

Press release

Embargoed until 11:01 CET, Wednesday 22nd September 2021

The Consumer Goods Forum advances on commitment from businesses to publicly report against new deforestation performance metrics

- The Consumer Goods Forum's Forest Positive Coalition of Action led by Alexandre Bompard, CEO, Carrefour, and Grant F. Reid, CEO, Mars, Incorporated – today demonstrates critical progress on its commitment to publicly report against new performance metrics to end commodity-driven deforestation, in a major push to increase collective transparency
- To help achieve a forest positive future, Key Performance Indicators (KPIs) have been set against the Coalition's Roadmaps covering palm oil, soy, paper, pulp and fibre-based packaging and will measure the implementation of the Coalition's Theory of Change

PARIS, 22nd September — <u>The Consumer Goods Forum's</u> (CGF) <u>Forest Positive Coalition of Action</u> has today published its first-ever Annual Report – marking the first time member businesses have aligned on a set of Key Performance Indicators (KPIs) and shared their individual and collective progress in publicly reporting against them.

Today's Annual Report, unveiled as part of Climate Week in New York, comes one year after the Forest Positive Coalition was officially launched at Climate Week 2020. In March 2021, the Forest Positive Coalition of Action published 'Taking Root: Embarking on the Forest Positive Journey', providing a comprehensive overview of how the group is working to drive transformation in the production and supply of four key commodities: palm oil; soy; paper, pulp and fibre-based packaging; and beef. The Coalition's new KPIs will allow Coalition members to track and publicly communicate their progress in implementing the Coalition's Theory of Change, which prioritises supply chain management and collaboration as two essential strategies for businesses to become forest positive.

The Coalition's new Key Performance Indicators demonstrate Coalition members' individual and collective progress in key areas including:

- Time-bound action plans to implement forest positive procurement policies
- Percentage of commodity supply from areas with high risks for deforestation, land conversion and exploitation



 Performance of suppliers and traders against the Coalition's Forest Positive Asks, a set of expectations Coalition members seek to meet as forest positive businesses that they also share with supply chain partners

While some member businesses are already reporting against certain KPIs, other metrics are new to Coalition members — a reflection of members recognising where they can collectively improve as companies as a result of their work with the Forest Positive Coalition of Action. Setting a commitment to report openly against these KPIs will help to drive the full-sector transformation needed to end commodity-driven deforestation by ensuring that companies can be clear on when, where and how deforestation risks occur, so they can take swift and proper action to prevent and remedy them.

Providing an important milestone in the Coalition's journey to build a greater 'transparency mindset' within consumer goods companies' approaches to deforestation, the publication demonstrates the drive of these Coalition members' to full transparency and accountability. Both are essential in being able to track progress, bring visibility to supply chain challenges, and build trust with stakeholders and consumers.

According to the Intergovernmental Panel on Climate Change (IPCC), agri-food production has been the primary driver of three-quarters of global deforestation to date, and the last year has seen a concerning increase in deforestation in many regions, in part due to the impacts of Covid-19.

Wai-Chan Chan, Managing Director, The Consumer Goods Forum, said: "Our planet is on the brink of irreversible climate change – and stopping commodity-driven deforestation is critical to addressing the climate crisis and preserving biodiversity, as well as protecting forest-based communities around the world. Collaboration and openness are both vital in combating deforestation, and we must push ourselves to all continue to do much more to catalyse change. Members of our Forest Positive Coalition know we must all strive to continually go further, and we look forward to sharing their individual and collective progress as they endeavour to ensure a better tomorrow through better business."

The Coalition is Co-sponsored at the CGF Board level by Alexandre Bompard, CEO, Carrefour, and Grant F. Reid, CEO, Mars, Incorporated. It is Co-chaired by Christine Montenegro McGrath, Vice President and Chief Global Impact, Sustainability, at Mondelēz International, and Bertrand Swiderski, Chief Sustainability Officer, Carrefour.

The CGF members joining today's announcement are seven retailers — Carrefour, Jerónimo Martins, METRO AG, Sainsbury's, Sodexo, Tesco and Walmart — and 13 manufacturers — Asia Pulp and Paper (APP) Sinar Mas, Colgate-Palmolive Company, Danone, Essity, General Mills, Grupo Bimbo, Mars, Incorporated, Mondelēz International, Nestlé, P&G, PepsiCo, Reckitt, and Unilever. The Coalition receives technical support from Proforest and the Tropical Forest Alliance.



Alexandre Bompard, CEO, Carrefour, said: "With this unprecedented report, today marks an important step toward our goal of a forest positive future. Transparency is an essential catalyst for change. We know that acting on our individual supply chains isn't enough to save the world's forests. Everyone – from businesses to governments to the financial sector, to NGOs, forest farmers and communities – has a role to play, and we are eager to work with everyone toward shared action. We want and need a more transformative approach that will get us to a more forest positive future faster. There is so much more to do."

Grant F. Reid, CEO, Mars, Incorporated, said: The world's forests nurture biodiversity, and serve as home and sources of income for millions of people. But the impact of deforestation goes much further. If forests are cleared, or even disturbed, they release carbon dioxide and other greenhouse gases. There's simply no way we can fight the climate crisis if we don't stop deforestation. The Forest Positive Coalition of The Consumer Goods Forum has committed to do just that. We are now 12 months into this journey and this report marks our first report against an aligned set of Key Performance Indicators that we are working on collectively. It is a significant milestone for our industry, but just one of many steps on the path to ending deforestation. Of course, we can't do this alone and you'll see our stakeholders' voices represented in this report as well. We hope more businesses outside of the Coalition will see we are serious about doing our part to build a forest positive future and take the decision to join us."

Christine Montenegro McGrath, Vice President and Chief Global Impact, Sustainability, at Mondelēz International, and Bertrand Swiderski, Chief Sustainability Officer, Carrefour, said, "There is great power in the type of transformational partnership our Coalition is leading and a critical opportunity exists to work in collaboration to enable a forest positive future. We're collectively transforming how we do business and accelerating progress; through combining our individual learnings with shared, action-oriented approaches and underpinning our work with the transparency necessary to reinforce trust and accountability. The intention of this report is to demonstrate collective transparency and welcome feedback as we tackle this challenge, create new industry norms, and drive real change."

The full publication is available to view here. For more information, visit: www.tcqfforestpositive.com.

ENDS

For more information, please contact:

Georgie Smith: georgie@forster.co.uk / 07528 856405

About the Forest Positive Coalition

The Consumer Goods Forum (CGF) Forest Positive Coalition of Action is a CEO-led initiative representing 20 CGF member companies who are committed to leveraging collective action and accelerating systemic efforts to remove deforestation, forest degradation and conversion from key commodity supply chains. Launched in 2020, the Coalition represents a dynamic shift in the



industry's approach to stopping deforestation: by mobilising the leading position of member companies to build multi-stakeholder partnerships and develop effective implementation and engagement strategies, the Coalition brings together diverse stakeholders for sustainable impact. These efforts support the development of forest-positive businesses that drive transformational change in key landscapes and commodity supply chains, strengthening the resilience of communities and ecosystems worldwide.

To learn more about the Forest Positive Coalition, visit <u>www.tcqfforestpositive.com</u>.

About The Consumer Goods Forum

The Consumer Goods Forum ("CGF") is a global, parity-based industry network that is driven by its members to encourage the global adoption of practices and standards that serves the consumer goods industry worldwide. It brings together the CEOs and senior management of some 400 retailers, manufacturers, service providers, and other stakeholders across 70 countries, and it reflects the diversity of the industry in geography, size, product category and format. Its member companies have combined sales of EUR 3.5 trillion and directly employ nearly 10 million people, with a further 90 million related jobs estimated along the value chain. It is governed by its Board of Directors, which comprises 58 manufacturer and retailer CEOs.

For more information, please visit: www.theconsumergoodsforum.com.