

Statement of support for the objectives of the Cerrado Manifesto

We, the undersigned companies, are committed to halting forest loss associated with agricultural commodity production and to working with industry, producers, governments and civil society to protect globally important natural landscapes within a framework of good governance and land planning policy.

We recognise the critical importance of the Cerrado for its role in climate change mitigation, as a repository for biodiversity, as the source of many of Brazil's fresh water systems, and additionally as a production region for the agricultural commodities used in our products. However, we also recognise the extent and pace of native vegetation loss resulting from cattle and soy expansion in the Cerrado poses a significant threat to these social, environmental and economic values.

The Brazilian Forest Code is designed to ensure agricultural production and environmental protection are balanced. It is an important legislative mechanism requiring, for example, land registration and compensation for historical forest loss, however it offers little protection in the Cerrado where only 20% of each private property is required by law to be set aside for conservation.

This wide gap between tackling 'illegal' deforestation and achieving zero net deforestation goals is a cause for major concern. 85%¹ of the conversion of native vegetation for soy in the Cerrado is legal under the Forest Code. So while compliance with regulation is essential, at the same time, regulation on its own is currently insufficient for the protection of the Cerrado.

Recent research indicates the availability of substantial areas of already cleared land. Incentivising expansion onto these areas rather than further conversion of native vegetation, alongside the improvement of the cattle sector's current low productivity (to make room for soy expansion), offers a viable and more sustainable pathway forward for agricultural production in the Cerrado. It is increasingly clear that development need not be incompatible with the protection of globally important landscapes.

The companies below support the objectives defined in the Cerrado Manifesto and commit to working with local and international stakeholders to halt deforestation and native vegetation loss in the Cerrado.

Market-facing companies cannot achieve this on our own and we call on other supply chain actors, government, investors and civil society to share our goal. We seek to collaborate to develop the policies needed to steer all actors towards a more sustainable land use pathway, and the monitoring and verification systems to give us confidence that our actions are having the desired outcome of protecting the unique landscape of the Cerrado.

¹ Rausch *et al.* submitted

Original signatories

Ahold Delhaize NV

Ajinomoto Co, Inc

Carrefour

Colgate-Palmolive Company

Co-operative Group Ltd

ICA Gruppen AB

IKEA Food Services AB

J Sainsburys Plc

Kellogg Company

Lidl UK GmbH

L'Oréal SA

Mars Inc.

McDonald's Corporation

METRO AG

Marks and Spencer Group Plc

Nando's Chickenland Ltd

Nestlé S.A.

Nutreco NV

NorgesGruppen ASA

Tesco Stores Plc

Unilever

Waitrose Ltd

Walmart Stores, Inc