



## **Consumer Goods Forum Forest Positive Coalition Reporting KPI's METRO for Soy**

*June 2024*

### **Introduction**

The Consumer Goods Forum (CGF) has created the Forest Positive Coalition of Action (FPC), led by over 20 companies, to leverage collective action and accelerate systemic efforts to remove deforestation, forest degradation and conversion from key commodity supply chains (palm, soy, paper & wood, beef), while supporting sustainable forest management, conservation, and restoration.

METRO is an active member of the FPC because we are convinced that collaboration is the only way to solve environmental and social issues in our supply chains, including the soy supply chains. We participate in the CGF FPC to combine our collective reach and knowledge, global networks, and resources to engage and collaborate with producers, suppliers and traders, as well as governments and NGOs, to advocate for forest positive solutions.

For each commodity, a dedicated working group has published a roadmap (action plan), with KPI's to act and report on. Currently, METRO commits to report on the KPI's publicly and regularly for the commodities soy, palm, beef, and paper & wood. In this document, we report on the soy working group KPI's.

More information on our work around the topic of deforestation, our work in the Forest Positive Coalition, as well as the KPI reporting for the other commodities, you can find on our website [here](#).

More information on the Consumer Goods Forum Forest Positive Coalition in general, the various coalition roadmaps (action plans) and more, you can find [here](#).

### **METRO Soy related commitment to KPI's from CGF FPC Soy Roadmap**

#### **Element 1 – Own Supply Chain**

##### Policy commitments to the Forest Positive Coalition goals

Through our [Sustainable Soy Procurement Policy](#) METRO aims to improve its soy related assortment by continuously optimising the environmental and social aspects in our supply chains, both embedded soy (in animal feed) and soy as an ingredient. We are committed to achieve deforestation- and conversion-free (DCF) soy in our supply chains, therefore we have been engaging with our suppliers (both branded and own brand / private label) to work together.

We work on understanding our own supply base including origins, footprint, risk of deforestation or conversion and other legality aspects of our sources. The implementation of the EU 2023/1115 Regulation on Deforestation-free Supply Chains (EUDR) as well as working towards our to be updated Science Based Target (SBTi – product carbon footprint) help us to achieve deeper transparency and understanding on the details and respective legality, deforestation or conversion risks in our soy supply



chains. By complying with the EUDR we will not market any products within the EU market beyond “negligible” risk of deforestation or conversion. Together with our suppliers we work on mitigating any potential deforestation or conversion risks.

Furthermore, to complement our efforts, we are committed to support initiatives delivering forest positive development at landscape level.

We align our actions with the FPC goals.

#### Timebound action plan

Following our timelines in our Soy Procurement Policy, with a focus on own brand assortment, an important milestone is:

- By end of FY 2025, there should be no more deforestation or conversion-related soy in our supply chains, for branded and own brand products, for products with soy as an ingredient as well as for soy used as animal feed for meat or aquaculture fish and seafood.

The policy and its target is currently under revision as the implementation of the EUDR due Dec 30, 2024, is in process.

#### Percentage of soy in our supply chain with known and unknown origin

We are working within the CGF FPC, individually and with our supply chain partners, to obtain knowledge of the origin of the soy (direct and indirect in animal feed) that is in our supply chains. By complying with the EUDR, we will know the origins and respective deforestation or conversion risks of all METRO EU marketed soy products by end of 2024.

Respectively, we will report on known origins and its respective classifications as well as on percentage of DCF beef products and supplier communication and performance regarding DCF soy products.

### **Element 2 – Suppliers & Traders**

#### Summary of the Forest Positive Approach for suppliers and traders and percentage of T1 suppliers to whom the Forest Positive Approach and its implementation have been communicated

As part of the implementation of METRO’s Sustainable Soy Procurement Policy and the EUDR as well as our general DCF approach, we are in ongoing bilateral discussions with our suppliers to work towards DCF supply chains and generally inform about this on our [website](#).

All METRO own brand suppliers are made aware of METRO’s requirements and approach to DCF supply chains; by FY 22/23, 93% of our own brand products globally were RTRS certified.

#### Upstream suppliers/traders sourcing from at-risk origins that have been engaged (directly or via collective approach) and are being evaluated

As member of the CGF FPC, we also commit to engage our upstream suppliers to share our ambition of DCF soy. We are sharing our ambition of DCF supply chains with our top indirect suppliers and own brand suppliers. We are also organising meetings with soy traders to share our ambition of DCF supply



chains across the wider supply chain, for instance with the Soft Commodities Forum, and individual traders and suppliers. Our METRO France operation became a signatory of the soy manifesto, along with seven other major (French) retailers, to mobilise French actors to fight against imported soy linked to deforestation. Together with them, METRO has committed to ensuring that imported soy linked to deforestation or conversion in the Cerrado region does not find its way into the French supply chain, by implementing specifications across our own-brand products. METRO is also member of the STC (Soy Transparency Coalition), where we assess soy traders together with facilitator 3Keel.

#### **Element 4 – Landscape Engagement**

Since 2021 METRO has engaged financially with other CGF FPC partners in a landscape initiative partnered with Conservation International (do Brazil), in a project focused on [low-carbon regenerative agricultural production](#) systems in the Cerrado biome, integrating soy and beef.

This project aims to promote a low-carbon production model through two components:

1. Technical production: Working together with local farmers and traders in the Cerrado area, Conservation International has set up regenerative agriculture production, to capture carbon in the soil while improving soil health, crop yields, water resilience, and avoiding deforestation to use only pre-deforested areas; the project also improves the social standards and livelihoods of the farmers. Soy and beef are combined since the way of working also includes rotating use of the farmland (soy crops one year, beef grazing next).
2. Credit: raising awareness of farmers and producers of existing credit mechanisms and how to access to credit line of local financial institutions

Next to halting deforestation and overall environmental KPIs, one important selection criteria to support the Conservation International project was to improve the livelihood of farmers and securing their land rights. The project is also connected to our ambition to stop deforestation in the Cerrado, as Cerrado Manifesto SoS signatory.