



Forest  
Positive

# Nurturing Transparency: The Path to Forest Positive

**2021 Annual Report** from  
The Consumer Goods  
Forum's Forest Positive  
Coalition of Action

[www.tcgfforestpositive.com](http://www.tcgfforestpositive.com)

**SEPTEMBER  
2021**



# We're taking collective action for a forest positive future.

**The Consumer Goods Forum (CGF) only exists because our members believe that they can positively impact the world and its people by working together to overcome some of the most pressing challenges facing our industry. Deforestation is one such challenge.**

Forests are disappearing at a terrifying rate. Globally, we're losing 88,000 square kilometres of natural forest every year – that's an area of forest the size of London every week, or around one football pitch every two seconds. And with this vast loss comes huge consequences. Forests are crucial to providing food, air, water and maintaining life on Earth. Through storing carbon, they're our ally in fighting the climate crisis. It's time to act on the knowledge we can't go on destroying forests – and act with urgency.

This report, produced by the CGF's Forest Positive Coalition, signifies just how far we have come these last 12 months since the Coalition was launched. Through the Coalition, some of the world's leading retailers and manufacturers are collaborating to help end deforestation. We have a shared commitment to eliminate commodity-driven forest damage and destruction from palm oil, soy, paper, pulp and fibre-based packaging, and beef supply chains – and to be open about our progress. Everyone acknowledges that the speed of change hasn't come quickly enough over the last decade, but the members of the Coalition have learned a lot during this period to better address the complex challenges leading to deforestation to help build a forest positive future for us all.

And, while collaboration is key to everything we do at the CGF, so too is transparency. Businesses need to be judged on the progress they are making while being honest about the challenges they are facing. This was also a running theme of the feedback we received when developing the Forest Positive Coalition's Charter and Theory of Change. I believe this report is an important step in achieving this improved level of transparency, and it will help set the bar for all the work we are doing across the CGF. It's a critical step in restoring trust and showcasing our commitment to building a forest positive world.

The results contained within this report are a good foundation for the road we are taking, but we know there is a lot more to be done. We will continually strive to do more and go further to accelerate positive progress, and we look forward to your honest and constructive feedback.

Wai-Chan Chan,  
Managing Director  
The Consumer Goods Forum



## VOICES

# From Our Leadership



**Alexandre Bompard, CEO, Carrefour**



**Grant F. Reid, CEO and Office of the President, Mars, Incorporated**

## CGF Board Coalition Co-sponsors

**To tackle the scale of the challenges we all face,** the world needs business at its best, helping to fix pressing problems and making a positive impact for our planet and society. The existential and business risks from the climate emergency are profound – but so are the opportunities for addressing them and creating a sustainable future. Companies that are leading the way are not only helping future generations to thrive, but also setting themselves up to succeed in tomorrow's economy.

The Consumer Goods Forum (CGF) provides a way for businesses to get ahead of the curve, together. Not waiting for legislation to stipulate requirements, not just notching up compliance, but committing to innovate in order to achieve a climate advantage. What we really need to see is action and impact on the ground in the areas and communities that need it most.

The Forest Positive Coalition of Action was launched 12 months ago, following a call-to-action from ourselves and our peers on the CGF Board to step up to the challenge of deforestation. We need to be our own biggest critics if we are to mitigate the climate crisis and look after the people in our supply chains and communities where our key commodities are sourced.

Through the Forest Positive Coalition of Action, 20 of the world's leading retailers and manufacturers have joined together to help end deforestation and create forest positive businesses. We have a shared commitment to eliminate forest damage and destruction from our supply chains of palm oil, soy, paper, pulp and fibre-based packaging, and beef – and to transparently report on our progress.

In March 2021, we released 'Taking Root: Embarking on the Forest Positive Journey', a publication reflecting what we have done to date and provide more information on how our roadmaps and Theory of Change were developed. We are focused on the commodities where we believe we can have the greatest impact – and as we learn and share, we may apply our strategies to other commodities in our supply chains.

Now, a year into this journey, we are collectively publishing our progress against an aligned set of Key Performance Indicators for the first time. This is a significant milestone for our industry. Transparency is a catalyst for change. This report also includes written feedback from our key stakeholders, because collaboration is paramount to our collective success. We hope more businesses will see we are serious about doing our part to build a forest positive future and take the decision to join us, but we also need to be realistic about what we, as consumer goods businesses, can achieve by ourselves.

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.



**Christine Montenegro McGrath,**  
VP & Chief Global Impact and  
Sustainability, Mondelez International

**Bertrand Swiderski,** Chief  
Sustainability Officer, Carrefour

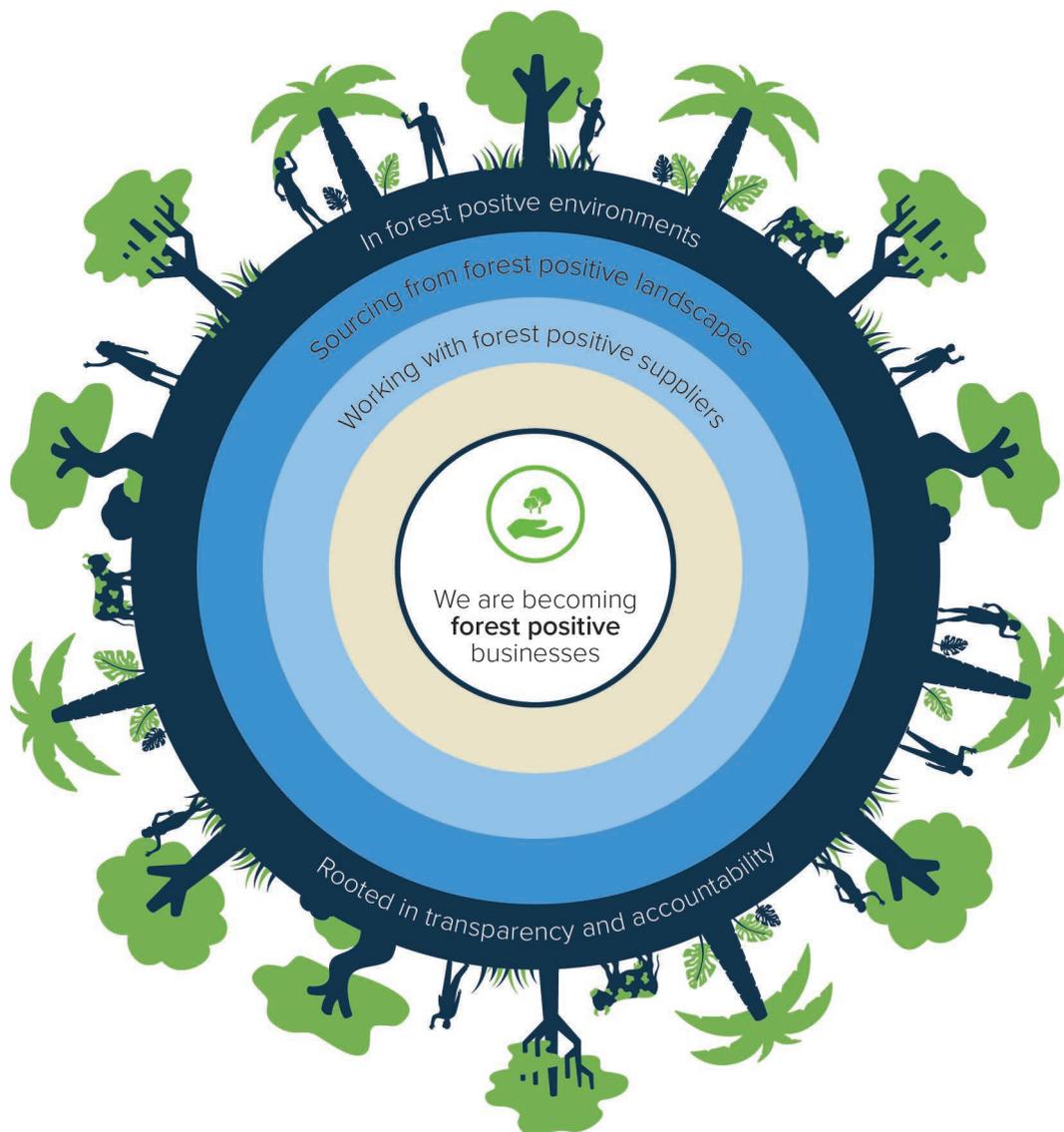
### Coalition Co-chairs

**Climate change is a rapidly growing threat to society and the planet, and as a business collective we are driving industry change as part of the solution.** However, this seismic issue we businesses face calls for a transformational change; this requires leadership, innovative approaches and collective action to mobilize global supply chains behind an aligned vision of deforestation-free and a common set of principles. Through our collective efforts, we are setting new standards and leading the industry forward toward forest positive solutions. Fundamentally, we, the Forest Positive Coalition of Action, understand the opportunity of forest protection as a driver of economic growth. And as we approach the 26th annual edition of the UN Climate Change Conference, we are again reminded that while progress has been made over two decades to address the existential threat of climate change, there are great challenges ahead. As individual companies we can only achieve limited progress which is why our Coalition provides a critical opportunity to work in collaboration with the willing – both our members and our stakeholders – to enable a forest positive future.

There is great power in the type of transformational partnership our Coalition is leading. We're collectively transforming how we do business, and we expect everyone we work with to share the same ambition. Progress can be accelerated through the power of the collective; 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 first annual report is to provide an inaugural demonstration of collective transparency and to issue a call for feedback and refinement as we create solutions together, tackle this challenge and drive real change.

Herein can be found an outline of the fundamental shift across our business models necessary to create forest positive businesses at scale alongside tangible proof of our commitment and responsibility to proactively measure and share our progress. The ambition of this type of collective reporting is the level of partnership and transparency we hope to inspire across the broader industry as we invite others to join us in a shared vision of a forest positive future.

Count on us to continue the dialogue, to welcome feedback and seek multi-stakeholder input as we action our roadmaps, engage all actors up and down our supply chains, adjust and learn from each other and third party experts in real-time and demonstrate our responsibility to increase collective transparency through the ambition of harmonised reporting. We're at the precipice of driving real impact. We are calling for continued collective action and collaboration on the ground as well as political engagement at national and regional levels and strong support from the investment community to drive the critical transformation necessary to realize a forest positive future.



## About Us

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 [www.tcgfforestpositive.com](http://www.tcgfforestpositive.com).

# Our Partners



Proforest has been supporting the CGF Forest Positive Coalition of Action since October 2019, with a global team that has expertise in both environmental and social issues. Proforest facilitated the process to build on Forest Positive Coalition's agreed Theory of Change and work with members and stakeholders

to collectively develop action-oriented Commodity Roadmaps and detailed KPIS for reporting for palm oil, soy, beef and pulp, paper and fibre-based packaging (PPP). Informed by our work on the ground with suppliers and producers, Proforest is able to provide technical expertise and guidance for both retailers and manufacturers to understand the key challenges and opportunities that have underpinned the development of roadmaps. Proforest is also supporting members to work beyond individual supply chains at a landscape or jurisdictional level, including issues of investment, governance, goals and reporting.



The Tropical Forest Alliance (TFA) is a multi-stakeholder partnership platform that supports the implementation of private sector commitments to remove deforestation from palm oil, beef, soy and pulp and paper supply chains. Hosted by the World Economic Forum, TFA works to catalyse forest positive collective action to advance the world's transition to deforestation-free commodity supply chains. TFA has supported the CGF Forest Positive Coalition of Action since its inception, serving to bridge the Coalition with other industry and civil

society platforms at the global and regional levels, and working to strengthen collaborative action. In particular, TFA has contributed to the development of the Commodity Roadmaps, facilitates the Coalition's engagement in production landscapes, and has supported dialogue and collaboration between the Coalition and the European Union, Brazil, and COP26 through the Forest, Agriculture, and Commodity Trade (FACT) Dialogue.

# Our Newest Members

Sodexo is proud to be the first food service company to join The Consumer Goods Forum's Forest Positive Coalition (CGF FPC). The CFG FPC is completely aligned with Sodexo's values and our 2030 deforestation commitment covering four key commodities in our supply chain: beef, soy, palm oil and paper. The coalition has already been a great support in the development of our forthcoming soy strategy to ensure responsible soy sourcing in our supply chains. But to solve a complex problem like deforestation, we need to go beyond challenges in our individual supply chains and work on transformational change together as an industry. For this reason, we are enthusiastic about joining the FPC.

*Maria Outters, SVP, Corporate Responsibility, Sodexo*

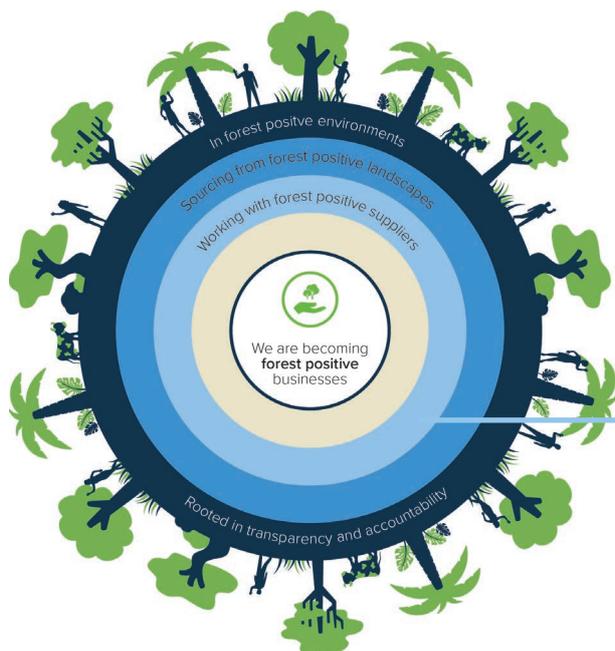
As a leading global pulp-and-paper company, APP takes a holistic approach to sustainability within its entire operations and believes in delivering innovation, sustainably and responsibly, and working together to secure a better future for our customers, communities and employees. However, we cannot do this alone and being part of the CGF Forest Positive Coalition has been a great opportunity for us to share our experiences, learn from others and develop common approaches. With people and the planet at the heart of what we do, we look forward to what the future has to hold working in collaboration with some of the most important influencers for collective action across the globe.

*Elim Sritaba, Chief Sustainability Officer, Asia Pulp & Paper Sinar Mas*

# Coalition-wide Actions

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# Supplier and Trader Engagement

Commodity Roadmaps  
Elements 1 and 2

*Driving positive change throughout the value chain*

## Working with upstream and downstream actors

The results of our work around Supplier and Trader Engagement are captured in Elements 1 (Own Supply Chain) and 2 (Supplier and Traders) of our Commodity Roadmaps. Following our Theory of Change, we believe it is essential that while we as companies work to become deforestation-free businesses, our suppliers and traders must do so as well. As Section 3 of this publication will illustrate in more detail, for global value chains to become forest positive, we need relevant visibility on our own operations and supply chains, but also onto the ones of suppliers and traders that are also part of these value chains.

## Setting clear expectations

First, to ensure our own individual sourcing policies are aligned with our Coalition’s ambitions, we are updating and publishing the CGF Sustainable Sourcing Guidelines for each of our key commodities. These new versions will provide more detailed guidance on how to implement our forest positive commitments and actions, as well as report on progress. The Sustainable Sourcing Guidelines were originally published by the CGF starting in 2013. This work is being undertaken with support from the Accountability Framework Initiative (AFI).

We also held a second meeting exclusively for our members’ Chief Procurement Officers with the purpose of discussing how the forest positive agenda can be better integrated and operationalised throughout member companies’ procurement processes.

## Developing guidance and guidelines

Secondly, we have also developed and run a consultation with key stakeholders on the Guidance on Forest Positive Suppliers to support our members in their engagement with their palm oil and soy suppliers and traders. The new guidance has been a helpful tool in our collective engagement with suppliers and traders as it lays out the practical steps of the engagement process and support for implementation.

Thus far, we have been in dialogue with upstream suppliers through the Palm Oil Collaboration Group (POCG) and the Soft Commodities Forum, (SCF) two major associations for the palm oil and soy sectors respectively. Our PPP Working Group is now engaged on developing guidance for their suppliers. Meanwhile, as it develops its Roadmap, our Beef Working Group has benchmarked best practices in the Brazilian beef sector by collectively engaging with 20 meatpacking companies which together operate and source from more than 100 meatpacking plants in the Brazilian Amazon and Cerrado biomes.

The guidance for engagement takes into account the nuances of each commodity sector, and also includes our “Forest Positive Asks”. Our Forest Positive Asks are a set of expectations, aligned with our Theory of Change and Roadmaps, that we share with our suppliers and traders as we support them in becoming deforestation-free businesses. The five basic Forest Positive Asks are for companies to have:

- Public commitment to ‘deforestation- and conversion-free’ across entire commodity business, including public time-bound action plan with clear milestones for meeting commitments
- Process for regular supplier engagement;
- Mechanisms to identify and to respond to grievances/non-compliances;
- Support for initiatives delivering forest positive development at landscape and sectoral levels; and
- Regular public reporting against key KPIs.

#### Providing support for engagement

Importantly, we believe that no Ask should be posed to our supply chain partners that we ourselves are not prepared to accept. Our focus is on aligning our requirements for suppliers and traders with what we as Coalition members are committed to implementing in our own companies through the Commodity Roadmaps. This will be detailed in the new versions of the CGF Sustainable Sourcing Guidelines.

After developing this Guidance for Supplier and Trader Engagement for each commodity, our next step is focusing individual member companies

on the implementation of this process, including the integration of the Forest Positive Asks in our own procurement systems, communicating the Asks to our supply chain partners, and assessing their current performance. The Coalition will focus on providing support and capacity-building to members.

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***We believe that no Ask should be posed to our suppliers that we ourselves are not prepared to accept.***

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#### Reporting on our KPIs

Finally, through our work on Transparency and Accountability, reporting on the Roadmap KPIs allows us to measure how our member companies and our supply chain partners are making progress implementing our forest positive commitments within their own organisations, supply chains, and businesses.

## AMBITIONS TO ACTIONS

## Sainsbury's

Sainsbury's is committed to eliminating deforestation from its supply chains, but it has learned that acting on individual supply chains will not alone drive the transformation needed to address deforestation. Whilst setting clear expectations for its own products is an important first step, this isn't sufficient. Shifting from sustainable supply to sustainable supplier means working with its suppliers and the traders they source from to ensure that they are not contributing to deforestation elsewhere in their operations. As a retailer, Sainsbury's has a clear role to play to influence the rest of the supply chain. In 2020 it helped develop the Forest Positive Asks, to set out what good practise looks like for any actor in the supply chain. A few key learnings emerged from its initial engagement of private label (own brand) manufacturers. The first is to make clear that the members of the Coalition aren't asking for anything they haven't committed to themselves. The second is the importance of recognising those suppliers that are showing leadership on deforestation, and emphasise to those at an earlier stage that good practise is reached gradually, and that sharing the ambition is a critical first step. To build collaborative action on deforestation Sainsbury's has also been engaging beyond its direct supply, with first importers and commodity traders. These actors have a critical role to play in helping tackle ecosystem conversion, particularly around gaining better supply chain visibility, and collaborative support for landscape initiatives.

Sainsbury's will continue to show leadership as a retailer in helping eliminate deforestation, and whilst this will be achieved progressively, by working with other retailers, manufacturers, and traders, it can send a clear market signal to bring sector-wide change.

## VOICES

# Perspectives from Chief Procurement Officers

*Three questions with...*



**Guillaume de Colonges,**  
Executive  
Director  
Merchandise,  
Supply and  
Formats,  
Carrefour

**CGF: Why is CPO involvement in the Forest Positive Coalition key to tackling deforestation?**

**Guillaume de Colonges (GC):** The issue of deforestation is very complex. As a retailer we know that our activities have contributed to this issue yet we remain far removed from the realities on the ground. This is of course not the case for traders and upstream suppliers. Our leverage as consumer goods companies is our ability to influence traders and upstream suppliers to guarantee deforestation-free across supply chains. This means taking business decisions that are aligned with this ambition across business activities. We must move from commitments to action. CPOs have the ability to do this; we have the ability to ensure that deforestation-free is a criteria in our sourcing guidelines and to work with traders that comply with our policy. Through our purchasing decisions we send a clear message on how traders and upstream suppliers must drive their business.

**CGF: How is Carrefour working to build a culture of forest positive within its soy supply chain?**

**GC:** At Carrefour, we are operationalizing our ambition of deforestation-free within our activities with the aim of sourcing from traders that best adhere with our ambition of deforestation-free. Within my team, we have put in place a comprehensive process to help us achieve this which includes developing specifications for our suppliers to reflect this ambition, establishing a governance committee at the Group level to ensure implementation, continually engaging

our traders and upstream suppliers to share this ambition across their entire supply chain, and evaluating progress. We are also mobilizing other actors locally to share our ambition. In France, we created the Soy Manifesto to mobilize government actors, other retailers, suppliers and NGOs to accelerate action to prevent imported soy linked to deforestation or conversion in the Cerrado region from entering the French supply chain. Through the manifesto, we have defined a mechanism to assess risks and are now including a non-deforestation and conversation clause in our contracts. Our ambition is now shared at national level, setting a new standard for the French market. I believe this is something our companies should replicate everywhere we want to make significant progress.

**CGF: Why is collective action important in transforming key commodity supply chains towards forest positive?**

**GC:** As an individual company, we know our efforts are not enough to move the market. This is of course why we decided to join the Forest Positive coalition - to align on a common vision and to build the collective pressure on traders to create a market shift towards deforestation-free. If enough companies commit to transparency across their supply chains and work with traders that comply with deforestation-free, this will create new industry norms and transform the market.



**Lauren Richardson,**  
Chief Procurement Officer,  
Colgate-Palmolive

**CGF: Why is CPO involvement in the Forest Positive Coalition key to tackling deforestation?**

**Lauren Richardson (LR):** CPO involvement is important because the procurement team works collaboratively across our enterprise to set the global sourcing strategy. Our sourcing strategy must deliver the goals we have not only for the growth of our brands, but the goals we have for our external environment, our policies, and our values. Addressing deforestation through a forest positive approach is absolutely one of our key goals in our sustainability agenda. We don't expect our suppliers to have all of the answers on their own from day one, because we don't either. Together we are all learning how to be better forest positive businesses. Our role is to work with our own employees and supply chain partners to help them develop and implement forest positive practices. The job of the CPO is key to delivering the goals of forest positive because we bring all suppliers, their capabilities, and their future capabilities, to life.

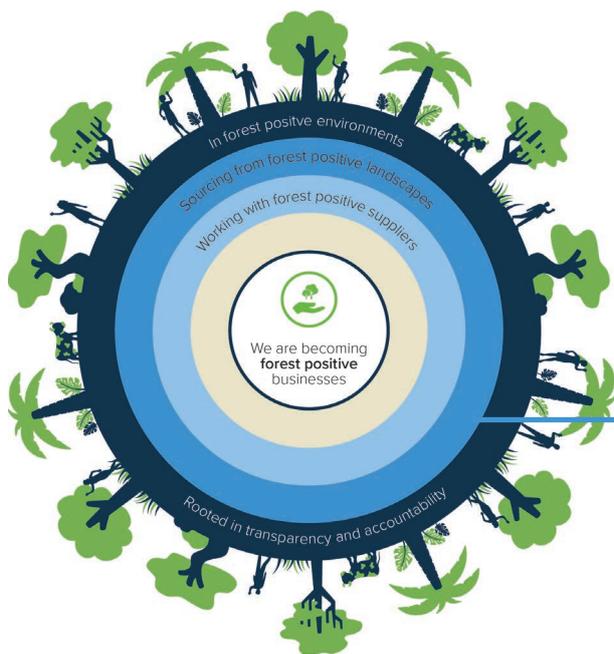
**CGF: How is Colgate working to build a culture of forest positive within its palm oil supply chain?**

**LR:** It starts with the very basics of policy, education, and governance. If you're changing a specification on flavor or size, it starts with how you are going to govern that formulation. This is essentially no different than reinforcing the forest positive mindset in our supply chains. Forest positive is simply one more specification that has to be addressed. However, unlike most specifications, the forest

positive mindset will require time to progress and persistence in achieving the end goal. We're going to need to continue to not only develop improved governance, but also have the energy to reinforce, retrain, and to challenge people when we don't get it right. Internally to support our commitment, we've built a team of ambassadors around the world to help drive our forest positive impact across Colgate's value chains. Most important is building capacity with this team on the complexity of palm oil, the supply chain and our collective forest positive goals. Our ambassadors as experts for their regions, train and guide our regional teams and help to disseminate all of the work we're doing in the Forest Positive Coalition to really drive that transformation across the world.

**CGF: Why is collective action important in driving transformational change within commodity supply chains?**

**LR:** The foundation to driving transformational change is first recognising what it takes to create a forest positive mindset throughout our own business and throughout the value chain. It is recognising that if Coalition members came with independent solutions to deforestation, we still wouldn't be as successful. We need to have scale and mass against a few great solutions to make a difference. Coalition members have engaged many stakeholders, reviewed many existing protocols and approaches and in some cases developed new guidance and roadmaps supporting our forest positive vision. Through all of this work there has been significant learning and value added and I can see from my perspective at Colgate Palmolive how valuable this work is.



# Production Landscape Engagement

Commodity Roadmaps  
Element 4

*Taking collective action to transform production landscapes to forest positive*

## A global commitment to transform production landscapes

Following the decision of the Coalition members' CEOs at the end of 2020 for the Coalition to develop a collective landscape engagement strategy, 2021 has been dedicated to progressing on defining this strategy. We have focused on understanding how the Coalition can support efforts on the ground to drive forest positive transformation in areas where commodities are produced.

To achieve a forest positive future, our Theory of Change considers transforming key commodity production landscapes as a critical element next to transforming our value chains. Not only would this transformation help ensure the resiliency of our businesses and supply chains, more importantly, it will support the wellbeing of climate, nature and people in the environments and communities where our four key commodities are produced. We believe that to become forest positive businesses, we not only have to transform how we source our commodities but how to contribute to the wider environment beyond our supply chains to help ensure those environments can thrive.

The development of our collective landscape engagement strategy, which is still ongoing, has been informed by an extensive, year-long process of understanding Coalition members' experiences engaging and investing in landscapes. In doing so, we have also learned key lessons from our technical partners and a wide range of landscape

initiatives. From this engagement and learning process, we were then able to develop 10 Principles of Collective Action in Production Landscapes, a set of parameters that define what we consider to be forest positive initiatives to which we can offer our support. This follows the Coalition's first collective investment in a landscape programme, the Siak Pelalawan Landscape Programme in the two districts in Riau, Indonesia, late last year.

While many of the Coalition members are already actively engaging in landscape and jurisdictional initiatives, others are not, and the level of experience and progress in these approaches also differs across different commodities and regions. Understanding this, our major focus is on building a common understanding, real-time learning, and alignment amongst members on how to accelerate collective progress in transforming production landscapes to forest positive.

Finally, for each commodity, the work of the Landscape Engagement Coalition-wide Act reflected in Element 4 of the Commodity Roadmaps. As we finalise our landscape engagement strategy by the end of this year, we will also develop a framework for landscape engagement to use in our reporting.



## AMBITIONS TO ACTIONS



PepsiCo has been working in Aceh Tamiang since 2017, when PepsiCo visited the region to observe the work undertaken by IDH and Forum Konservasi Leuser (FKL) and assess potential involvement in a collaborative landscape approach. Recognizing the need for action, PepsiCo began working with IDH and other stakeholders including Unilever and Musim Mas to develop a program that could support sustainability efforts at the landscape level while benefiting local people and businesses, and to engage stakeholders including local farmers as well as plantation owners, local government and millers to understand needs and priorities.

In 2019, the district government formally adopted a long-term landscape plan, which included specific targets on reducing deforestation, improving livelihoods and boosting productivity. Additional partnerships and support from other stakeholders including peer companies, local businesses and civil society followed, including further involvement by Unilever and Musim Mas, and by WRI and LTKL to support improvements to deforestation monitoring and build capacity of the local government to take action.

The result is the Production, Protection, Inclusion (PPI) landscape program, involving partnerships with local stakeholders PT Mopoli Raya, Forum Konservasi Leuser (FKL), as well as IDH. They are working to restore 300ha of forest and support at least 500 smallholders to become more productive and sustainable. In 2020, PepsiCo's support allowed for the training of 500 smallholders in good agricultural practices, sustainability and risk analysis of local palm oil producers; the training of 93 forest rangers for improved forest protection; and tree planting of 30,000 seedlings. In partnership with the government, the clearing of illegal palm oil has begun, with the site on the cleared land identified for the establishment of a community-led nursery for indigenous trees used in reforestation and agroforestry.

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“Landscape programmes to prevent deforestation or, better still, to regenerate ecosystems, can only happen at scale through collaboration. Working within CGF’s Forest Positive Coalition helps strengthen our existing activity and create greater impact by working with our peers within complex value chains. If we are to deliver a forest positive vision and nature-based solutions while tackling the socio-economic issues often at the heart of forest-communities, then this type of collaboration is key, not just within the private sector but with governments for jurisdictional approaches and with those communities at the heart of value chains everywhere.”

*David Croft, Global Director Sustainability, Environment & Human Rights, Reckitt*



*Click on the thumbnail to watch our new film, produced by BBC Storyworks, illustrating the story of our first collective investment in Indonesia.*

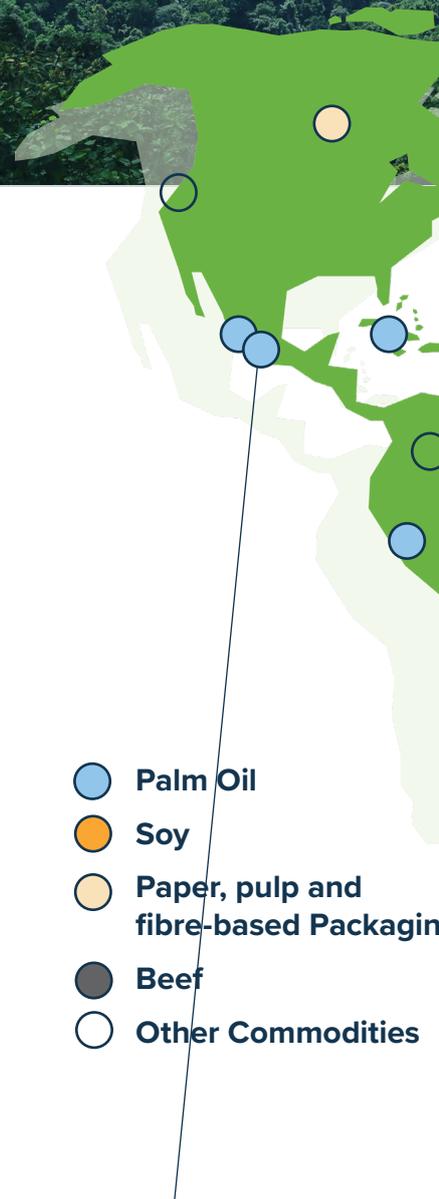


# A Global Commitment to Forest Positive

## *Investing in forest positive landscapes*

The Coalition has developed ten Principles for Collective Action for its Landscape Engagement strategy which serve as parameters for how the Coalition will decide which programmes to support:

1. Landscapes produce at least one of the Coalition's focus commodities; landscapes that produce more than one commodity could be prioritized.
2. The Coalition will focus on landscapes in the members' production base. Where identified, high priority areas will be prioritized.
3. Landscape initiatives should address systemic issues and identify how activities can be scaled up and contribute to shared landscape-level goals, where they have been established by multiple stakeholders, or, where such goals don't exist yet, contribute to identifying and developing shared landscape-level goals with other stakeholders.
4. Landscape initiatives should leverage the Coalition's influence and encourage active participation of other supply chain actors, including suppliers, traders, producers, and support the inclusion of smallholders.
5. Landscape initiatives should demonstrate plans to actively engage government at the most relevant level to seek support and amplify efforts to transform the landscapes towards forest positive commodity production.
6. Landscape initiatives should consult and empower local stakeholders, including CSOs and local communities, from the design phase to program implementation, and should strengthen landscape-level multistakeholder processes, where they exist.
7. Landscape initiatives should contribute to improving the livelihoods of local communities and safeguarding human rights.
8. Landscape initiatives should seek to unlock additional resources from public or private sector partners.
9. Landscape initiatives should be clear how intended outcomes are expected to be sustained beyond the Coalition's support.
10. Landscape initiatives should have clear targets and key performance indicators (KPIs) to measure progress and periodically monitor and report progress against them.

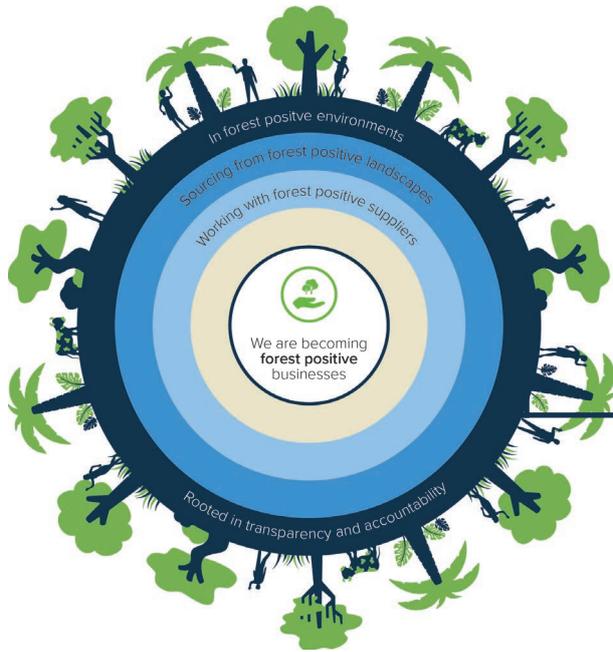


**Reserva La Encrucijada**  
Chiapas  
Chiapas, Mexico

Sixteen Coalition members are already collectively investing **at least 9 million USD** per year in landscape initiatives working in the palm oil, soy, fibre-based packaging, and beef sectors.<sup>1</sup>



<sup>1</sup> Carrefour, Colgate-Palmolive, Danone, General Mills, Grupo Bimbo, Jerónimo Martins, Mars, Incorporated, Mondelēz, International, Nestlé, PepsiCo, Reckitt, Tesco, Unilever, Walmart



# Government and Stakeholder Engagement

Coalition-wide and Cross-commodity Action

*Advocating for enabling environments for forest preservation and conservation*

## Advocating for enabling environments for forest protection

The Coalition is proud to be working with the Tropical Forest Alliance (TFA) to use the individual voices of our members and the collective voice of our Coalition to advocate for enabling environments for forest protection and conservation.

Through TFA's multi-stakeholder European Union Working Group, many Coalition members have endorsed a paper calling for a 'smart mix' of measures to be used as part of the upcoming legislation on imported deforestation. Many Coalition members also signed a letter written to the European Commission following up on the paper. The 'smart mix' proposes measures to ensure any new legislation supports producers to meet any new no-deforestation requirements, and doesn't just encourage a market divide with deforestation ongoing. We are also working with TFA to identify how we can join conversations with the Chinese Ministry of Ecology and Environment about Greening Soft Commodity Supply Chains, and we look forward to developing these new relationships as we progress.

Our Coalition's Brazil Government Engagement Working Group was formed this year and has held four initial meetings to develop an understanding of how we can best engage the Brazilian government on this topic. Meanwhile, through the Soy and Beef Working Groups, Coalition members have also been in dialogue with officials and other key stakeholders.

Our Coalition is also leveraging our relationship with TFA to bring our voice to the 26th Annual UN Climate Conference (COP26) through the Forest, Agriculture and Commodity Trade (FACT) Dialogue.

## Building constructive relationships

Stakeholder engagement is a valuable tool and a shared objective across our Coalition-wide Action Working Groups and our Commodity Working Groups.

Since the official launch of the Coalition in September 2020, we have held four collective stakeholder meetings, bringing together organisations from across sectors to one dialogue on the Coalition's progress. We look forward to the future opportunities where these regular meetings may be held in-person, rather than virtually, as is the case now due to the pandemic.

We value the expectations of our stakeholders and their opinions on our progress; as a result, this publication includes written feedback from our stakeholders, which was provided in early September after this publication was completed. We believe in being open with all of our stakeholders, and in the spirit of inclusivity and transparency, we have not edited these contributions. Please see page 58 to read our stakeholders' comments.

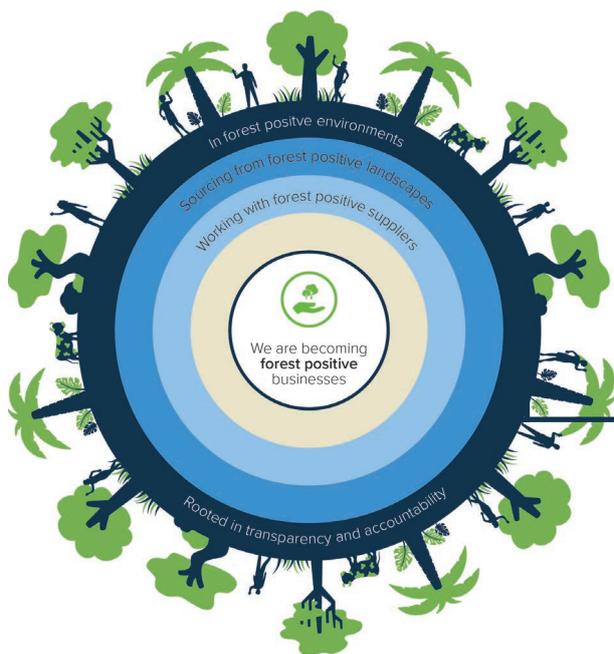
## AMBITIONS TO ACTIONS

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In June 2021, Nestlé launched its Forest Positive strategy. Building on more than ten years of experience in managing deforestation risks in its supply chains, the company is evolving towards a model for conserving and restoring the world's forests and natural ecosystems while promoting sustainable livelihoods and respecting human rights. It's clear that to achieve a Forest Positive vision, companies need to support the development of an enabling environment that removes deforestation from commodity producing landscapes and drives impactful collective action on-the-ground. Nestlé is committed to using its thought leadership, stakeholder engagement and advocacy to help create that environment.

The company is using its voice to advocate for more engagement with producers and producer countries, strengthened supply chain transparency and due diligence requirements, increased international collaboration and direct finance and investment towards more sustainable supply chains. Along with other organizations, it endorsed a position paper calling on the European Union (EU) to adopt a smart mix of measures to address imported deforestation, supported a call to end deforestation starting with traceability requirements to enter the EU internal market, and a position paper asking the European Commission to pursue the establishment of bilateral partnership agreements with cocoa-producing countries to contribute to a fully sustainable cocoa supply chain. 2021 is an important year for the Forest Positive agenda. Nestlé is building long-term alliances with like-minded organizations and is taking an active role in industry and multi-stakeholder fora, such as co-leading the CGF's Forest Positive Coalition Communication & Engagement Working Group and participates in TFA's European Union Working Group. The company will continue to press for change by actively participating in various fora and feeding its positions into ongoing policy processes in the European Union, at the United Nations Food Systems Summit and COP 26.



# Transparency and Accountability

Coalition-wide and Cross-commodity Action

## *Developing a 'transparency mindset'*

### **Creating an ambitious culture of transparency and accountability**

Creating a culture of transparency and accountability has been a clear and immediate priority for the Coalition in our first year of action. We recognise that previous approaches to tackling deforestation lacked specificity and follow-through on setting and meeting concrete goals, sharing actions publicly, and holding each other accountable. We also know we will not be successful in our goal of driving transformative change without being able to truly measure our progress. As a result, our Theory of Change is built on a concrete ambition for all members to regularly and publicly report on all of the Roadmap KPIs for each commodity that is material to their business.

### **Aligning on common Key Performance Indicators**

Through the development of the Commodity Roadmaps, we worked as a Coalition to align on a set of publicly reported KPIs that would allow us to track and communicate progress in the implementation of our Theory of Change.

The existing KPIs and public information requirements allow us to measure progress towards ensuring that our own supply, and that of our suppliers and traders, are forest positive. By the end of the year, the Roadmaps will be updated to also include quantitative KPIs for tracking progress in production landscape engagement, a central point of our Theory of Change. Aligning on these indicators, consulting with dozens of stakeholder organisations on their efficacy, and publishing them

in the public domain has been just the start of our approach to greater transparency, along with the publication of [“Taking Root: Embarking on the Forest Positive Journey,”](#) a six-month reflection on our progress and ambitions.

### **Driving collective, harmonised improvement**

Notably, several of these KPIs are not new to member companies or our stakeholders, and as Section 3 will illustrate, many companies are indeed already reporting quantitatively or qualitatively against them. Other KPIs are very new to our members however, and reporting against them can be more difficult. This can be attributed to some KPIs requiring visibility on areas of our supply chains (or those of our suppliers and traders) that can be more challenging to monitor and evaluate.

We recognise this as one area where we can collectively improve as companies, and one example of our Theory of Change in action: in order to drive the full supply chain transformation needed to end commodity-driven deforestation, we must be able to understand when, where and how deforestation risks occur, so we can take proper action to prevent and remedy them. Many of the Roadmap requirements and KPIs go beyond what companies were already doing, consistent with our Coalition’s commitment to setting a high standard for transparency and accountability. It will take time for companies to report fully on all KPIs, but we now have a process to drive progress.

### The first step: understanding existing efforts

However, we recognise that each Coalition member has approached data collection and public reporting differently, and some have more mature reporting and disclosure processes than others. That is why, in our efforts to build a strong, aligned ‘transparency mindset’ among our members, our collective reporting in 2021 focuses primarily on establishing a baseline understanding of each members’ existing reporting and public disclosure efforts. This publication – a ‘report on reporting’ – therefore offers the first look at Coalition members’ individual and collective progress reporting against 100 percent of the Roadmap KPIs thus far. By providing links to member companies’ existing materials in which they report against the KPIs, we ensure all members are committed to a shared level of transparency and accountability, and invite our stakeholders to review our progress so far in measuring our efforts against deforestation.

Our next priority is around aligning Coalition members on methodologies for how we report on each KPI. Recognising that we all have our own unique reporting processes is critical, as it means we are currently unable to see our collective, Coalition-wide performance against the KPIs. With the assistance of Proforest, we are reviewing members’ different methodologies used to report on

the KPIs with the goal of working together towards greater alignment in data collection methods for the KPIs in our first three Commodity Roadmaps. The Beef Working Group will do the same once its Roadmap is finalised. This is an example of critical capacity-building opportunities the Coalition offers to member companies: by sharing this information, many companies are developing more robust reporting processes that are central to realising our Theory of Change. We look forward to continuing this work and being able to measure our collective progress in future publications.

In parallel, another priority is to help our industry adopt an equally ambitious transparency mindset on a broad scale. That is why we have worked to align ourselves with existing public reporting platforms to firstly, develop our list of KPIs for each Commodity Roadmap, and secondly, to continue this alignment by engaging in dialogues to encourage harmonisation across the industry. Through our dialogues with CDP, AFi, and other key stakeholders, we aim to work together to build alignment on effective KPIs and methodologies and to increase their update and use across sectors.

## AMBITIONS TO ACTIONS



Unilever

Unilever is committed to ending deforestation across its supply chain and believes transparency is an important driver of transformation. It knows that to overcome the deforestation challenges linked to consumer goods’ supply chains, visibility is needed over every part of them. The first mile – the bit from an individual farm or plantation to a mill – presents a particularly unique challenge for sourcing crops like palm oil or soy. To ensure that the land used to grow these crops is not connected to deforestation, Unilever is reimagining its approach to traceability so it can do even more to protect forests. Unilever is working with Orbital Insight, a US tech company that specialises in geospatial analytics. The company is using geolocation data to help identify the individual farms and plantations that are most likely to be supplying the palm oil mills in its extended supply chain. This technology uses cell phone geolocation data to track the palm fruit moving from individual farms and plantations that supply the mills in Unilever’s supply chain. Where there is a consistent flow of traffic between an area of land and a mill, it suggests a potential link. This is a big step forward for transparency and traceability, especially in partnerships where supply chain actors opt to use the tools.

Unilever is now scaling the project to cover all of its palm oil supply in Southeast Asia and exploring how it might apply to other crops and other locations. Importantly, this is just one of a number of new technologies around which Unilever is building partnerships. It forms part of a much bigger vision for a data ecosystem that consumer goods companies could use. Seeing its potential, Unilever wants partners and peers to join it. By companies coming together and using cutting-edge technology to carefully monitor the world’s forests, Unilever believes we can all get closer to achieving its collective goal of ending deforestation.

## VOICES

# Why Forest Positive Must Mean People Positive



**Scarlette Elizée**, Sustainability Outreach Lead, Carrefour



**Barbara Wettstein**, Public Affairs Manager, Nestlé

Co-leads, CGF Forest Positive Coalition Communications & Engagement Working Group



The examples of the important role forests play in our planet's wellbeing are endless. But forests are also important for human wellbeing, providing homes and livelihoods for millions of people: a 2020 study found that approximately 1.6 billion of the world's rural inhabitants live within five kilometres of a forest, and the World Bank measures that 350 million people depend on forests for sustenance and income. This means that the alarming rate at which we are losing forests due to commodity-driven and other types of deforestation is not only a serious environmental problem, but a human one as well.

However, the relationship between deforestation and human rights issues is sometimes not well-understood across the consumer goods industry and beyond. While environmental and social sustainability challenges are often viewed as part of separate fields, the reality is that in order to achieve a forest positive future, we also need to achieve a "people positive" future. This starts by understanding these issues are not mutually exclusive but instead inherently connected. Indeed, respect for human rights, in particular the Rights of Indigenous Peoples and Local Communities (IPLC), is a key enabler of the forest positive vision as these communities who own, occupy or use about a quarter of the world's land — land which is home to 80 percent of the planet's biodiversity — are most intimately impacted by threats to forests and play a central role in protecting forests from them.

Unfortunately, many may do so at great personal risk: in many countries, the lack of formal land titles and legal protection for land and human rights defenders, and the insecurity surrounding IPLC Rights, are challenges both to forest conservation efforts and to the personal safety of those who try to defend them.

The mission of The Consumer Goods Forum's Forest Positive Coalition of Action is to collectively act to help end commodity-driven deforestation by driving full-sector transformation for four

key commodities through engaging with supply chain actors and supporting landscape-level interventions. Importantly, we are collectively and individually investing in programmes on-the-ground that are helping make the forest positive vision a reality for everyone, especially forest-based communities and peoples.

In doing so, we recognise that we cannot be successful in this work without including human rights in our forest positive strategy as a fundamental enabler to effective forest conservation. Still, we recognise that it remains a complex issue with many layers and factors. While there is no one-size-fits-all

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*We cannot be successful in this work without including human rights in our forest positive strategy as a fundamental enabler to effective forest conservation.*

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approach to solving it, we do know that we — the consumer goods industry and beyond — must do more to understand these complexities in order to effectively drive actions that result in positive change.

As the Co-Leads of the Communications and Engagement Working Group of the Forest Positive Coalition, we believe that the first key step is engaging in constructive dialogues with communities, expert stakeholders, and governments. Only through honest and open dialogue can we bridge the knowledge gap around the deforestation-human rights relationship and ensure all actors are well aware of just why the stakes are so high. Our Coalition is therefore committed to engage in dialogues:

- With all relevant stakeholders and experts to ensure our strategy understands and integrates the valuable perspectives of voices from the ground – critical work we have already started and will continue with external groups and the CGF’s Human Rights Coalition – Working to End Forced Labour;
- Amongst ourselves, so that we can ensure our Coalition is equipped with the necessary knowledge to use our collective voice to effectively address this issue; and
- Around our commitment to transparently report on progress in implementing NDPE (No Deforestation, No Peat, and No Exploitation) policies which Free, Prior and Informed Consent (FPIC) for IPLC, zero burning, preventing poor working conditions, and preserving High Conservation Value (HCV) areas, High Carbon Stock (HCS) areas and peatlands.

Given the sensitive nature of these discussions, we need to ensure these dialogues are respectful of communities and their cultures, protect those who risk their lives to defend forests and the rights of their communities, and that all of those involved feel empowered to participate and act.

We want to make clear that for our Coalition, the vision of a forest positive future is not solely founded on the ambition to stop deforestation and protect the world’s forests. It is also founded on fundamental respect for human rights, including the rights of IPs and LCs who are most impacted by forest degradation and play a central role in forest protection.

We believe that when we talk about forest positive, we must mean forest positive for all: that is the only way we will make a real, long-lasting difference and have healthy forests for years to come. Focusing on just the environmental aspects of deforestation is not enough, and we invite our peers and stakeholders to join us in dialogue on this critical challenge.



# Commodity-specific Roadmaps and Reporting

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# A Note on Methodology

## About this publication

### Understanding the KPIs

This section will illustrate in more detail the progress of Coalition members in meeting our commitment to publicly report against all the Roadmap KPIs. However, there are several important details to understand first about how these KPIs were developed and organised, and how they will measure our Coalition's progress as we pursue our Theory of Change.

### Focusing five elements of the Roadmaps

First, the Roadmap KPIs and public information requirements are split among five elements that align with the Coalition's ambition to drive full-sector transformation – from supply chains to production landscapes – towards forest positive:

- Element 1 (Own Supply Chain) reflects the ambition to ensure Coalition members' own supply chains are forest positive, and that members are actively creating enabling environments within their own businesses for forest protection and conservation.
- Element 2 (Suppliers and Traders) is aligned with the work of the Supplier and Trader Engagement Coalition-wide Action. It works to ensure suppliers and traders' entire supply, and not just the supply purchased by Coalition members, is deforestation-free. This captures the Coalition's objective to help Coalition members' suppliers and traders become forest positive businesses.
- Element 3 (Monitoring and Response/High-risk Origins) varies with each commodity but focuses on targeting key sectoral concerns relating to deforestation risks. Only the Palm Oil Roadmap has KPIs for Element 3. For the Soy and PPP Roadmaps, Element 3 is used to inform the actions taken through the other Elements and does not have its own KPIs.
- Element 4 (Landscape Engagement) is aligned with the efforts of the Production Landscape Engagement Coalition-wide Action and supports our ambition to help transform production landscapes to forest positive.
- Element 5 (Transparency and Accountability)

connects with our Coalition-wide Action and helps improve existing and develop new public disclosure efforts. There are no KPIs for Element 5 as it sets the expectations for reporting on the KPIs for the other Roadmap Elements.

The KPIs in the Roadmaps take into account the different positions of different Coalition members in the commodity supply chains, to reflect differences in the complexity of supply chains and where the different companies can make the most impact towards a common ambition. As a result, the Roadmap KPIs are grouped into:

- **Palm Oil Roadmap:** KPIs for manufacturers, and KPIs for retailers and manufacturers sourcing palm derivatives
- **Soy Roadmap:** KPIs for manufacturers buying direct soy, and KPIs for retailers and manufacturers using embedded soy
- **PPP Roadmap:** KPIs for manufacturers, and KPIs for retailers

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*The KPIs in the Roadmaps take into account the different positions of different Coalition members in the commodity supply chains to reflect where companies can make the most impact.*

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### The foundation of forest positive

Across all of the Roadmaps, our KPIs are designed to measure either supply chain management objectives or our impact and results. For each commodity, members are required to have public policy commitments to the forest positive goals and time-bound action plans to summarise how they will fulfill those commitments. They also all need to publish their list of suppliers and traders, and monitor their progress in meeting our Forest Positive Asks. Finally, they must disclose a summary of their landscape engagement actions.



### Focusing on individual and collective improvement

For the KPIs in Elements 1 (Own Supply Chain) and 2 (Suppliers and Traders) of the Roadmaps, special consideration has been taken to reflect the different relationships manufacturers and retailers have with suppliers and traders and the structure of their supply chains. It is very important that companies focus on engagement with their Tier-1 suppliers, and use their commercial leverage to achieve change. Manufacturers, for example, often buy directly from traders, and so that is where the focus of their engagement and reporting on Element 2 KPIs lies.

On the other hand, retailers mainly purchase products developed by manufacturers and thus, are focusing individual actions on working with their Own Brand Manufacturers (OBMs; their direct suppliers) to achieve change. At the same time, retailers are also engaging further upstream, directly with the traders, focusing on collective action. As a result, Element 2 KPIs for retailers track progress in engaging and measuring performance of both their direct suppliers and upstream traders. This is also the case for the KPIs for manufacturers sourcing palm derivatives and embedded soy, which involves more complex supply chains.

From our baseline study, we understand it is significantly easier for companies to gather data and report on KPIs that are focused on elements of their own supply chains (under Element 1). This is to be expected given the higher level of visibility companies have over their own supply chains. In contrast, it is currently much more difficult for companies to report on the KPIs focused on their suppliers and traders (the ‘impact’ KPIs under Element 2). This is also to be expected, but only given it is one of the areas where we have set high expectations: we’re working to become forest positive businesses, and we expect everyone we work with to do the same.

Finally, there are areas where the quantitative KPIs have not been developed yet, namely in Element 3 (for palm oil) and Element 4 (for all commodities) where we are still working on understanding how we can best measure our individual and collective performance.

### Improving our approach

Developing the KPIs for our Roadmaps is just the beginning of our reporting journey. As we advance on our ambitions and monitor our progress, we may recognise ways the KPIs in the Roadmaps need to

be improved. We anticipate that the second version of the Roadmaps – which are living documents that we will update and improve regularly – will have some modifications. We invite our stakeholders to access the latest versions of the Roadmaps [here](#).

### Understanding this baseline study

For the purpose of this publication, information was collected from Coalition members about their existing data collection and public reporting efforts for each KPI in the Roadmaps of commodities that are material to their businesses. Notably, the information provided has all been self-reported by Coalition members and varies between quantitative and qualitative (narrative) reporting.

As the ambition for this publication is to provide a baseline measurement of which KPIs each Coalition member is currently reporting against, and given the difference in methodologies employed to

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*Information was collected from Coalition members about their existing data collection and public reporting efforts for each KPI in the Roadmaps.*

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create these individual company reports, we cannot provide a collective evaluation of the Coalition’s performance against the KPIs at this time. We are currently working to align members’ reporting methodologies so that all Coalition members are collecting and publishing quantitative data for each KPI where appropriate. As a result, once methodologies are aligned and all Coalition members are collecting data and reporting on the KPIs using the same tactics, future publications will be able to provide aggregated, Coalition-wide performance reviews.

In this section we provide hyperlinks to companies’ reports, documents and policies in which the information for each KPI can be found. As we advance on our transparency objectives and Coalition members begin to collect new data and report on more KPIs, their efforts will be reflected in real-time on our website. We invite our stakeholders to follow our transparency progress [here](#).



## VOICES

# Transparency and Accountability Insights

*Five questions with...*



**Judith Batchelar**, Special Advisor on CR&S, Brexit and Public Affairs, Sainsbury's



**Kevin Rabinovitch**, Global Vice President, Sustainability, Mars, Incorporated

Co-leads, CGF Forest Positive Coalition Transparency and Accountability Working Group

**CGF: What are the Coalition's long-term ambitions around transparency?**

**Kevin Rabinovitch (KR):** The long-term ambitions of the Coalition are adoption of our Theory of Change beyond the members of the Coalition, and even beyond the suppliers that work with the members of the Coalition. We ultimately want to transform the sectors of our key commodities; with that being our overall ambition, transparency and public disclosure are critical elements to driving impact at scale. Doing so is how we can demonstrate the substance of our Theory of Change to stakeholders, but maybe even more importantly, to the people in our supply chains with whom we do business.

**Judith Batchelar (JB):** We are very conscious that all of our Coalition members are starting from a different position when it comes to reporting on transparency metrics, sharing that reporting, and disclosing it in the public arena. Therefore, what we are trying to do is drive a system shift in how we source our commodities as businesses and build a collective transparency mindset within the Coalition; something really transparent that everyone can contribute to, regardless of where they are coming from.

**CGF: How are these ambitions different from companies' previous approaches to reporting?**

**KR:** The long-term ambitions of the Coalition are adoption of our Theory of Change beyond the members of the Coalition, and even beyond the suppliers that work with the members of the Coalition. We ultimately want to transform the sectors of our key commodities; with that being our overall ambition, transparency and public disclosure are critical elements to driving impact at scale. Doing so is how we can demonstrate the substance of our Theory of Change to stakeholders, but maybe even more importantly, to the people in our supply chains with whom we do business.

**JB:** We are very conscious that all of our Coalition members are starting from a different position when

it comes to reporting on transparency metrics, sharing that reporting, and disclosing it in the public arena. Therefore, what we are trying to do is drive a system shift in how we source our commodities as businesses and build a collective transparency mindset within the Coalition; something really transparent that everyone can contribute to, regardless of where they are coming from.

**CGF: Why is it important for Coalition members to align on their reporting efforts and use our KPIs?**

**JB:** It is really important that all the Coalition members align on KPIs and reporting methodologies because when you are working with supply chain partners, quite often we have lots of them in common. Wherever you sit in that value chain, whether you're looking up or downstream in that value chain, we will be talking potentially to the same supply chain partners.

**KR:** The power of that is it means actors all up and down the supply chain will spend less time calculating unique, special KPIs for every customer. They will just do it once for every company and every minute and dollar they are not spending calculating a new version of a KPI, is a minute and dollar they can spend figuring out how to actually stop deforestation. Getting more aligned on the methodologies and more consistent on the reporting will not only make us more effective, it will also make things more efficient and it will make reporting easier.

**CGF: What are some challenges that Coalition members faced during this process?**

**KR:** One challenge is that we know not all Coalition members are going to be able to report all the KPIs right out of the gate. In a way, you could look at that as something to be critical of, but I would argue that it is actually evidence that our Theory of Change is in fact a new Theory of Change. If all of our Coalition members were already reporting all of the KPIs in our Roadmaps, then it would suggest that perhaps we do not actually have a new idea

here. As a result, the fact that we have some gaps in our reporting in the short term is actually a measure of an accomplishment of the ideas that we have developed here. The challenge of course will be to fill in those gaps as quickly as possible.

**JB:** We also have had to be conscious that a lot of organisations have not even been collecting this data to start with, so some companies are really starting from first principles. When you look at that, with our Coalition's commitments in terms of KPIs and the frequency of reporting, it might seem like a massive mountain to climb! That is why one of our other priorities is to show people the art of the possible and share best practices. Coalition members have been very generous in sharing their lessons learned and the trials and tribulations of collecting this data, and we want best practice in our industry to become common practice.

**CGF: What are you looking forward to as the Coalition progresses on its transparency objectives?**

**KR:** I am a big believer that the best way to improve the quality of data is to start using it. At the end of the day, what we need here is real, quantitative, impact-based assessments of what is going on and that is how we will know that we are succeeding.

**JB:** As I look forward and think about the Coalition and what it can achieve, the only thing I would say is you do not need to be a big global player to be part of a coalition. Actually, there is a really important role for all organisations, wherever you sit in the value chain, whatever your scale, whatever your geography, whatever your track record. The Forest Positive Coalition is really an "all together now" Coalition, and it does impact everyone. There are no value chains or value chain partners that somehow are not linked to our work, and we will all learn together. My message to other companies, stakeholders and supply chain partners would be to encourage you to join the coalition, even if you think you don't have a big role to play, because you do. We all do.



# Palm Oil

## How many companies are reporting on Palm Oil Roadmap KPIs?

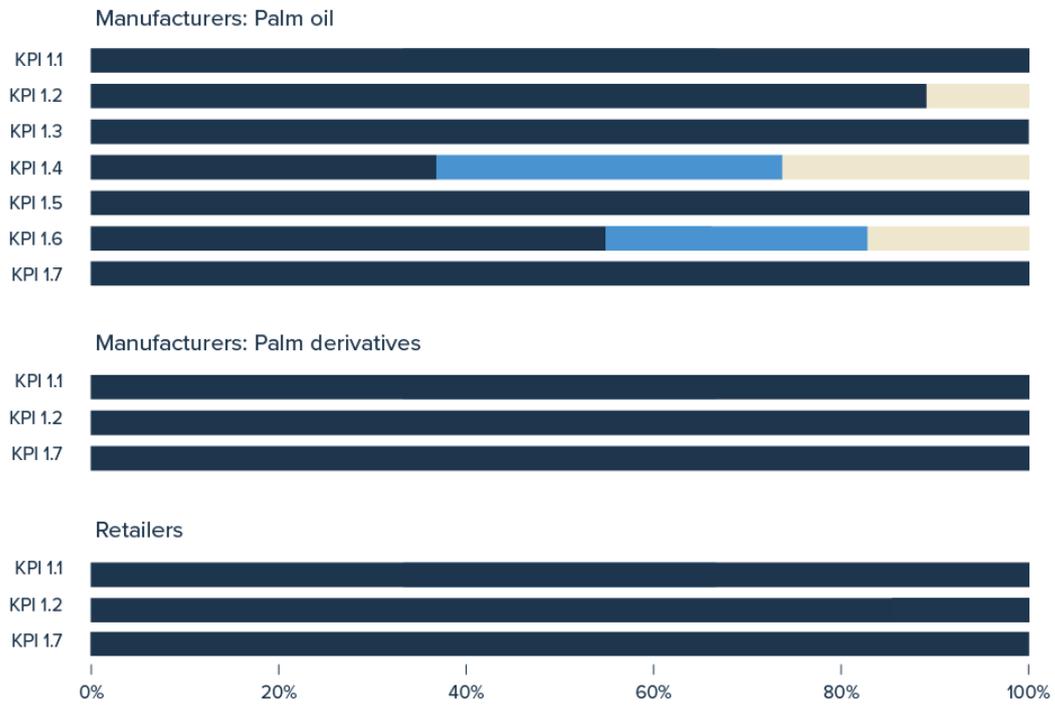
**As of August 2021, 11 manufacturer and seven retailer Coalition members consider palm oil a material commodity and are publicly reporting on some or all of the KPIs in the Palm Oil Roadmap. For six of these manufacturers, palm oil derivatives are also material and they are also publicly reporting on the KPIs for their palm oil derivatives supply chains. Palm oil and palm oil derivatives are not material commodities for two Coalition members.**

### What do these results mean?

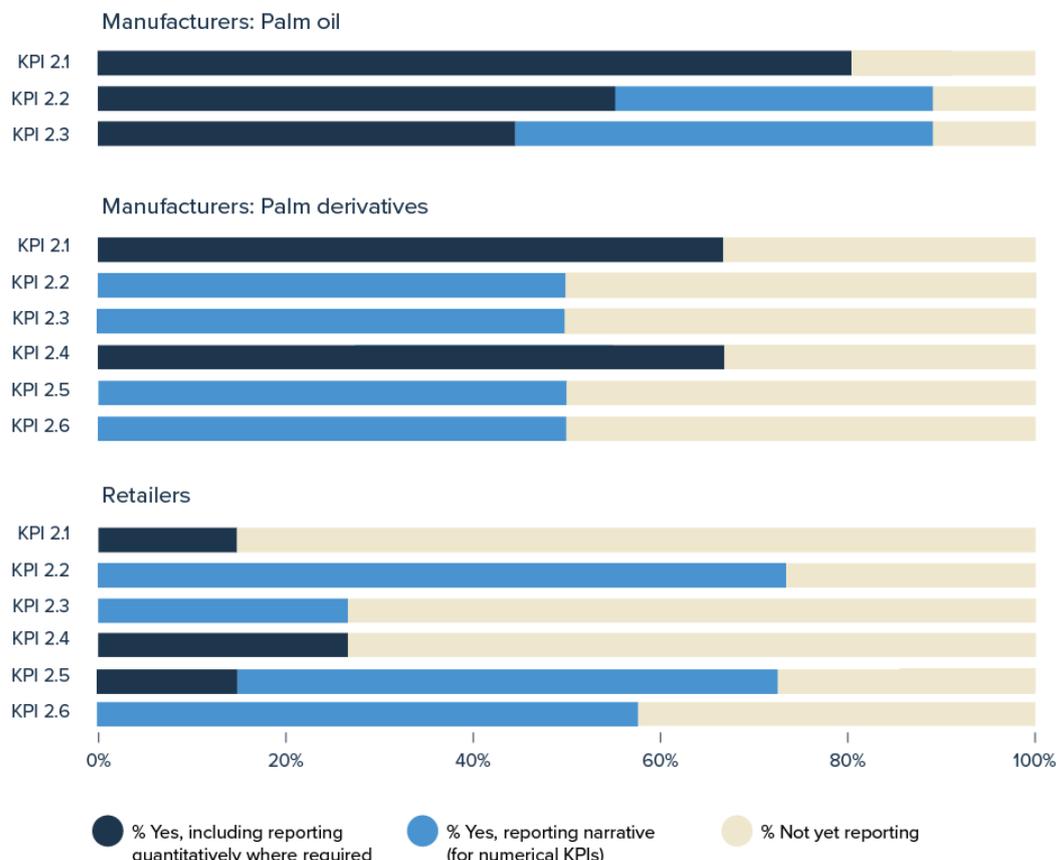
- Many Coalition members have already been reporting much of the information under Element 1 for many years. For example, all 18 companies reporting on palm oil have public policy commitments to sourcing forest positive or NDPE palm oil (KPI 1.1). Most companies also have time-bound action plans in place (KPI 1.2). Currently, 91% of manufacturers using palm oil have such plans, as do all of the manufacturers buying palm oil derivatives and all of the retailers.
- Many manufacturers have made progress in recent years engaging their direct palm oil suppliers and providing information on supply chain transparency, such as lists of their suppliers and the mills in their supply base. As a result, all manufacturers are publishing their mill lists (KPI 1.3) and most (82%) are also publishing their direct supplier list (KPI 2.1). One area where manufacturers can continue to improve is reporting on overall progress on achieving forest positive (or NDPE) compliance. Thirty-six percent are already reporting quantitatively the progress of their mills in becoming forest positive businesses (KPI 1.4).
- Manufacturers buying palm oil directly have high levels of traceability to mills and are making progress in reporting quantitatively on their traceability to FFB sources (KPIs 1.5 and 1.6). For retailers, because of the large number of products for their own supply chain, their reporting focus is on engaging with their Own Brand Manufacturers (OBMs, or direct suppliers) to work on traceability.
- Certification remains a tool for companies to evaluate their palm oil supply, with all 18 companies reporting on palm oil sharing information on the percentage of their supply which is physically certified (KPI 1.7).
- The progress of Coalition members reporting on their suppliers and traders' supply chains (under Element 2) demonstrates that there is still individual and collective improvement to be made around engaging upstream supply chain actors.
- Approximately 14% of retailers are publishing their list of own brand suppliers (KPI 2.1). Compared to manufacturers buying palm oil directly from traders and refiners (nearly all of which publish their direct supplier list), there is a clear gap.
- However, for all Coalition members, evaluating direct suppliers' performance across their business against the Forest Positive Asks remains more challenging (KPI 2.3). Almost half of the manufacturers buying palm oil (45%) are already reporting quantitatively on the performance of their direct suppliers. Building on this progress and sharing learning among member companies is a priority to increase the reporting on this impact KPI. The baseline shows that there is work to do particularly in engaging suppliers of palm derivatives and retailers' OBMs.
- In recent years, retailers (and complex palm derivatives users) have focused on engaging further upstream, directly with traders and refiners, both individually and collectively. Therefore, their KPIs also track their progress in engaging and measuring performance of upstream suppliers/traders. This information is particularly useful in guiding their engagement and expectations with their direct suppliers (OBMs for retailers) (KPIs 2.5 and 2.6).



**Graphic 1: Proportions of Companies Reporting on Palm Oil Roadmap Element 1 KPIs**

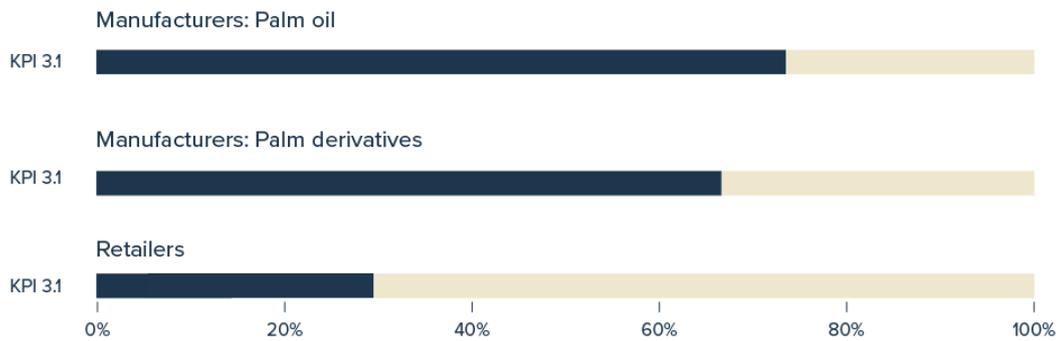


**Graphic 2: Proportions of Companies Reporting on Palm Oil Roadmap Element 2 KPIs**

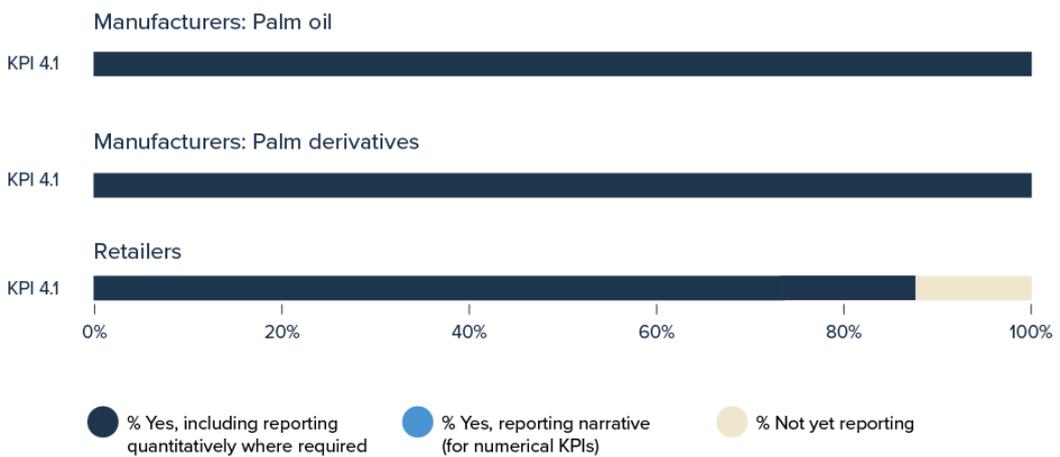


% Yes, including reporting quantitatively where required
  % Yes, reporting narrative (for numerical KPIs)
  % Not yet reporting

**Graphic 3: Proportions of Companies Reporting on Palm Oil Roadmap Element 3 KPIs**



**Graphic 4: Proportions of Companies Reporting on Palm Oil Roadmap Element 4 KPIs**



- Under Element 3, many manufacturers have grievance mechanisms in place and publicly available summaries (KPI 3.1). This is something new for many retailers and they aim to make progress through engagement with their suppliers, particularly their OBMs.
- Under Element 4, all manufacturers purchasing palm oil have summaries of their landscape initiatives engagement (KPI 4.1). Whereas this is something new for many retailers, given their distance in the supply chain from production landscapes, the majority (86%) already have public summaries of their engagement or plans to engage in landscape initiatives.

## How has the Palm Oil Working Group been advancing on its goals?

- We have agreed with the CGF Human Rights Coalition — Working to End Forced Labour to collaborate on the issue of human rights in the palm oil sector by integrating the topic of Indigenous Peoples and Local Communities’ rights into our Palm Oil Working Group and its Roadmap.
- Many retailers are at the start of their journey in engaging their OBMs systematically to help them achieve forest positive across their entire palm oil businesses. The Coalition has focused in the first half of 2021 on building an aligned approach that retailers will focus on implementing in the coming months, building on the progress that many manufacturers have made.
- To further advance on supplier engagement and building on the progress made in recent years, the Palm Oil Working Group is looking to collaborate with upstream suppliers (through the POCG) and with key initiatives and platforms to encourage increased alignment and efficiency in the supplier engagement process, including aligning on a standard supplier questionnaire with core requirements and questions.
- Members have developed the Minimum Requirements for their Deforestation Monitoring and Response Framework, through collaboration with monitoring providers and upstream suppliers. The Framework is currently in its pilot phase and we aim to finalise and publish it by the end of 2021. Members are therefore working to ensure that they have systems in place to begin implementation of the Response Framework in 2022. In parallel, we are working to develop quantitative KPIs under Element 3 of the Palm Oil Roadmap by the end of the year.
- Following the completion of our Principles of Collective Action and our Learning Portfolio of Landscape Programmes, we are also working to finalise our quantitative KPIs regarding landscape engagement under Element 4.

### AMBITIONS TO ACTIONS



P&G is committed to a forest positive responsible sourcing of palm from suppliers and via supply chains that protect ecosystems from conversion and deforestation, and respect human, labour and land tenure rights. P&G has a three-pillar approach which includes Responsible Sourcing, Compliance Monitoring, and Partnership & Force for Good. As part of P&G’s Compliance Monitoring pillar, P&G established a partnership with The Earthqualizer Foundation (EQ) in 2020. This partnership enables P&G to work with EQ’s Supplier Group Monitoring Program to proactively track its supply chain footprint and to ensure compliance with its Responsible Sourcing policies.

This means that P&G is able to monitor land banks for land use changes and, if there is proof of non-compliance with its policy, P&G can then take swift action to rectify any issues. The EQ process combines advanced satellite monitoring with in-depth plantation concession mapping knowledge. EQ experts also help identify potential emerging issues and make early stage interventions. EQ provides the expertise and insight to monitor our supplier groups at plantation level, as well as expert consultation on how to engage and tackle issues and grievances in a productive way for all stakeholders. For example, EQ monitors about 13 million hectares of landbank of P&G suppliers (an area bigger than Hong Kong), up to 462 supplier groups; 1,646 plantation units; and 1,263 mills. From April 2020-21, EQ detected potential non-compliance to P&G’s palm policy in 3,640 hectares (with 52 cases requiring further investigation), verified concerns in 15 cases related to deforestation, and opened investigations which are now subject to ongoing engagement with suppliers. P&G’s grievance tracker makes these cases available to the public.

Together, P&G and EQ can ensure that P&G meets its environmental sustainability goals and that P&G and its supply chain partners are living up to their forest positive commitments.



# Soy

## How many companies are reporting on the Soy Roadmap KPIs?

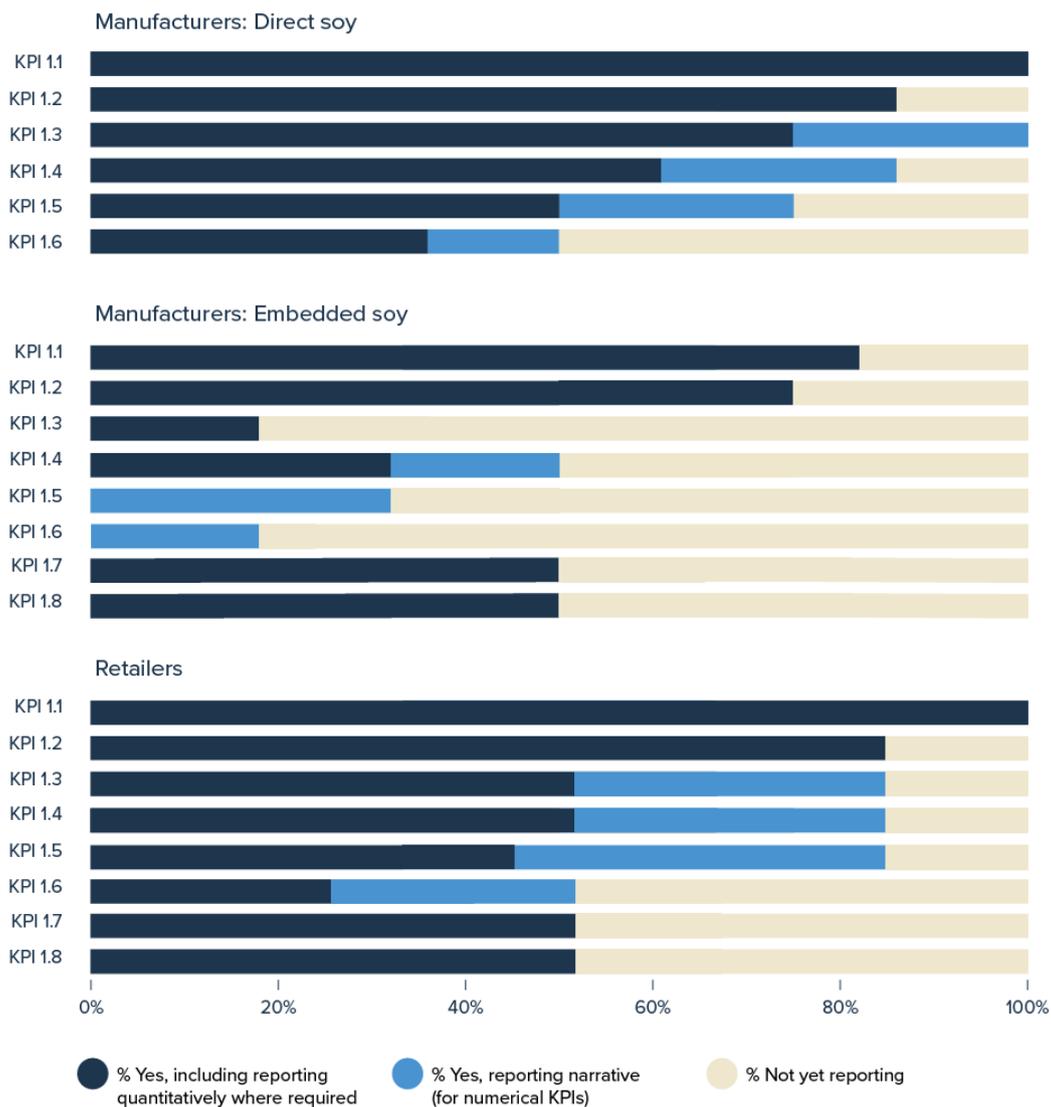
**As of August 2021, eight manufacturer and seven retailer Coalition members consider soy a material commodity and are publicly reporting on some or all of the KPIs in the Soy Roadmap. For two of these manufacturers, only direct soy is material. For the other six, both direct and embedded soy are material: five of these manufacturer members are already reporting on the KPIs for both their direct and embedded soy supply chains; and one manufacturer is currently reporting on direct soy and will start reporting on embedded soy in future reports. Soy is not a material commodity for five Coalition members.**

### What do these results mean?

- For Soy, members are currently reporting more on the system KPIs (e.g. policies, action plans, traceability, transparency of supply chains), compared to the impact KPIs (e.g. progress on ensuring soy is deforestation and conversion-free for high-risk origins, performance of suppliers and traders).
- A large proportion of soy is sourced as 'embedded soy' for retailers and some manufacturers, meaning the soy is not used in food products but rather used in feed mix for animal products. Here, companies must understand their own embedded soy use and supply chain; this means developing a knowledge of their soy footprint and key upstream actors. Over half of the Coalition members using embedded soy are now reporting their embedded soy footprint (KPIs 1.7 and 1.8), while working in parallel to further refine methodologies, seeking greater alignment. Given the complexity of soy supply chains which produce, transport, and process soy internationally, tracing embedded soy supply chains can be more difficult.
- All manufacturers buying direct soy and retailers have public commitments to sourcing forest positive soy; most have also published time-bound action plan summaries (KPIs 1.1 and 1.2).
- Many manufacturers sourcing both direct and embedded soy have been focused on making progress reporting on their direct soy supply in the past years, and are now starting to apply their learnings from direct soy to embedded soy. This is demonstrated by most manufacturers buying direct soy being able to report quantitatively on their source's origin (75%) and the proportion coming from high-risk/unknown origins (63%), while only 17% of manufacturers purchasing embedded soy can report quantitatively on its origins and 33% on the proportion from high-risk/unknown origins (KPIs 1.3 and 1.4).
- This is also illustrated by the progress made with reporting on the Element 2 KPIs. Half of the direct soy buyers are already publishing their direct supplier lists (KPI 2.1) and asks for suppliers and traders (KPI 2.2), and some are already reporting quantitatively on the suppliers engaged (KPI 2.3). Manufacturers sourcing embedded soy are not yet reporting on the KPIs under Element 2, which require high visibility of upstream supply chains (KPIs 2.2, 2.3, 2.5-2.7).
- Many retailers are at the start of their journey in engaging their OBMs systematically to achieve forest positive across their businesses (KPI 2.3). However, over half of the retailers are able to already identify the percentage of their soy source from known and high-risk/unknown sources (KPIs 1.3 and 1.4).
- Retailers are also advancing on reporting which upstream suppliers they are engaging with, with a focus on collective action (KPI 2.6). Similarly to palm oil, all companies have improvements to make in monitoring the impact and performance of their direct suppliers and upstream traders (KPIs 2.4 and 2.7).
- For both manufacturers purchasing direct and/or embedded soy, and retailers, reporting on the Element 1 impact KPIs — percentage of their soy supply that is deforestation- and conversion-free (DCF), and the progress of ensuring that the supply is DCF — can be challenging (KPIs 1.5 and 1.6). This can be attributed to the previously described complexities of the soy supply chain. Most manufacturers buying soy directly and retailers (75% and 86%, respectively) are already reporting either quantitatively or qualitatively



**Graphic 5: Proportions of Companies Reporting on Soy Roadmap Element 1 KPIs**



on the progress they are making to ensure soy is DCF (KPI 1.5). Aligning on methodologies for these KPIs is a priority.

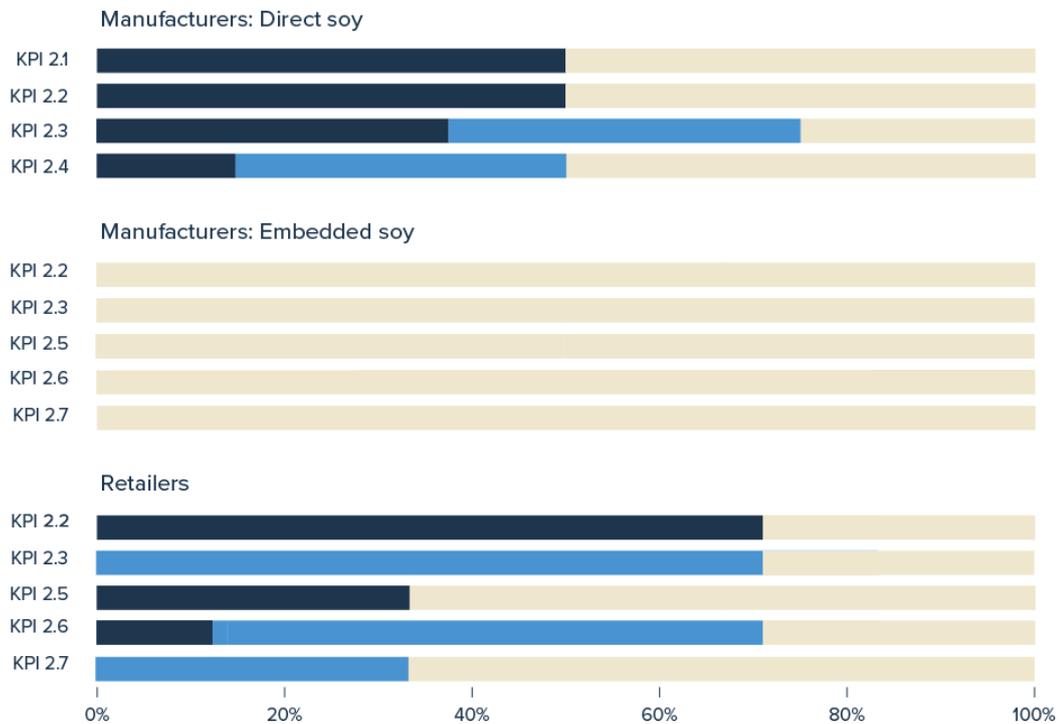
- Element 3 of the Soy Roadmap informs the other Elements and does not have KPIs. The Element 4 KPIs of the Roadmap on landscape engagement are still being finalised, though most companies are able to report on their landscape initiative engagement and/or plans to engage (KPI 4.1)

### How has the Soy Working Group been advancing on its goals?

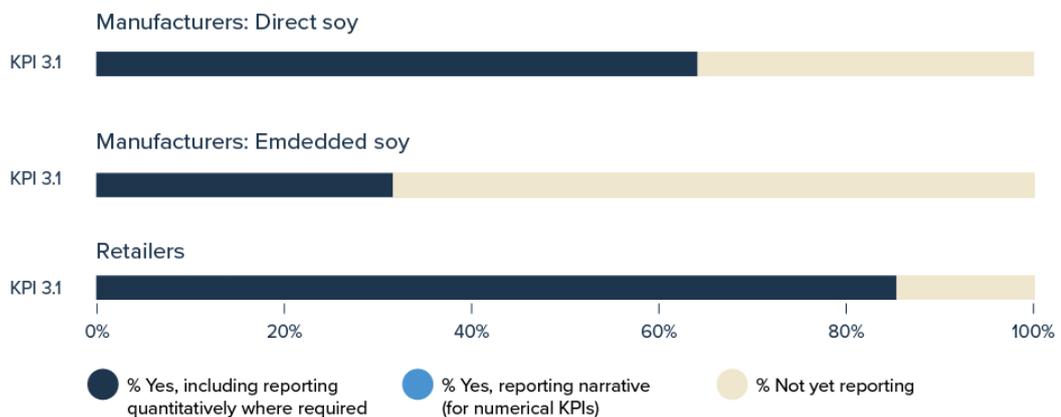
- The Soy Working Group is working on a new version of the CGF Sustainable Sourcing Guidelines for Soy, together with AFi. As part of this work, the Working Group aims to engage in ongoing conversations with other key stakeholders to align on the tools and methodologies that can be used to ascertain DCF compliance and make progress in high-risk areas.
- Many Coalition members are at the start of their journey in engaging their OBMs systematically to help them achieve forest positive across their entire soy businesses. The Coalition has focused in the first half of 2021 on building an aligned approach that members will focus on implementing in the coming months. This has involved consulting with upstream suppliers and key CSOs on the Forest Positive Asks, and ongoing engagement with the Soft Commodities Forum (SCF).

- With SCF, which brings together six major soy traders, the Coalition has held dialogues and hosted joint workshops focused on collectively identified key areas for collaboration: KPIs for transparent soy supply chains, guidance on for forest positive suppliers and traders, identification of high-risk origins for action in the Cerrado, and engagement in production landscapes. We expect to keep making progress through the ongoing collaboration in the coming months.
- The group carried out a consultation process of the Forest Positive Asks for suppliers and traders, which was helpful in checking feasibility and ambition level of the requirements to be considered a forest positive company, and also to better identify opportunities for the development of a shared vision towards forest positive soy supply chain.
- The Soy Working Group has been collaborating with the newly-formed Beef Working Group to engage in dialogue with the Brazilian government. Together they have also collectively engaged with actors in the forest positive movement in Brazil.
- The Working Group is also finalising quantitative KPIs under Element 4 of the Soy Roadmap.

**Graphic 6: Proportions of Companies Reporting on Soy Roadmap Element 2 KPIs**



**Graphic 7: Proportions of Companies Reporting on Soy Roadmap Element 4 KPIs**



## AMBITIONS TO ACTIONS



For international wholesale specialist METRO AG, working on supply chain sustainability topics starts with the creation of policies for these topics, lining out clear targets, KPIs and deadlines. METRO drafts these policies with the help of external experts and NGOs, and aligns and implements them internally. METRO first introduced its Soy Sourcing Policy in 2019, aiming for zero-net deforestation in its soy supply chains by 2025. In order to reach this target, METRO currently focuses on working with its private label (own brand) suppliers first, starting off by discussing with them METRO's set of commitments and targets, and how they can be part of the forest positive change in soy supply chains. METRO supports its suppliers on this opportunity by providing, for instance, a dedicated toolkit and a questionnaire on soy, animal welfare and social standards, to establish a baseline understanding of the current status, and to work together on actions to improve this status (e.g. by certification, supplier engagement, etc.). METRO's soy policy was first piloted with some of its country operations and several of their suppliers. After fine tuning the strategy, METRO shared the action plan for implementation of the Soy Policy with all of its country operations. To celebrate achievements and demonstrate best practices, METRO will also jointly communicate supply chain sustainability topics with its suppliers.

Collaboration is key, and that is why METRO puts great effort in working alongside other wholesalers and retailers, manufacturers, NGOs and many other stakeholders through the Forest Positive Coalition. Within the Coalition, METRO works together on pre-competitive actions around, for instance, supplier engagement, transparency, reporting and landscape initiatives in international soy supply chains, sharing the best practices, toolkits, and other valuable inputs that are created together here with its own suppliers to further speed up the process of making all of METRO's supply chains forest positive.



In 2014, Danone signed the New York Declaration on Forests, supporting the CGF's resolution to help achieve zero-net deforestation in key commodity supply chains. Danone remains committed to eliminating deforestation from its supply chain. Danone currently sources soybeans directly for its plant-based products in Europe and Canada (Alpro), and North America (Silk); from areas free from deforestation risks. In addition, Danone uses soy indirectly for cow feed, although soy represents less than 5 percent of feed rations used for dairy cows in Danone's supply chain. Danone's Soy Policy, introduced in 2014, aims to increase entire supply chain transparency by responsibly sourcing soy from areas free from deforestation risks and by promoting locally grown, protein-rich crops and alternatives to soy imports, which help farmers no longer rely on protein imports.

Through the Danone-led global alliance, Farming for Generations, Danone has been working hand-in-hand with partners and farmers to do just this by implementing and upscaling regenerative agriculture best practices. For example, on pilot farms in Romania and Spain, Danone has entirely removed the need for imported soy. In Romania, Danone has developed a local, deforestation-free and non-GMO soy source by selecting suitable soy varieties and rotation plans. The farms then collectively purchased and used an extruder to process the soy after harvest. In both Romania and Spain, Danone reformulated cow diets with nutritionists by introducing alternative protein sources like rapeseed or sunflower cakes. Danone carefully monitored cow performance and adapted the diet when needed. On all farms, these actions resulted in increased feed autonomy and replaced imported soy and reduced milk production costs. Moreover, the farms' carbon footprints were also reduced. These practices can be replicated on all farms with sufficient land and water access and through close diet monitoring. Danone will continue to work to eliminate deforestation linked to soy by sourcing locally and upskilling its farmers on regenerative agriculture practices.



## Paper, Pulp and Fibre-based Packaging (PPP)

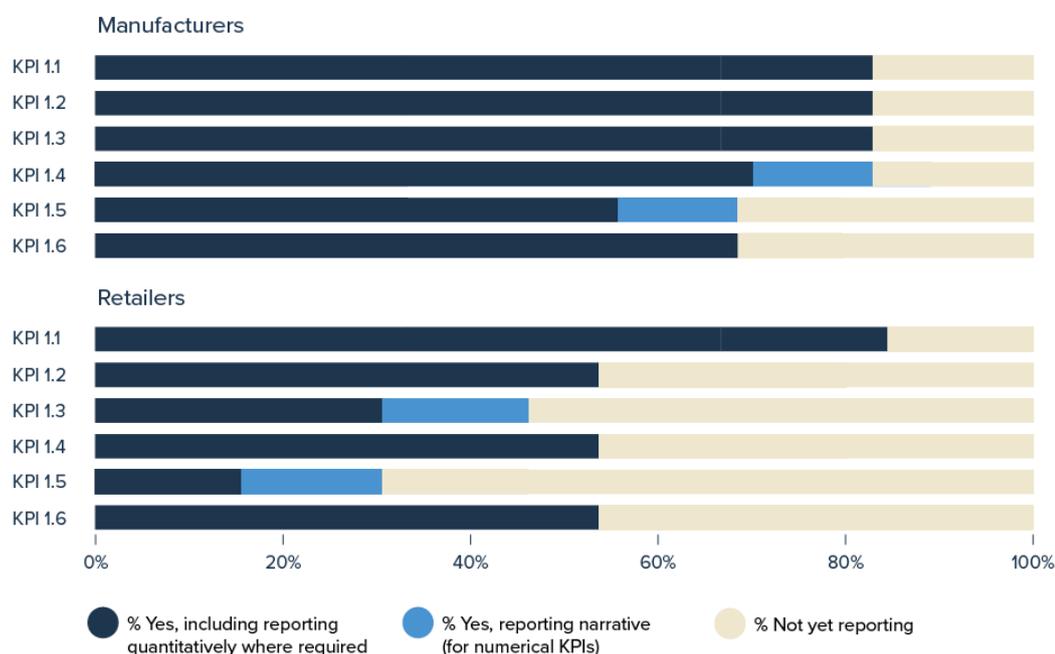
### How many companies are reporting on the PPP Roadmap KPIs?

As of August 2021, 10 manufacturer and six retailer Coalition members consider paper, pulp and fibre-based packaging (PPP) a material commodity and are publicly reporting on some or all of the KPIs in the PPP Roadmap. Two manufacturers and one retailer are not yet reporting on the commodity but will start reporting in future reports. PPP is not a material commodity for one Coalition member.

### What do these results mean?

- The initial focus of the Coalition's work on PPP is on fibre-based packaging. Therefore, the expectation is that companies' reporting on the PPP Roadmap KPIs includes fibre-based packaging, though some companies are reporting across all their pulp, paper and fibre-based packaging sourcing/products. The scope of our collective work will later expand to all paper, pulp and fibre-based products.
- For this publication, members have not provided their reports for the Roadmap KPIs under Element 2 as the PPP Working Group is still working to develop an aligned approach to supplier engagement.
- Over 80% of companies have policies in place to guide forest positive sourcing of PPP, and most have also published summaries of their action plans for implementation (KPIs 1.1 and 1.2)
- Most companies (75% of manufacturers and 57% of retailers) are already reporting quantitatively on certification (KPI 1.4), an important tool in the sustainable management of forests. Most manufacturers (83%) are also reporting quantitatively on the use of recycled fibres, which has been more challenging for retailers, with 29% reporting quantitatively (KPI 1.3).
- The main gap in reporting is understanding the proportion of supply from high-risk sources (KPIs 1.5). The majority of companies (67% of manufacturers and 57% of retailers) are already reporting narrative on the actions they are taking for supply from high-risk sources (KPI 1.6), and over half of the manufacturers are already reporting quantitatively on the proportion from high-risk sources (KPI 1.5).

**Graphic 8: Proportions of Companies Reporting on PPP Roadmap Element 1 KPIs**



## AMBITIONS TO ACTIONS



As a leading global hygiene and health company offering everyday essentials such as toilet paper, paper towels, baby diapers, menstrual pads and incontinence products, Essity is a major buyer of fresh wood-based fibre. The company sets high targets for sourcing fibre and has been recognised for its responsible purchasing of wood-based fibre and for tackling deforestation.

Essity's ambition is for all purchased fresh wood-based fibre pulp to be certified and to promote increased certification down the supply chain. To reduce its environmental footprint and contribute to biodiversity, Essity employs several comprehensive measures to source only FSC- or PEFC-certified wood fibre. In 2020, the company achieved certification for 95% of its fresh wood fibre pulp supply. By actively placing high demands on its suppliers for certified products and by supporting and influencing more suppliers and small forest owners to become certified, Essity is driving demand for forest positive, certified fibre. Essity also works to reduce the amount of fibre used in its products by creating more from less. Furthermore, the company uses recycled fibre and alternative materials such as wheat straw to reduce its impact on the world's forests.

As one of the world's biggest hygiene and health companies, Essity has the size, scale and reach to influence others and to inspire collective action. The Forest Positive Coalition is an excellent example where peers and stakeholders meet and collaborate to promote responsible forestry practices of the future. Together, we increase transparency and accountability, which is crucial for driving progress.

Essity's products improve well-being for millions of people around the world, contributing to raising hygiene standards, while reducing its environmental impact.

## Jerónimo Martins

Jerónimo Martins works with its private brand and perishables suppliers to map the use of recycled fibres, the origin of virgin paper fibres, and sustainability certification in place, both for its products and its packaging. This engagement is done, at least, on an annual basis. Suppliers are continuously encouraged to increase their level of traceability for virgin fibres: i) to regional and/or municipality level, for all non-certified (e.g. FSC or PEFC) timber products and packaging produced in CGF's list of risk countries<sup>[1]</sup>, and ii) at a national level for the remaining origins.

In 2020, 0.6 percent of the virgin fibres present in Jerónimo Martins' products were sourced from countries with deforestation risks, meaning that 99.4 percent of all virgin fibres were from countries without deforestation risks. Of the 0.6 percent, over 98 percent hold FSC or PEFC certification. Regarding packaging, about 70 percent of the fibres in Jerónimo Martins products were recycled and less than 2 percent of virgin fibres were sourced from countries at risk of deforestation, of which more than 92 percent have FSC or PEFC certification. Jerónimo Martins' experience demonstrates that tracing virgin fibres used in packaging is more challenging than those used in our private brand products, mostly because supply chains are shorter in these cases.

To tackle deforestation in its supply chains and contribute to the vision of the Forest Positive Coalition of Action, Jerónimo Martins has set a new goal to ensure 100 percent certification (e.g. FSC or PEFC) of virgin fibres until 2030, while promoting, whenever possible, the incorporation of recycled fibres in its products and products' packaging. Meanwhile, the goal is to reach 80 percent and 70 percent certification by 2023, respectively.

## How has the PPP Working Group been advancing on its goals?

- The Working Group is focused on updating the PPP Sourcing Guidelines with guidance on implementation across the five elements of the Roadmap, and planning to engage stakeholders as part of the process
- The Working Group is also working to further define the approach to engage priority suppliers. The first priority is to identify suppliers/groups for individual and collective engagement, and to define a strategy for implementation, building on members' experience and inputs from key stakeholders.
- As the group makes progress, we will refine the Element 2 KPIs for individual companies to start reporting on their engagement with suppliers in 2022.
- The main gap in reporting is the proportion of supply from high-risk sources. The Working Group is working collectively to align on a definition of high-risk sources.
- As per our Roadmap, one of our priorities for collective action is to engage with the certification schemes (e.g. FSC and PEFC) on specific topics identified in Element 1 of the Roadmap. In recent months, we have initiated engagement on the provision of information on transparency to country of origin for virgin fibre and certified products sourced, and how we can make progress.
- As per the Palm Oil and Soy Working Groups, we are working to finalise our quantitative KPIs regarding landscape engagement to be included in the Roadmap under Element 4 by the end of the year.



## Beef

### How has the Beef Working Group been advancing on its goals?

- We are working to finalise our Beef Roadmap and will publish it by the end of 2021.
- We are working to finalise our Forest Positive Asks for Beef (directed towards meatpackers in Brazil) and we will share it with external stakeholders for comments by September of 2021.
- Our Beef Working Group has benchmarked best practices in the Brazilian beef sector by collectively engaging with 20 meatpacking companies which together operate and source from more than 100 meatpacking plants in the Amazon and Cerrado biomes.
- To build on this assessment and continue to engage with other stakeholders, the Beef Working Group started a 'Learning Journey' webinar series in June 2021 to raise awareness across CGF members and meatpackers around the main issues, solutions and remaining gaps for a forest positive future in the beef sector. The Learning Journey has been developed in partnership with the Global Environment Facility (GEF)-funded Beef Toolkit programme.
- We wish to give more visibility to the Beef Working Group and invite other consumer goods companies exposed to cattle products (including leather, fat and other products) to join it. Interested CGF members can reach out to [forestpositive@theconsumergoodsforum.com](mailto:forestpositive@theconsumergoodsforum.com) for more information.

## AMBITIONS TO ACTIONS

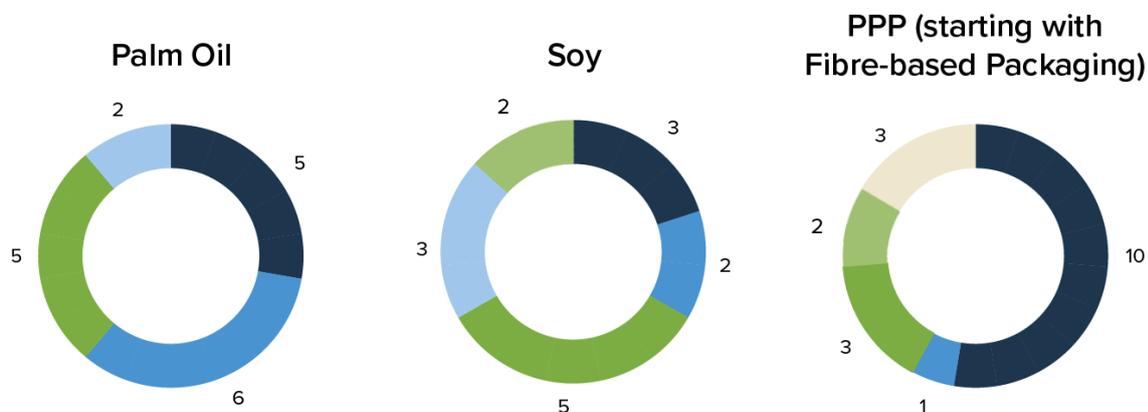


Tesco has been working towards a sustainable solution for soy grown in the Cerrado for a number of years. The aim of Tesco's work is both to align buy side demand for deforestation and conversion free soy and to support the farmers who are growing the soy so that they have an alternative to clearing land. Working with other retailers, consumer goods companies and food service companies allows us to coordinate and magnify messages to the soy sector that deforestation and conversion free soy is now a baseline requirement. At the same time we are investing in and developing the Cerrado Endowment Fund, a Forest Positive Coalition Landscape initiative which will provide a sustained stream of financial support to those soy farmers who agree and demonstrate commitment to zero deforestation. In this way we aim to create a clear, widespread market demand for deforestation and conversion free soy and bring on stream the verified sourcing areas at the scale needed to supply this demand by 2025.



## Summary

How many of the Roadmap KPIs are Coalition members already reporting against publicly?



- Coalition members reporting on >90% of Roadmap KPIs/requirements
- Coalition members reporting on 75-89% of Roadmap KPIs/requirements
- Coalition members reporting on 50-74% of Roadmap KPIs/requirements
- Coalition members reporting on 25-49% of Roadmap KPIs/requirements
- Coalition members reporting on <25% of Roadmap KPIs/requirements
- Coalition members not yet reporting on the Roadmap KPIs/requirements

# Graphic 9. Palm Oil and Palm Oil Derivatives

Click on each circle to access Coalition members' reports containing information for each KPI\*

	Asia Pulp and Paper	Carrefour	Colgate-Palmolive	Danone	Essity	General Mills	Grupo Bimbo	Jeronimo Martins	Mars, Incorporated	METRO AG	Mondelēz International	Nestlé	PepsiCo	Procter & Gamble	Reckitt	Sainsbury's	Sodexo	Tesco	Unilever	Walmart	
<b>Element 1: Own Supply Chain</b>																					
<b>For Manufacturers Buying Palm Oil</b>																					
1.1 Policy commitments to the forest positive (or NDPE) goals			●	●		●	●		●		●	●	●	●	●				●		11/11
1.2 Timebound action plan summary			●	●		○	●		●		●	●	●	●	●				●		10/11
1.3 Mill list using the conventions of the Universal Mill List to make group links			●	●		●	●		●		●	●	●	●	●				●	●	11/11
1.4 Progress of mills toward forest positive (or NDPE)			●	●		●	○		●		○	●	●	○	●				●		8/11
1.5 Percentage traceable to mill			●	●	●	●	●		●		●	●	●	●	●				●		11/11
1.6 Percentage traceable to FFB sources			●	●	●	○	●		●		●	●	●	○	●				●		9/11
1.7 Percentage physically certified (MB/SG)			●	●	●	●	●		●		●	●	●	●	●				●		11/11
<b>For Manufacturers Using Palm Derivatives</b>																					
1.1 Policy commitments to the forest positive (or NDPE) goals			●	●							●			●	●				●		6/6
1.2 Timebound action plan summary			●	●							●			●	●				●		6/6
1.7 Percentage physically certified (MB/SG)			●	●	●						●			●	●				●		6/6
<b>For Retailers</b>																					
1.1 Policy commitments to the forest positive (or NDPE) goals		●						●		●						●	●	●	●		7/7
1.2 Timebound action plan summary		●						●		●						●	●	●	●		7/7
1.7 Percentage physically certified (MB/SG)		●						●		●						●	●	●	●		7/7
<b>Element 2: Suppliers and Traders</b>																					
<b>For Manufacturers Buying Palm Oil</b>																					
2.1 Direct supplier list			●	●	●	●	○		●		●	●	●	●	○				●	●	9/11
2.2 Percentage of direct suppliers engaged and informed of the 'Forest Positive Suppliers Commitment' and Forest Positive Asks			●	●		●	●		●		●	●	●	○	●				●		10/11
2.3 Performance of direct suppliers against the elements of the Forest Positive Asks and changes over time including progress on delivery across entire palm oil business			●	●		●	●		●		●	●	●	○	●				●		10/11

\*Coalition members are all at different stages of the transparency journey and are using different methodologies. This table is to be used for reference purposes only and not meant to compare any companies.



● Click for data (quantitative where necessary)

● Click for data (qualitative)

○ Data not available yet

# Graphic 9a. Palm Oil and Palm Oil Derivatives, cont.

Click on each circle to access Coalition members' reports containing information for each KPI\*

Asia Pulp and Paper   Carrefour   Colgate-Palmolive   Danone   Essity   General Mills   Grupo Bimbo   Jeronimo Martins   Mars, Incorporated   METRO AG   Mondelēz International   Nestlé   PepsiCo   Procter & Gamble   Reckitt   Sainsbury's   Sodexo   Tesco   Unilever   Walmart

Element 2: Supplier and Trader Engagement (cont.)																						
For Manufacturers Using Palm Derivatives																						
2.1 Direct supplier list			○	●●								●						●	○	●●	4/6	
2.2 Percentage of direct suppliers engaged and informed of the 'Forest Positive Suppliers Commitment' and Forest Positive Asks			○	●								○						○	●	●	3/6	
2.3 Performance of direct suppliers against the elements of the Forest Positive Asks and changes over time including progress on delivery across entire palm oil business			○	●●								○						○	●	●	3/6	
2.4 List of identified major upstream suppliers/ traders prioritised			○	●								●						●	○	●	4/6	
2.5 Upstream suppliers/ traders prioritised, engaged (directly or via a collective approach) and informed of the Forest Positive Asks			○	●●								○						○	●	●	3/6	
2.6 Performance of upstream suppliers/traders against the elements of the Forest Positive Asks and changes over time including progress on delivery across entire palm oil business			○	●●								○						○	●	●	3/6	
For Retailers																						
2.1 Direct supplier list		●									○		○					○	○	○	○	1/7
2.2 Percentage of direct suppliers engaged and informed of the 'Forest Positive Suppliers Commitment' and Forest Positive Asks		●									○		○					○	○	○	○	5/7
2.3 Performance of direct suppliers against the elements of the Forest Positive Asks and changes over time including progress on delivery across entire palm oil business		●									○		○					○	○	○	○	2/7
2.4 List of identified major upstream suppliers/ traders prioritised		○									○		○					●	○	●	○	2/7
2.5 Upstream suppliers/ traders prioritised, engaged (directly or via a collective approach) and informed of the Forest Positive Asks		●									○		○					○	○	●	○	5/7

\*Coalition members are all at different stages of the transparency journey and are using different methodologies. This table is to be used for reference purposes only and not meant to compare any companies.

Material commodity

● Click for data (quantitative where necessary)

● Click for data (qualitative)

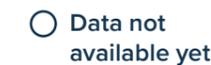
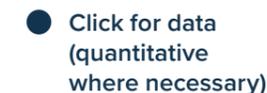
○ Data not available yet

# Graphic 9b. Palm Oil and Palm Oil Derivatives, cont.

Click on each circle to access Coalition members' reports containing information for each KPI\*

	Asia Pulp and Paper	Carrefour	Colgate-Palmolive	Danone	Essity	General Mills	Grupo Bimbo	Jeronimo Martins	Mars, Incorporated	METRO AG	Mondelēz International	Nestlé	PepsiCo	Procter & Gamble	Reckitt	Sainsbury's	Sodexo	Tesco	Unilever	Walmart	
<b>Element 2: Suppliers and Traders (cont.)</b>																					
<b>For Retailers (cont.)</b>																					
2.6 Performance of upstream suppliers/traders against the elements of the Forest Positive Asks and changes over time including progress on delivery across entire palm oil business		●					○		●							●	○	●		○	4/7
<b>Element 3: Monitoring and Response</b>																					
<b>For Manufacturers Buying Palm Oil</b>																					
3.1 Summary of grievance mechanism			○	●		●	○		●●●		●	●	●	●	○				●●		8/11
<b>For Manufacturers Using Palm Derivatives</b>																					
3.1 Summary of grievance mechanism			○	●						●			●	○					●●		4/6
<b>For Retailers</b>																					
3.1 Summary of grievance mechanism		○					●		○						○	○	●		○		2/7
<b>Element 4: Landscape Engagement</b>																					
<b>For Manufacturers Buying Palm Oil</b>																					
4.1 Summary of landscape initiative engagement			●	●		●●	●		●		●	●	●	●	●				●		11/11
<b>For Manufacturers Using Palm Derivatives</b>																					
4.1 Summary of landscape initiative engagement			●	●						●			●	●					●		6/6
<b>For Retailers</b>																					
4.1 Summary of landscape initiative engagement		●					●		●							●	○	●		●	6/7

\*Coalition members are all at different stages of the transparency journey and are using different methodologies. This table is to be used for reference purposes only and not meant to compare any companies.



# Graphic 10. Soy (Direct and Embedded)

Click on each circle to access Coalition members' reports containing information for each KPI\*

	Asia Pulp and Paper	Carrefour	Colgate-Palmolive	Danone	Essity	General Mills	Grupo Bimbo	Jeronimo Martins	Mars, Incorporated	METRO AG	Mondelēz International	Nestlé	PepsiCo	Procter & Gamble	Reckitt	Sainsbury's	Sodexo	Tesco	Unilever	Walmart		
<b>Element 1: Own Supply Chain</b>																						
<b>For Manufacturers Buying Direct Soy</b>																						
1.1 Policy commitments to the forest positive goals			●	●			●		●			●	●		●				●			8/8
1.2 Timebound action plan summary			●	●			●		●			●	●		○				●			7/8
1.3 Percentage with known origin			●	●			●		●			●	●		●				●			8/8
1.4 Percentage from high-risk origins or unknown origins			●	●			●		●			●	●		○				●			7/8
1.5 Progress on ensuring soy is deforestation- and conversion-free for high-risk origins			●	●			○		●			●	●		○				●			6/8
1.6 Percentage DCF supply from high-risk areas			○	●			○		●			●	○		○				●			4/8
<b>For Manufacturers Using Embedded Soy</b>																						
1.1 Policy commitments to the forest positive goals			●	●				●			●			●●					○			5/5
1.2 Timebound action plan summary			○	●				○			●			○					○			2/5
1.3 Percentage with known origin			○	●				○			○			○					○			1/5
1.4 Percentage from high-risk origins or unknown origins			○	●				●			●			○					○			3/5
1.5 Progress on ensuring soy is deforestation- and conversion-free for high-risk origins			○	●				○			●			○					○			2/5
1.6 Percentage DCF supply from high-risk areas			○	●				○			○			○					○			1/5
1.7 Soy footprint across all product categories			●	●				●			○			○					○			3/5
1.8 Methodology for soy footprint calculation			●	●				●			○			○					○			3/5
<b>For Retailers</b>																						
1.1 Policy commitments to the forest positive goals		●					●		●						●	●	●		●			7/7
1.2 Timebound action plan summary		●					●		●						●	○	●		●			6/7
1.3 Percentage with known origin		●					●		●						●	○	●		●			6/7
1.4 Percentage from high-risk origins or unknown origins		●					●		●						●	○	●		●			6/7
1.5 Progress on ensuring soy is deforestation- and conversion-free for high-risk origins		●					●		●						●	○	●		●			6/7
1.6 Percentage DCF supply from high-risk areas		●					○		●						●	○	●		○			4/7

\*Coalition members are all at different stages of the transparency journey and are using different methodologies. This table is to be used for reference purposes only and not meant to compare any companies.

Material commodity

● Click for data (quantitative where necessary)

● Click for data (qualitative)

○ Data not available yet

# Graphic 10a. Soy (Direct and Embedded, cont.)

Click on each circle to access Coalition members' reports containing information for each KPI\*

	Asia Pulp and Paper	Carrefour	Colgate-Palmolive	Danone	Essity	General Mills	Grupo Bimbo	Jeronimo Martins	Mars, Incorporated	METRO AG	Mondelēz International	Nestlé	PepsiCo	Procter & Gamble	Reckitt	Sainsbury's	Sodexo	Tesco	Unilever	Walmart	
<b>Element 1 (Own Supply Chain, cont.)</b>																					
<b>For Retailers (cont.)</b>																					
1.7 Soy footprint across all product categories		●					●		○							●	○	●		○	4/7
1.8 Methodology for soy footprint calculation		●					●		○							●	○	●		○	4/7
<b>Element 2: Suppliers and Traders</b>																					
<b>For Manufacturers Buying Direct Soy</b>																					
2.1 Direct supplier list			○	○			○	●			●	●		○					●		4/8
2.2 Summary of the Forest Positive Asks for suppliers and traders			●	○			●	●			○	○		○					●		4/8
2.3 Percentage of Tier 1 suppliers to whom the Forest Positive Ask and its implementation have been communicated			●	○			●	●			●	●		○					●		6/8
2.4 Performance of Tier 1 suppliers against the elements of the Forest Positive Asks, including progress on delivery across entire soy business			○	○			●	○			●	●		○					●		4/8
<b>For Manufacturers Buying Embedded Soy</b>																					
2.2 Summary of the Forest Positive Asks for suppliers and traders			○	○				○			○			○					○		0/5
2.3 Percentage of Tier 1 suppliers to whom the Forest Positive Ask and its implementation have been communicated			○	○				○			○			○					○		0/5
2.5 List of identified major upstream suppliers			○	○				○			○			○					○		0/5
2.6 Upstream suppliers/traders sourcing from high-risk origins that have been engaged (directly or via collective approach) and are being evaluated			○	○				○			○			○					○		0/5
2.7 Performance of upstream suppliers/traders against the elements of the Forest Positive Asks including progress on delivery across entire soy business			○	○				○			○			○					○		0/5

\*Coalition members are all at different stages of the transparency journey and are using different methodologies. This table is to be used for reference purposes only and not meant to compare any companies.

Material commodity

● Click for data (quantitative where necessary)

● Click for data (qualitative)

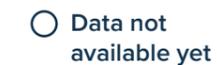
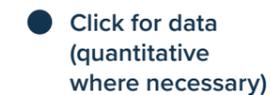
○ Data not available yet

# Graphic 10b. Soy (Direct and Embedded, cont.)

Click on each circle to access Coalition members' reports containing information for each KPI\*

	Asia Pulp and Paper	Carrefour	Colgate-Palmolive	Danone	Essity	General Mills	Grupo Bimbo	Jeronimo Martins	Mars, Incorporated	METRO AG	Mondelēz International	Nestlé	PepsiCo	Procter & Gamble	Reckitt	Sainsbury's	Sodexo	Tesco	Unilever	Walmart	
<b>Element 2: Suppliers and Traders (cont.)</b>																					
<b>For Retailers</b>																					
2.2 Summary of the Forest Positive Asks for suppliers and traders		●					●		●							●	○	●		○	5/7
2.3 Percentage of Tier 1 suppliers to whom the Forest Positive Ask and its implementation have been communicated		●					●		●							●	○	●		○	5/7
2.5 List of identified major upstream suppliers		●					○		○							○	○	●		○	2/7
2.6 Upstream suppliers/traders sourcing from high-risk origins that have been engaged (directly or via collective approach) and are being evaluated		●					●		●							●	○	●		○	5/7
2.7 Performance of upstream suppliers/traders against the elements of the Forest Positive Asks including progress on delivery across entire soy business		●					○		○							●	○	○		○	2/7
<b>Element 4: Production Landscapes</b>																					
<b>For Manufacturers Buying Direct Soy</b>																					
4.1 Summary of landscape initiative engagement			○	○		●		●			●	●		○					●		5/8
<b>For Manufacturers Using Embedded Soy</b>																					
4.1 Summary of landscape initiative engagement			○	●				○			●			○					○		2/5
<b>For Retailers</b>																					
4.1 Summary of landscape initiative engagement		●					●		●						●	○	●		●		6/7

\*Coalition members are all at different stages of the transparency journey and are using different methodologies. This table is to be used for reference purposes only and not meant to compare any companies.



# Graphic 11. PPP (Starting with Fibre-based Packaging)

Click on each circle to access Coalition members' reports containing information for each KPI\*

	Asia Pulp and Paper	Carrefour	Colgate-Palmolive	Danone	Essity	General Mills	Grupo Bimbo	Jeronimo Martins	Mars, Incorporated	METRO AG	Mondelēz International	Nestlé	PepsiCo	Procter & Gamble	Reckitt	Sainsbury's	Sodexo	Tesco	Unilever	Walmart		
<b>Element 1: Own Supply Chain</b>																						
<b>For Manufacturers</b>																						
1.1 PPP Sourcing Policy including commitment to the Forest Positive goals Policy commitments to the forest positive (NDPE) goals	●●		●	●	●	○			●		○	●	●	●●	●●				●			10/12
1.2 Timebound action plan summary	●		●	●	●	○			●		○	●	●	●●	●				●			10/12
1.3 % recycled, % virgin fibre	●		●	●	●	○			●		○	●	●	●●	●				●			10/12
1.4 % of virgin supply certified, and % per scheme and chain of custody model	●		●	●	●	○			●		○	●	●	●●	●				●			10/12
1.5 % of supply from high risk sources	○		●	●	●	○			●		○	●	●	●●	○				●			8/12
1.6. Actions being taken for supply from high risk sources	○		●	●	●	○			●		○	●	●	●●	○				●			8/12
<b>For Retailers</b>																						
1.1 PPP Sourcing Policy including commitment to the Forest Positive goals Policy commitments to the forest positive (NDPE) goals		●					●		●●							○	●	●		●		6/7
1.2 Timebound action plan summary		●					●		●●							○	○	○		●		4/7
1.3 % recycled, % virgin fibre		○					●		●●							○	○	○		●		4/7
1.4 % of virgin supply certified, and % per scheme and chain of custody model		●					●		●●							○	○	○		●		4/7
1.5 % of supply from high risk sources		○					●		●●							○	○	○		○		2/7
1.6. Actions being taken for supply from high risk sources		●					●		●●							○	○	○		●		4/7

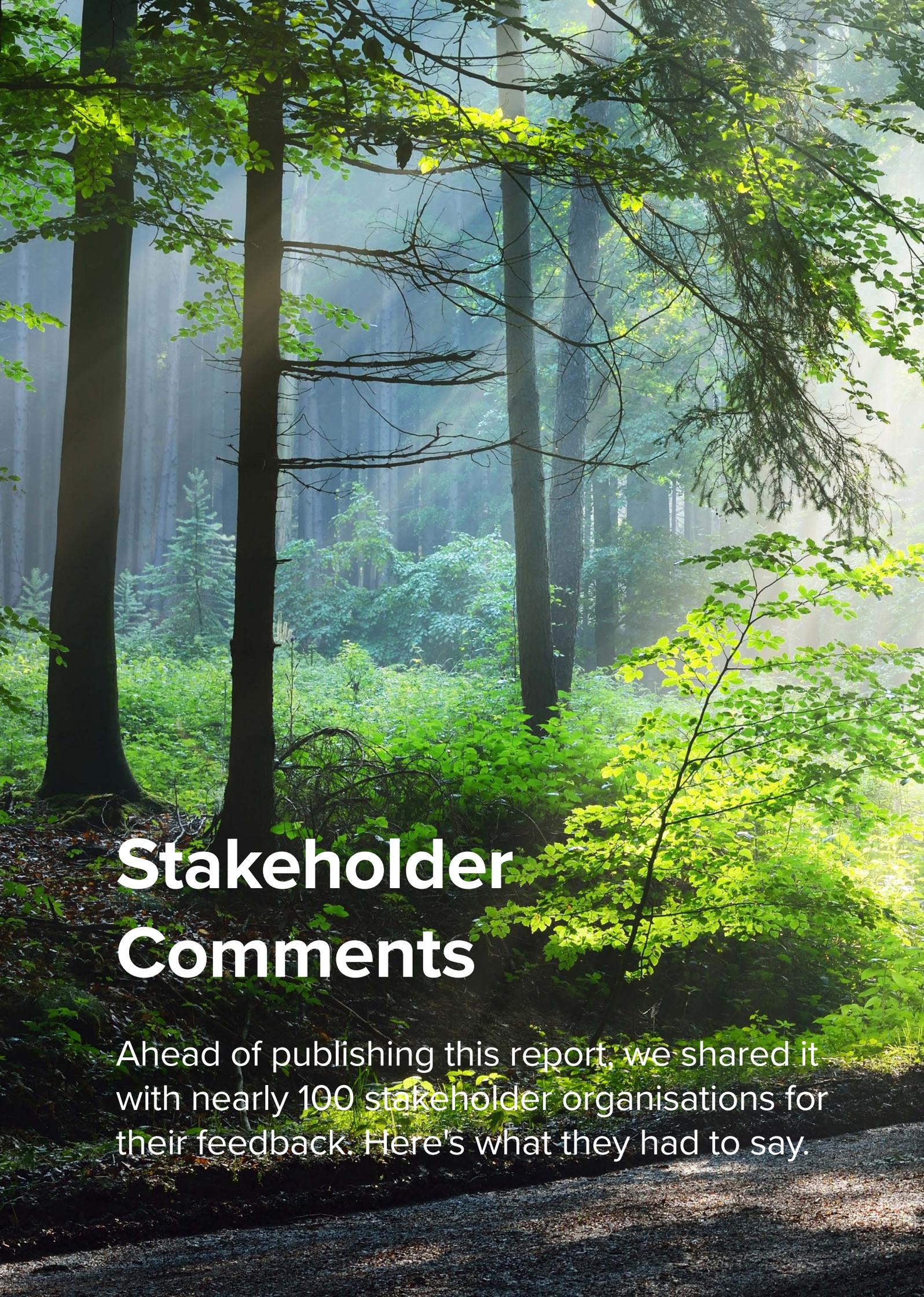
\*Coalition members are all at different stages of the transparency journey and are using different methodologies. This table is to be used for reference purposes only and not meant to compare any companies.

Material commodity

● Click for data (quantitative where necessary)

● Click for data (qualitative)

○ Data not available yet

A misty forest scene with tall trees and sunlight filtering through the canopy. The image shows a dense forest with tall, slender trees and a thick layer of green undergrowth. Sunlight filters through the trees, creating a soft, hazy atmosphere. The text is overlaid on the lower portion of the image.

# Stakeholder Comments

Ahead of publishing this report, we shared it with nearly 100 stakeholder organisations for their feedback. Here's what they had to say.



# Stakeholder Comments

## Accountability Framework initiative (AFi)

The asks made by the Forest Positive Coalition's commodity roadmaps are well aligned with the Accountability Framework and with best practice on the topics covered. Especially valuable is the roadmaps' focus on ensuring that suppliers adopt Forest Positive commitments across their entire business (Element 2), and on management and monitoring of both direct and indirect suppliers. This focus will be essential for mainstreaming deforestation- and conversion-free (DCF) production and trade.

The Accountability Framework initiative (AFi) is eager to see further development of Element 5 on transparency and accountability. We recommend that this work emphasize standardization of metrics and methods; alignment with the AFi's Common Methodology; use of, or interoperability with, Framework-aligned reporting standards such as GRI and CDP; and efforts to push common disclosure expectations upstream to suppliers. By aggregating standardized data from its members, the CGF can play a valuable role in strengthening market signals for DCF commodities.

Indicators and progress reporting on DCF or forest-positive sourcing (KPI 1.4 for palm and 1.5 for soy) are particularly critical. Further specification and standardization of these indicators is needed to establish a clear performance rubric and incentivize further action.

For the palm oil sector, we are pleased to see that publication of mill lists and supplier lists is now the norm among FPC member manufacturers. We are eager to see retailers achieve similar levels of traceability and transparency, commensurate with their value chain position. We also welcome the forthcoming Monitoring and Response Framework, which we hope will fill a crucial gap in implementation of DCF commitments.

The soy sector results spotlight the need to increase traceability of embedded soy and visibility to indirect suppliers. These advances will be essential for realizing the FPC's theory of change and we encourage FPC members to continue to focus upcoming efforts in this area.

## Bunge Loders Croklaan

Bunge Loders Croklaan shares the goal and the sense of urgency for stopping global conversion of forests and natural habitat. We believe this objective can only be achieved through collective action and based on engagement and partnership with players across key supply chains, i.e. palm and soy. The tools set up with the Forest Positive Coalition have the means to support participating companies in their sustainability journey. In this exercise, we wish to highlight the following relevant considerations:

- Seeking dialogue with up-stream market operators that are already involved in similar action should help mutually understand approaches as well as possible constraints and should be undertaken in a spirit aimed at building synergies rather than rolling over own requirements that will likely create duplication and additional burden;
- Suppliers should be assessed on the basis of having proper systems, procedures, governance in place to effectively address deforestation
- Beyond the need to set objectives, enhance transparency, monitor company performance, etc, supply chain transformation requires clear market signals
- All CGF members should adhere to the same set of KPIs and not impose individual KPIs (and questionnaires) on their suppliers
- Make better use of existing schemes such as RSPO for palm in setting the standard
- Protecting forests, requires financial means which need to be collectively developed with a view to allow attributing higher value to natural habitat and offer a compensation to non-conversion as an alternative to socio-economic objectives. We are committed to continue dialogue and partnership with all relevant actors across our supply chains including governments of producing countries as legislation and enforcement thereof play a key role in stopping deforestation. For significant impact in producing countries we need the support of these governments and we need to collectively approach these governments more than ever!

## COCERAL, FEDIOL and FEFAC

COCERAL, FEDIOL and FEFAC together represent the EU grain and oilseed trade, crushing and animal feed industry. We share the goal and sense of urgency delivered by this report for stopping global conversion of forests and natural habitat. Together with their member companies, COCERAL, FEDIOL and FEFAC consider this objective can only be achieved through collective action and based on engagement and partnership with players across its key supply chains, i.e. palm and soy. The tools set up with the Forest Positive Coalition have the means to support participating companies in their sustainability journey. In this exercise, we wish to highlight the following considerations:

- Seeking dialogue with up-stream market operators that are already involved in similar action should help mutually understand approaches as well as possible constraints and should be undertaken in a spirit aimed at building synergies rather than rolling over own requirements that will likely create duplication and additional burden;
- Suppliers should be assessed on the basis of having proper systems, procedures, governance in place to effectively address deforestation;
- Beyond the need to set objectives, enhance transparency, monitor company performance, etc, supply chain transformation requires clear market signals. Demand for conversion-free products in consumer markets, although increasing, is still insufficient to foster the sustainable transformation of supply chains;
- All CGF members should adhere to the same set of KPIs and not impose individual KPIs (and questionnaires) on their suppliers;
- Protecting forests requires financial means which need to be collectively developed with a view to allow attributing higher value to natural habitat and offer a compensation to non-conversion as an alternative to socio-economic objectives. COCERAL, FEDIOL and FEFAC are committed to continuing dialogue and partnership with all relevant actors across its supply chain, including governments of producing countries, as legislation and enforcement thereof play a key role in stopping deforestation.

## Earthworm Foundation

The Earthworm Foundation commends the Consumer Goods Forum's Forest Positive Coalition for rallying leading companies around common metrics and language in the complex area of building responsible supply chains. Through the work Earthworm is doing to help CGF members and other companies map and monitor their supply chains, we can attest that industry leaders are advancing well towards deforestation-free sourcing for certain key commodities. But deforestation-free is not the same thing as Forest Positive – the challenge now is to protect and restore forests that are at risk in key supplier landscapes. There is also a risk that small growers are left out as companies seek to de-risk their supply chains, which is why it's important to start building responsible sourcing landscapes where everyone thrives alongside nature. The CGF is an important forum to showcase success stories and inspire others to act.

## Forest Trends

Thank you for offering the opportunity to comment on this informative report.

It's great to see the development of CGF's 10 principles for collective action for its landscape engagement strategy. Principles 4, 6, and 7 could be strengthened by including more explicit references to involving and supporting indigenous communities.

Moreover, it's great to see Nestlé and Carrefour step up and speak about the importance of recognizing rights of IPLCs. Including concrete examples of their engagement processes (e.g. using FPIC) with indigenous communities could be a valuable opportunity to demonstrate leadership. Additionally, some members of CGF and Interlaken group could furnish specific examples of how they are helping secure land, resource, customary, and intellectual property (Article-8J of CBD) rights for indigenous communities.

On another topic, it might be helpful if the report provided more details upfront on which companies have leverage and material interest in which commodity supply chains (and why) rather than leaving all the details in the graphics at the end. This could be achieved through a high-level graphic showing how these companies self-sort. Further, in describing ambitious cultures of transparency and accountability,

the report could elaborate on how “materiality” and “leverage” considerations ultimately decided which companies were tracked in the graphics.

Finally, it’s great that the report includes updates on how individual and collective voices of the coalition are advocating for enabling environments for forest protection/conservation, particularly in the EU. Nestlé references its endorsement of a letter to the EU to limit imported deforestation. Modeling this type of leadership is important and might benefit from more details on what this “smart mix” of measures might entail, a link to the paper, and concrete examples of demonstrating how its endorsements are being used in key engagements. Examples of company advocacy for legislation in other markets would be welcome too.

### **IDH, the sustainable trade initiative**

IDH welcomes this insightful report into the progress of the Forest Positive Coalition. We commend the companies who have taken action to implement the Ten Principles, and the CGF and its partners for driving the agenda forward.

As a partner to many of the companies in the Coalition, we are closely engaged in shaping forest positive ambitions and turning these into tangible outcomes. We believe it is key that producers and governments of producing regions get a clear market signal, that a forest positive landscape strategy and outcomes will be recognized by the market. This concerns not only delivering on current company sustainability commitments and policies, but also complying with upcoming market side regulations. Jointly with our partner companies and organizations we have therefore created SourceUp, creating structural market linkages for forest positive landscapes. We are excited about the plans to further engage with the Forest Positive Coalition to jointly accelerate forest positive action landscapes.

This report demonstrates that the seeds for a forest positive future are being sown, by building forest positive elements into the companies’ core sustainability and sourcing strategies. We look forward to the next steps in this process and see the emphasis gradually move towards demonstrating forest positive outcomes.

### **Mighty Earth**

The Report talks about the CGF Forest Positive Coalition’s objective to get “members’ suppliers and traders become forest positive businesses” and make a “Public commitment to ‘deforestation- and conversion-free’ across entire commodity business.”

However, it is unclear from language used throughout the Report whether this objective is:

a) strictly limited to the “Roadmap KPIs for each commodity that is material to their business” (eg palm, soy) or;

b) more ambitious and focused at ensuring that the Coalition’s suppliers and traders are “not contributing to deforestation elsewhere in their [entire business] operations,” as alluded to in the Sainsbury’s statement.

Element 2 (Suppliers and Traders), for example, specifically talks about ensuring “suppliers and traders’ entire supply, and not just the supply purchased by Coalition members, is deforestation-free.” Again, it is not clear if this language is strictly limited to the “Roadmap KPIs for each commodity that is material to their business” – ie those commodities supplied to Coalition members. Hence, the scope of the term “entire supply” is unclear.

Getting “members’ suppliers and traders become forest positive businesses”, should translate into action which is aimed at “shifting from sustainable supply to sustainable supplier”, as Sainsbury’s puts it.

It would be deceitful and disingenuous of CGF coalition members to claim that its suppliers and traders are ‘Forest Positive Businesses’, or working toward becoming one, if they are sourcing commodities (eg palm, soya, beef) from businesses that are still actively involved in “deforestation elsewhere in their operations’ (eg timber, rubber, gold/silver/coal, sugar) and are not actively taking action prevent this.

We therefore kindly request that the language in the Report (eg Element 2) is made explicit to whether the CGF Forest Positive Coalition’s objective is aimed at a) or b) above

Thank you.

## **Sustainable Forestry Initiative (SFI)**

As an associate member of The Consumer Goods Forum (CGF), the Sustainable Forestry Initiative (SFI) supports the publication of the 2021 annual report as an important transparency step for CGF members.

SFI acknowledges that PEFC and FSC certification are well referenced in the report as important tools supporting sustainable forest management and sustainable sourcing of Paper, Pulp and Fibre-based Packaging (PPP).

We note the PPP working group's engagement with both schemes and encourage this to continue and deepen as the PPP sourcing guidelines are updated.

SFI supports the focus on landscape initiatives. At SFI we are measuring the carbon sequestered, biodiversity maintained or recovered, and water purified on the SFI footprint. This footprint represents over 150 million third-party certified hectares across the U.S. and Canada, and tens of millions hectares influenced by SFI's fiber sourcing standard. The SFI fiber sourcing standard is a landscape certification standard.

I'd encourage CGF and CGF members to participate in these efforts to further investment efforts in landscape initiatives focused on climate, biodiversity and water.

You can learn more about SFI's conservation impact work at <https://www.forests.org/conservation-impact-project/>

## **Wilmar International Limited**

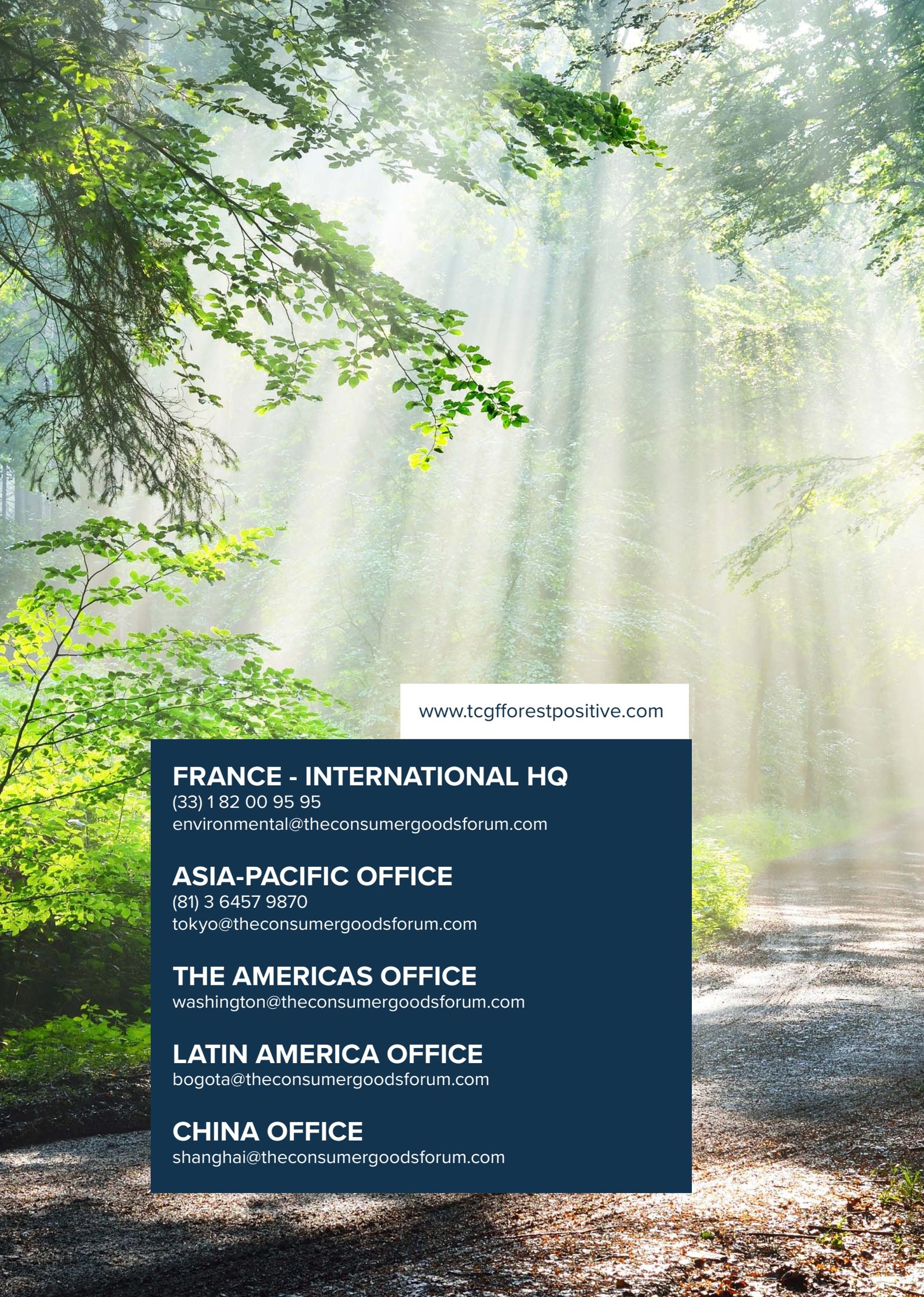
Non-compliant forest clearing and peat development leads to negative biodiversity impact. Therefore, Wilmar acknowledges that establishing a deforestation-free supply chain and forest positive commitment requires the provision of remediation and recovery measures. We value recovery plans that can create long term conservation outcomes and enhance biodiversity and ecological functions of the proposed sites.

Wilmar's recovery plan is based on four basic criteria:

1. Additionality;
2. Long-lasting;
3. Equitable;
4. Knowledge-based.

One of the biggest challenges in creating a deforestation free palm oil supply chain is the lack of industry-wide alignment on implementing mechanisms on non-compliant companies. Disparities include deforestation cut-off dates, criteria for exclusion and re-entry of non-compliant suppliers. We adopt the 'Suspend First' approach, whereby effective 1 January 2019, any verified deforestation, and new development on peatland will result in an immediate suspension at a group-level. We also adopted a strict re-entry criterion for suppliers to re-enter into our supply chain, where require supplier groups with non-compliant forest clearing and peat development (after the cut-off date of 31 December 2015) to commit to recovery plans to address issues on past non-compliance(s).

We would like to call for the alignment in the implementation of deforestation – free commitments by adopting a clear cut off date and criteria for "re-entry" into supply chain, which include the commitment to recovery plan.



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