delivered information and training events with manufacturers that deploy wet processes in Bangladesh and China
- Published case studies for the substitution of PFC and DMF in PU artificial leather, as well as water-based printing
- Ensured greater transparency of the downstream textile supply chain
- Developed and implemented a training programme in cooperation with the GIZ (German Corporation for International Cooperation) for production-integrated environmental protection.

Systemic change

- Scrutinised our processes, switching to resource-efficient materials and catalysing a circular economy.
- Developed a closed-loop concept
- Launched a Cradle-to-Cradle collection
- Recorded fibre quantities and implement solutions
- Switched to alternative fibres that are more environmentally-friendly
- Increased the proportion of GOTS-certified organic cotton

Sustainable consumption

- Promoted the sale of more innovative and sustainable products made from ecological and/or recyclable materials.
- Provided customers with clear and credible information to help them make informed decisions
- Introduced sustainability certifications to non-food products

At Lidl we are dedicated to continuous improvement, working towards better social and environmental production conditions in the textile and shoe manufacturing industry. We know that only through collaboration can we expect to see lasting change. With Greenpeace's Detox Campaign ending this year, we would like to express our gratitude to Greenpeace and the other organisations that have enabled us to make strides in eliminating the use and disposal of harmful chemicals from our garment production. We also extend thanks to our employees and supply chain partners who have embraced our Detox Commitments and will continue to uphold them in the years ahead.

3.2 What's next?

Ongoing commitments

An important component of this campaign that will continue to be strengthened further includes the STeP-by-OEKO-TEX certification with our tier 1 wet-processing suppliers. We will also be building on our commitments by intensifying our efforts to remove harmful chemicals further down the supply chain, through our training and

wider engagement programmes that reach our tier 2 manufacturing sites. Finally, we plan to expand the Cradle-to-Cradle model to more products as we continue to work with others to enable systemic shifts towards circular systems of production and consumption.

Working towards a sustainable future

Although this campaign has reached its conclusion, the work remains ongoing and the spirit of collaboration is more important than ever. This report has disclosed our ongoing goals and how they will remain an integral part of our CSR agenda to protect both human rights and the environment across our global supply chain.

