

## **Tesco**

**Coalition member since 2020** | As of September 2022, palm oil, soy, paper, pulp, and fibre-based packaging (PPP), and beef are material commodities for Tesco.

The following table includes a list of each Key Performance Indicator (KPI) for each material commodity, along with the company's 2021 and 2022 reporting record. The record includes the following responses:

- "Yes" indicates a company is reporting against a KPI and reporting quantitively where indicated
- "Yes narrative reporting" indicates a company is reporting qualitatively against a quantitative KPI
- "Not yet reporting" response indicates a company is not yet reporting on a KPI
- "N/A" indicates a KPI was not established in a given year

Companies have also provided information on their performance against appropriate KPIs, along with methodologies and targets. This information has been self-reported by companies and verified by Proforest.

Links are provided to information when a company is reporting ("Yes") against a public information requirement, and when a company is reporting qualitatively ("Yes – narrative reporting") against a quantitative KPI.

For a full methodology on the Forest Positive Coalition's reporting process, including a list of all KPIs and public information requirements, visit transparency.tcgfforestpositive.com.



КРІ	2021 Reporting Record & Performance	2022 Reporting Record & Performance	Methodology	Target (Optional)
Palm Oil				
Element 1 (Own Supply) Key Pe	rformance Indicators for Retailer	s		
1.1 Policy commitments to the forest positive (or NDPE) goals	Yes	<u>Yes</u>		
1.2 Timebound action plan summary	Yes	<u>Yes</u>	In the 2021 reporting period our target was 100% of palm oil in our suply chain physically certified to RSPO. For a very small portion, (4%), where this was not possible we mandated the purchase of Independent Smallholder Credits to support farmer cooperatives in growing regions (see our Protecting Forests Factsheet for more details.	



КРІ	2021 Reporting Record & Performance	2022 Reporting Record & Performance	Methodology	Target (Optional)
1.7 Percentage physically	Yes	<u>Yes</u>		
certified (MB/SG)	Tesco Group: SG 66%, MB 32%, plus RSPO credits 2%	For Tesco Group results for 2021 reporting are: 96% Physically RSPO certified*  *RSPO Segregated 73%, RSPO Mass Balance 23%, Independent Smallholder Credits 4%  Note: In the 2021 reporting period our target was 100% of palm oil in our supply chain physically certified to RSPO. For a very small portion, (4%), where this was not possible we mandated the purchase of Independent Smallholder Credits to support farmer cooperatives in growing regions (see our Protecting Forests Factsheet for more details)	An annual palm oil survey is conducted by third-party specialist, 3Keel, to assess supplier adherence. All suppliers are required to submit their response to a secure online portal which is collated, analysed and verified before being reported externally (see our deforestation Factsheet for more details)	
Element 2 (Supplier and Trader	s) Key Performance Indicators fo	r Retailers		
2.1 Direct supplier list	Not reporting yet	Not reporting yet		
2.2 Percentage of direct suppliers engaged and informed of the Forest Positive Suppliers'	Net	Yes	We engage and communicate with suppliers via our Tesco	
Commitment and Forest Positive Approach	Not reporting yet	Tesco has informed 100% of suppliers using palm oil of the FP Supplier Commitment and Forest Positive Approach	Supplier Network portal to which all suppliers have controlled access	



КРІ	2021 Reporting Record & Performance	2022 Reporting Record & Performance	Methodology	Target (Optional)
2.3 Performance of direct suppliers against the elements of the Forest Positive Approach and changes over time including progress on delivery across entire palm oil business	Not reporting yet	On an annual basis we engage all our direct suppliers on commodity reporting for soy and palm oil through a collective approach with other retailers. This process is conducted by an independent third party – 3Keel – who coordinate collection and validation of supplier data for our reporting on palm oil.	On an annual basis we report our progress on sourcing sustainable palm oil. A summary of this data and the methodology for collecting it is then published in our Protecting Forests Factsheet. As can be seen in the Factsheet in 2021/22, across the Group we have overseen significant progress in suppliers moving from Mass Balance to Segregated and progressing to a higher integrity certification standard, compared to the previous year. This is a particularly strong result at a time of multiple supply chain challenges and disruptions.	
2.4 List of identified major upstream suppliers/traders prioritised	Yes	Not reporting yet	The major upstream palm importers are identified through our annual palm reporting process.  Methodology available here.	
2.5 Upstream	Yes	<u>Yes</u>	Tesco engages with key palm	
suppliers/traders prioritised, engaged (directly or via a collective approach) and informed of the Forest Positive Approach	List of known importers indicating which had been engaged through POTC	Through the Coalition, we have engaged 100% of identified traders/importers	importers, identified in our annual reporting process, through active participation in the Palm Oil Transparency Coalition (POTC). This is a precompetitive coalition of which Tesco are the chair.	



КРІ	2021 Reporting Record & Performance	2022 Reporting Record & Performance	Methodology	Target (Optional)
2.6 Performance of upstream suppliers/traders against the elements of the Forest Positive Approach and changes over time including progress on delivery across entire palm oil business	Yes – narrative reporting	Yes — narrative reporting  Note: Whilst Tesco does not publicly disclose the performance of upstream suppliers/ traders, we do, through the Palm Oil Transparency Coalition (POTC), apply our requirements to the POTC scorecard template to use as an indicator of their progress	Tesco engages with key palm importers, identified in our annual reporting process, through active participation in the Palm Oil Transparency Coalition (POTC). This is a precompetitive coalition of which Tesco are the chair. Tesco is also an active member of the Retail Palm Oil Group (RPOG). RPOG utilises a collaborative space (in compliance with competition law) to support transformative activity by directly assisting the RSPO by providing and funding a Board of Governor's member, engaging within members' supply chains to drive the uptake of sustainable palm oil, supporting ever more rigorous sourcing requirements and working with local and international stakeholders to find solutions to common problems, read more about RPOG <a href="https://example.com/here">here</a> .	



КРІ	2021 Reporting Record & Performance	2022 Reporting Record & Performance	Methodology	Target (Optional)
Element 3 (Monitoring & Respo	nse) Key Performance Indicators	for Retailers		
3.7 Narrative summary of progress made towards reporting on Element 3 in 2023	N/A	Yes  We engage with palm oil traders via the POTC, where Tesco works alongside major retailers and consumer good companies to coordinate an effective response to deforestation alerts in conformance with the approach developed by the Forest Positive Coalition.		
Soy				
Element 1 (Own Supply) Key Pe	rforance Indicators for Retailers			
1.1 Policy commitments to the forest positive goals	Yes	Yes		



КРІ	2021 Reporting Record & Performance	2022 Reporting Record & Performance	Methodology	Target (Optional)
1.2 Timebound action plan summary	Yes	Yes Also click here  Note: Since 2018 Tesco has been working towards a ground-breaking target of sourcing 100% of soy from Verified Deforestation and Conversion Free Sourcing Areas. Achieving such an ambitious target is challenging and complex so we work on three key levers: (i) convening and aligning industry, (ii) engaging directly with our suppliers and (iii) supporting innovative mechanisms to reward soy growers for leaving their forests standing.	Since 2018 Tesco has been working towards a ground-breaking target of sourcing 100% of soy from Verified Deforestation and Conversion Free Sourcing Areas. Achieving such an ambitious target is challenging and complex so we work on three key levers: (i) convening and aligning industry, (ii) engaging directly with our suppliers and (iii) supporting innovative mechanisms to reward soy growers for leaving their forests standing. Click here.	
1.3 Percentage with known	Yes	<u>Yes</u>		
origin - Report on key elements of the supply chain including: soy footprint and known upstream actors	<ul> <li>Soy mapping results:         volume (tonnes)         associated with each         origin (country and         subnational where         available and importer</li> <li>List of known importers         and % share</li> </ul>	39% of our soy meal volumes were linked to a disclosed trader (2021). 46% of the soy meal volumes declared through our annual supplier reporting process were declared to have been sourced from a specific production region(s)	Methodology not available	



КРІ	2021 Reporting Record & Performance	2022 Reporting Record & Performance	Methodology	Target (Optional)
1.4 Percentage from high-risk origins or unknown origins	• Estimate that more than 86% of the footprint comes from South America, based on latest data.  Table with volume (tonnes) associated with each origin (country and subnational where available) and importer, including volumes 'not yet attributable' (unknown)	Yes – narrative reporting  Note: We also recognise that with the difficulties throughout the industry with transparency of origin, we are unable to give an accurate figure to represent how much of our Soy supply is considered to be "low-risk".	Our UK Zero Deforestation Soy Transition Plan requirements define their scope as including all suppliers who provide Tesco UK Own Brand products containing animal protein. This scope is in line with tiers 2, 3, 4a and 4b of the Consumer Goods Forum soy ladder. Our approved third-party certification standards (prioritised in order of preference) include: 1) Physically certified to feed mill: ISCC Plus Proterra (MB or SG) 2) Physically certified to UK (chain of custody system does not extend beyond point of import): ADM v2 Cargill Triple S 3) Farms are certified in connected supply chain sourcing region to Tesco, but no chain of custody is present: RTRS Regional Credits CRS Area Mass Balance Currently, our only approved verified zero deforestation soy sourcing areas are all areas in the Amazon that grow soy in compliance with the Amazon Soy Moratorium. Data is collated at the beginning of each calendar year via an online portal, collated by third- party specialist 3Keel.As defined in our Protecting Forests Factsheet: https://www.tescoplc.com/media/759 117/protecting-forests-factsheet.pdf	



КРІ	2021 Reporting Record & Performance	2022 Reporting Record & Performance	Methodology	Target (Optional)
1.5 Progress on ensuring soy is conversion-free for high-risk origins	• List with status of actions in engagement with each known importer • 50% of soymeal volumes considered physically deforestation-free*. The other 50% covered with book & claim.  *Physically deforestation-free means our supply chain is using a Tesco-compliant deforestation-free standard that is MB, area <b, chain="" livestock="" or="" production<="" segregated="" supply="" td="" the="" to="" within=""><td>100% of our annual soy footprint volumes met our Zero Deforestation Soy Transition Plan requirements through being certified to a Tesco approved scheme.</td><td>Our UK Zero Deforestation Soy Transition Plan requirements define their scope as including all suppliers who provide Tesco UK Own Brand products containing animal protein. This scope is in line with tiers 2, 3, 4a and 4b of the Consumer Goods Forum soy ladder. Our approved third-party certification standards (prioritised in order of preference) include: 1) Physically certified to feed mill: ISCC Plus, Proterra (MB or SG), RTRS (MB or SG) 2) Physically certified to UK (chain of custody system does not extend beyond point of import): ADM v2, Cargill Triple S 3) Farms are certified in connected supply chain sourcing region to Tesco, but no chain of custody is present: RTRS Regional Credits, CRS Area Mass Balance Currently, our only approved verified zero deforestation soy sourcing areas are all areas in the Amazon that grow soy in compliance with the Amazon Soy Moratorium. Data is collated at the beginning of each calendar year via an online portal, collated by third-party specialist 3Keel.As defined in our Protecting Forests Factsheet.</td><td></td></b,>	100% of our annual soy footprint volumes met our Zero Deforestation Soy Transition Plan requirements through being certified to a Tesco approved scheme.	Our UK Zero Deforestation Soy Transition Plan requirements define their scope as including all suppliers who provide Tesco UK Own Brand products containing animal protein. This scope is in line with tiers 2, 3, 4a and 4b of the Consumer Goods Forum soy ladder. Our approved third-party certification standards (prioritised in order of preference) include: 1) Physically certified to feed mill: ISCC Plus, Proterra (MB or SG), RTRS (MB or SG) 2) Physically certified to UK (chain of custody system does not extend beyond point of import): ADM v2, Cargill Triple S 3) Farms are certified in connected supply chain sourcing region to Tesco, but no chain of custody is present: RTRS Regional Credits, CRS Area Mass Balance Currently, our only approved verified zero deforestation soy sourcing areas are all areas in the Amazon that grow soy in compliance with the Amazon Soy Moratorium. Data is collated at the beginning of each calendar year via an online portal, collated by third-party specialist 3Keel.As defined in our Protecting Forests Factsheet.	



КРІ	2021 Reporting Record & Performance	2022 Reporting Record & Performance	Methodology	Target (Optional)
1.6 Percentage DCF supply	Yes	Yes		
from high-risk areas	50% of soymeal volumes			
_	considered physically	21% of the soymeal volumes		
	deforestation-free*	declared to be from South		
		America, or with no single		
	*Physically deforestation-free	declared origin, were claimed	Mathadalagunat gugilahla	
	means our supply chain is	to be certified to a physically	Methodology not available	
	using a Tesco-compliant	deforestation and conversion		
	deforestation-free standard	free standard (either Mass		
	that is MB, area <b, or<="" td=""><td>Balance or Segregated, as</td><td></td><td></td></b,>	Balance or Segregated, as		
	segregated within the supply	listed in the FEFAC benchmark)		
	chain to livestock production			
1.7 Soy footprint across all		<u>Yes</u>		
product categories		Total soy footprint in 2021,		
		514,003 Tonnes, 100% of soy		
	Yes	used in animal feed met our	<u>Click here</u>	
		UK Zero Deforestation Soy		
		Transition Plan requirements		
		in 2021		
1.8 Methodology for soy				
footprint calculation				
		<u>Yes</u>	Our savefa staniations socied	
		Note: Our soy footprint is	Our soy footprint is measured	
		measured through an annual	through an annual supplier	
	Yes	supplier reporting process,	reporting process, managed	
		managed by a 3rd party,	by a 3rd party, which relevant	
		which relevant suppliers are	suppliers are required to take	
		required to take part in	part in.	



КРІ	2021 Reporting Record & Performance	2022 Reporting Record & Performance	Methodology	Target (Optional)
<b>Element 2 (Suppliers and Trade</b>	rs) Key Performance Indicators for	or Retailers		
2.2 Summary of Forest Positive Approach for suppliers and traders		<u>Yes</u>		
	Yes	100% of identified traders have been engaged through the Soy Transparency Coalition process  100% of Tesco's relevant Tier 1 suppliers have been informed and engaged with the Forest Positive agenda via our Tesco Supplier Network  Note: Click here for details on Soy Transparency Coalition	Click here Click here	
2.3 Percentage of Tier 1 suppliers to whom the Forest Positive Approach and its implementation have been communicated	Yes – narrative reporting	We make our suppliers aware of the Forest Positive Approach and its implementation via the Tesco Supplier Network, a community of over 10,000 incl. all suppliers.	Suppliers have been engaged on this through the Tesco Supplier Network. The CGF FP Approach is also referenced in our Supplier Requirements document here	



КРІ	2021 Reporting Record & Performance	2022 Reporting Record & Performance	Methodology	Target (Optional)
2.4 Performance of Tier 1 suppliers against Forest Positive Approach including progress on delivery across entire operations	N/A	Yes  20% of our suppliers who were involved in the soy reporting have a zero deforestation and conversion policy including soy used in their supply chain, and further 15% are in the process of developing one. 13% of the suppliers involved in the reporting said that they have deforestation and conversion free soy as a contractual requirement with their suppliers.	Information on policies on soy, and the scope of these, is requested as part of the annual reporting process	
2.5 List of identified major upstream suppliers	Yes	Yes  Cargill, Cefetra and ADM collectively representing around 36% of soy in our supply chain	Methodology not available	



КРІ	2021 Reporting Record & Performance	2022 Reporting Record & Performance	Methodology	Target (Optional)
2.6 Upstream suppliers/ traders sourcing from high-risk origins that have been engaged (directly or via collective approach) and are being evaluated	Yes  In July 2021, we communicated the requests of the FPC to 100% of the known and likely indirect companies in our supply chain via STC.	Yes  100% of upstream traders identified have been engaged via the Soy Transparency Coalition which is coordinated with the FPC	Tesco engages with priority soy traders (as identified through our annual reporting process) through initiatives such as the Soy Transparency Coalition (of which Tesco are a founding member) and the UK Round Table on Sustainable Soy.	
2.7 Performance of upstream suppliers/traders against the elements of the Forest Positive Approach including progress on delivery across entire soy business	Not reporting yet	Yes – narrative  Note: To engage effectively with upstream traders we participate in the Soy Transparency Coalition which makes available a confidential assessment of trader performance to its members. This confidentiality is essential to establish a level of trust and sharing. Whilst Tesco does not publicly disclose the performance of upstream suppliers/ traders, we do, through the Soy Transparency Coalition (STC), apply our requirements to the STC scorecard template to use as an indicator of their progress.	Click here	



КРІ	2021 Reporting Record & Performance	2022 Reporting Record & Performance	Methodology	Target (Optional)
Paper, Pulp, and Fibre-based Pa	ackaging			
Element 1 (Own Supply) Key Pe	erformance Indicators for Retaile	rs		
1.1 PPP Sourcing Policy		Yes		
including commitment to the		<u>Click here</u>		
orest positive goals		<u>Click here</u>		
		<u>Click here</u>		
		Our KPI for Wood Sourcing is		
		% paper/wood products		
		certified to Forest Stewardship		
		Council (FSC), Programme for		
		the Endorsement of Forest		
		Certification (PEFC) or from a		
		recycled scheme. In the most		
		recent reporting year our		
	Yes	performance was 100% from		
		FSC, PEFC or recycled source.		
		We are working with our		
	suppliers to deliver our			
		ambition of sourcing 100%		
		sustainable paper and board		
		used in our packaging.		
		Industry collected data		
		remains insufficiently robust		
		to report at this time, but we		
		continue to work with our		
		compliance partner Valpak to		
		address the challenges. (see		
		relevant Factsheets for more		
		details).		



КРІ	2021 Reporting Record & Performance	2022 Reporting Record & Performance	Methodology	Target (Optional)
1.2 Timebound action plan summary	Not reporting yet	Yes Click here Click here Click here Click here In the most recent reporting year our performance was 100% from FSC, PEFC or recycled source.	Our KPI for Wood Sourcing is % paper/wood products certified to Forest Stewardship Council (FSC), Programme for the Endorsement of Forest Certification (PEFC) or from a recycled scheme. Working with our suppliers to deliver our ambition of sourcing 100% sustainable paper and board used in our packaging. Industry collected data remains insufficiently robust to report at this time, but we continue to work with our compliance partner Valpak to address the challenges.	



КРІ	2021 Reporting Record & Performance	2022 Reporting Record & Performance	Methodology	Target (Optional)
1.3 Percentage recycled, percentage virgin fibre	Not reporting yet	Yes Click here Click here Click here Click here  Wood/paper packaging: Total weight (metric tonnes) placed on the market in 2020 calendar year: = 279,418 Tonnes, Recycled content and/or certified material (% of total weight) = 52% (See Packaging Factsheet for more details). 100% of paper/wood products certified to Forest Stewardship Council (FSC), Programme for the Endorsement of Forest Certification (PEFC) or from a recycled scheme	Percentage of paper and board packaging that is certified sustainably sourced or from recycled materials. As defined by percentage of paper and cardboard weight within Own Brand packaging sourced from sustainable forestry such as FSC (Forest Stewardship Council) or PEFC (Programme for the Endorsement of Forest Certification) sources, or includes recycled material.	
1.4 Percentage of virgin supply certified, and percentage per scheme and chain of custody model	Not reporting yet	Yes Click here Click here Click here 100% of paper/wood Own Brand products FSC/PEFC certified or from a recycled source. Wood/paper packaging: recycled content and/or certified material (% of total weight) = 52%	See <u>factsheet</u>	
1.5 Percentage of supply from high-priority sources	Not reporting yet	Not reporting yet	Methodology not available	



1.6 Actions being taken for supply from high-priority sources	Not reporting yet	Yes Click here Working with our suppliers to deliver our ambition of sourcing 100% sustainable paper and board used in our packaging. Industry collected data remains insufficiently robust to report at this time, but we continue to work with our compliance partner Valpak to address the challenges.		
<b>Element 2 (Suppliers and Trade</b>	rs) Key Performance Indicators fo	or Retailers		
2.1 Proportion of suppliers informed about the Forest Positive Suppliers Approach	N/A	Yes  We make our suppliers aware of the Forest Positive  Approach and its implementation via the Tesco Supplier Network, a community of over 10,000 incl. all suppliers. Packaging is an interest page on the site to which Packaging and Wood suppliers are directed.	Packaging is an interest page on the site to which Packaging and Wood suppliers are directed.	
2.2 Number or proportion of suppliers identified as priority for engagement, and percentage engaged	N/A	Not reporting yet	Methodology not available	
2.3 Performance of engaged suppliers and changes over time including progress on delivery across entire business	N/A	Not reporting yet	Methodology not available	



Beef				
Element 1 (Own Supply) Key Pe	erformance Indicators for Retaile	rs		
1.1 Policy commitments to the forest positive goals	N/A	<u>Yes</u>		
1.2 Timebound action plan summary	N/A	<u>Yes</u>		
1.3 Beef footprint across all product categories	N/A	Yes In 2021/22 Tesco UK sourced over 70mt of Beef from the UK and ROI where deforestation risk is extremely low	Methodology not available	
1.4 Percentage with known origin	N/A	Yes  100% of our fresh beef sold in our Tesco UK retail stores comes from the UK or the Republic of Ireland. These are considered to be extremely low-risk areas.	Our Responsible Sourcing team worked with the Technical teams to provide this information from Tesco systems. Moving our supply to the UK and ROI allows for effective monitoring and enforcement of our beef sourcing policy. Our requirements are embedded within commercial contracts with our beef suppliers and our audit and quality teams regularly ensure compliance is upheld.	



1.5 Progress on ensuring beef is free from deforestation, conversion, and conflict for high-risk areas	N/A	Yes Since 2018 all of our Beef is sourced from the UK & ROI and this is again the case for 2022. Our performance is therefore 100% against ensuring our Beef is free from deforestation, conversion or conflict. We also do not source any Cattle related Products (Leather) from high-risk areas.	Click here Click here	
Element 2 (Suppliers and Trade	rs) Key Performance Indicators for	or Retailers		
2.1 Direct supplier list of identified major upstream suppliers, up to slaughterhouse when possible	N/A	Not reporting yet	Methodology not available	
2.2 A summary of the Forest Positive Approach for meatpackers and own brand manufacturers	N/A	Not reporting yet	Methodology not available	
2.3 Tier 1 suppliers to whom the Forest Positive Approach and its implementation have been communicated	N/A	Yes – narrative reporting	Tesco has published information on our Beef sourcing policy in Tesco's Supplier Network - a membership forum for registered Tesco suppliers.	
2.4 Performance of Tier 1 suppliers against Forest Positive Approach including progress on delivery across entire operations	N/A	Yes  100% of our Beef was sourced from the UK and ROI in 2021. These are considered to be extremely low-risk areas.	Methodology not available	



2.5 Meatpackers sourcing from high-risk origins that have been engaged and are being evaluated	N/A	Yes	Methodology not available	
2.6 Performance of meatpackers against Forest Positive Approach including progress on delivery across entire operations	N/A	<u>Yes</u>	Methodology not available	



## **Element 4 (Landscape Engagement) Key Performance Indicators |** As of September 2022, Tesco is focusing landscape engagement on soy.

КРІ	2021 Reporting Record & Performance	2022 Reporting Record & Performance	Methodology	Target (Optional)
Soy				
4.1 Priority production landscapes identified	Yes	<u>Yes</u>	See KPI 4.2	
4.2 Methodology used to identify priority production landscapes	N/A	<u>Yes</u>		
4.3 Number of landscape		<u>Yes</u>		
initiatives currently involved in	N/A	1 initiative	Methodology not available	
<ul> <li>4.4 For each landscape initiative your company is currently engaged in, information on: <ul> <li>Name, location, timeline and other partners involved</li> <li>Report on type of engagement (e.g. disbursed financial support, in-kind support, capacity, preferential sourcing)</li> <li>Specific actions or projects that are supported</li> <li>How the actions intend to address systemic issues and contribute to delivering forest</li> </ul> </li> </ul>	N/A	Note: Tesco is providing £5m investment in the Responsible Commodities Facility, a pilot financial facility that will make low interest loans available to Brazilian soy farmers in the critical Cerrado landscape who agree to growing soy without deforestation or conversion. The selection of the Responsible Commodities Facility was via the CGF FPC landscape initiative selection process, the action is focused on changing the economic equation for farmers so that forests are worth more standing than dead. Click here	Click here	



positive goals (at			
least one of			
conservation,			
restoration, positive			
inclusion of farmers			
and communities,			
landscape level			
multi-stakeholder			
platforms or			
partnerships)			
<ul> <li>Linkages to shared</li> </ul>			
landscape-level goals			
developed through			
multistakeholder			
processes			