“LIDL’s response”, 12 September 2024

Lidl takes its responsibility towards the employees in Myanmar and other countries where our suppliers produce very seriously and has been committed to compliance with social standards throughout the supply chain for many years. Wherever our actions have an impact on people, animals and the environment, we want to use our influence for positive change. We are committed to strengthening and respecting human rights, fair pay and safe working conditions within the framework of the UN Guiding Principles on Business and Human Rights. Our commitment to implementing social and environmental standards in the supply chain is anchored in our Code of Conduct. As part of our corporate due diligence, we continuously and systematically review potential risks in the supply chains of our private label products and initiate countermeasures if necessary. If we receive information about deficiencies in our supply chain or that our standards are not being met, we follow up on these indications as part of our compliance processes.

We also take the allegations you described on the various suppliers listed below very seriously. We did not have a business relationship to Handa (Yangon) Myanmar and Synergy Garment for multiple years. We did receive some last orders from Jiashihao and Asdet Garment this year. We were already aware of the allegations you reported against Jiashihao and Asdet Garment, which is why we had special external audits carried out at both factories months ago, even though the business relationship to Asdet Garment had already ended back then and the business relationship with Jiashihao was already scheduled to end shortly afterwards due to our withdrawal from Myanmar. Due to the political situation in Myanmar, it is currently difficult to carry out such audits at all and to correctly assess the resulting findings and initiate corrective measures. These findings have therefore confirmed to us once again that our previous decision to withdraw from Myanmar was the right one. In the context of our withdrawal from Myanmar, the business relationship with both Jiashihao and Asdet Garment has now ended.

Using our influence for positive change has also always been our aim for our supply chains in Myanmar. In order to improve the working and living conditions for the local people in the long term, we continued to be active in Myanmar with increased measures to fulfill our corporate due diligence.

We are monitoring the political situation in Myanmar very closely and we take the developments that have been taking place since 2021 very seriously. We are in contact with international organizations such as IndustriALL and Human Rights Watch. Unfortunately, the current political situation in Myanmar makes it challenging to comply with human rights due diligence. On the basis of the discussions with IndustriALL and after careful consideration, we have decided to follow the call of the global trade union federation IndustriALL. In coordination with IndustriALL, we will gradually withdraw from Myanmar by the end of 2024 as part of a responsible exit. Until then, we will continue to implement the increased measures for fulfilling our corporate due diligence.

We will continue to closely monitor the situation in Myanmar even after our decision to phase out by the end of 2024 and reassess should the political situation change.