

F0. Introduction

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F0.1

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**(F0.1) Give a general description of and introduction to your organization.**

Hilton's business was established in 1994 to set up and operate a beef and lamb central meat packing facility in Huntingdon, England. Over the last 25 years this facility has grown and additionally we acquired a packing facility in the Netherlands, built new factories in a further four European countries, entered into joint venture agreements in Australia, Netherlands and Portugal and also acquired a fish processor.

Each of Hilton's packing plants are operated on a dedicated basis for Hilton customers. Hilton's business model has been adapted to meet local requirements with customers in each country. We now retail pack across 14 countries with products such as beef, lamb, pork, fish and fresh food/ready meals.

F0.2

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**(F0.2) State the start and end date of the year for which you are reporting data.**

	Start Date	End Date
Reporting year	January 1 2019	December 31 2019

F0.3

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**(F0.3) Select the currency used for all financial information disclosed throughout your response.**

GBP

F0.4

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**(F0.4) Select the forest risk commodity(ies) that you are, or are not, disclosing on. For each forest risk commodity selected, identify the stages of the supply chain which best represents your organization's area of operation.**

	Commodity disclosure	Stage of the value chain	Explanation if not disclosing
Timber products	Disclosing	Manufacturing	<Not Applicable>
Palm oil	Disclosing	Manufacturing	<Not Applicable>
Cattle products	Disclosing	Manufacturing	<Not Applicable>
Soy	Disclosing	Processing Manufacturing	<Not Applicable>
Other - Rubber	This commodity is not produced, sourced or used by our organization	<Not Applicable>	<Not Applicable>
Other - Cocoa	This commodity is not produced, sourced or used by our organization	<Not Applicable>	<Not Applicable>
Other - Coffee	This commodity is not produced, sourced or used by our organization	<Not Applicable>	<Not Applicable>

F0.5

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**(F0.5) Are there any parts of your direct operations or supply chain that are not included in your disclosure?**

No

F1. Current state

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F1.1

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**(F1.1) How does your organization produce, use or sell your disclosed commodity(ies)?**

## Timber products

### Activity

Distributing/packaging

### Form of commodity

Primary packaging

Secondary packaging

### Source

Contracted suppliers (manufacturers)

### Country/Area of origin

Please select

### % of procurement spend

1-5%

### Comment

Primarily as labels, sleeves and cardboard outer cases. 100% of the material used is FSC/PEFC certified.

## Palm oil

### Activity

Using as input into product manufacturing

Buying manufactured products

### Form of commodity

Refined palm oil

Palm oil derivatives

### Source

Contracted suppliers (manufacturers)

### Country/Area of origin

Argentina

Brazil

Cambodia

Canada

Colombia

Costa Rica

Ecuador

Guatemala

Honduras

Indonesia

Malaysia

Papua New Guinea

Peru

Thailand

### % of procurement spend

<1%

### Comment

100% RSPO segregated and certified and mainly comes as an ingredient in other products such as pastry/buns

## Cattle products

### Activity

Distributing/packaging

### Form of commodity

Beef

### Source

Contracted suppliers (processors)

### Country/Area of origin

Argentina

Brazil

Uruguay

### % of procurement spend

<1%

### Comment

A very small percentage of our total business. Used in some specialty own label brands in Holland .

**Soy**

**Activity**

Using as input into product manufacturing  
 Other, please specify (Mainly used as animal feed by our suppliers for the primals we procure. Small amount also used to make vegetarian products however this is 100% sourced from a non-deforestation risk area (USA))

**Form of commodity**

Soy bean meal  
 Soy derivatives

**Source**

Contracted suppliers (processors)

**Country/Area of origin**

Argentina  
 Brazil  
 Paraguay  
 United States of America

**% of procurement spend**

<1%

**Comment**

Soy based vegetarian products are still a small part of our business. We don't rear any animals ourselves hence soy is not directly part of our procurement spend for animal feed, however we feel it is necessary to partner with our suppliers to understand and certify any soy they use to feed their animals and to limit South American deforestation.

**F1.2**

**(F1.2) Indicate the percentage of your organization's revenue that was dependent on your disclosed forest risk commodity(ies) in the reporting year.**

	% of revenue dependent on commodity	Comment
Timber products	<1%	The vast majority of our products are distributed in plastic returnable crates. This refers to the label cost and the small amount of closed loop cardboard outers that we use.
Palm oil	<1%	Used in a tiny fraction of our products as a processing aid and sub ingredient, such an ingredient in pre-made Tortilla's used for wraps in our fresh food factory in Poland. Most of our revenue is from fresh meat and fish products.
Cattle products	<1%	This refers to our direct sourcing from South America. A large amount of our business is reliant on beef, however a huge majority of this is locally sourced to our factories which aren't located in deforestation risk areas such as South America.
Soy	<1%	This refers to soy based products for direct product use and is 100% sourced from the USA. Indirectly soy is used in animal feed, primarily for pigs and salmon. This is two tiers back in our supply chain, however we engage in collaboration with our suppliers to address the sourcing and acquire sustainable soy credits.
Other - Rubber	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>

**F1.5**

**(F1.5) Does your organization collect production and/or consumption data for your disclosed commodity(ies)?**

	Data availability/Disclosure
Timber products	Consumption data available, disclosing
Palm oil	Consumption data available, disclosing
Cattle products	Consumption data available, disclosing
Soy	Consumption data available, disclosing
Other - Rubber	<Not Applicable>
Other - Cocoa	<Not Applicable>
Other - Coffee	<Not Applicable>

**F1.5a**

**(F1.5a) Disclose your production and/or consumption data.**

**Forest risk commodity**

Palm oil

**Data type**

Consumption data

**Volume**

6.3

**Metric**

Metric tons

**Data coverage**

Full commodity production/consumption

**Please explain**

<Not Applicable>

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**Forest risk commodity**

Cattle products

**Data type**

Consumption data

**Volume**

2133

**Metric**

Metric tons

**Data coverage**

Full commodity production/consumption

**Please explain**

<Not Applicable>

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**Forest risk commodity**

Soy

**Data type**

Consumption data

**Volume**

11294

**Metric**

Metric tons

**Data coverage**

Partial commodity production/consumption

**Please explain**

Estimated usage in our UK and Ireland supply chain's for beef, pork and lamb animal feed. We purchase RTRS credits for this equivalent volume.

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**Forest risk commodity**

Timber products

**Data type**

Please select

**Volume**

**Metric**

Please select

**Data coverage**

Please select

**Please explain**

<Not Applicable>

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**F1.5b**

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**(F1.5b) For your disclosed commodity(ies), indicate the percentage of the production/consumption volume sourced by national and/or sub-national jurisdiction of origin.**

**Forest risk commodity**

Palm oil

**Country/Area of origin**

Unknown origin

**State or equivalent jurisdiction**

<Not Applicable>

**% of total production/consumption volume**

100

**Please explain**

The list of countries in F1.1 is the potential sourcing countries included in our specifications, this does not give us specific country of origin as the palm oil is mainly used as an input into manufactured ingredients which we purchase.

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**Forest risk commodity**

Cattle products

**Country/Area of origin**

Any other countries/areas

**State or equivalent jurisdiction**

<Not Applicable>

**% of total production/consumption volume**

100

**Please explain**

All of our reported South American beef volume is from Uruguay

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## F1.6

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**(F1.6) Has your organization experienced any detrimental forests-related impacts?**

No

## F2. Procedures

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### F2.1

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**(F2.1) Does your organization undertake a forests-related risk assessment?**

Yes, forests-related risks are assessed

### F2.1a

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**(F2.1a) Select the options that best describe your procedures for identifying and assessing forests-related risks.**

**Timber products**

**Value chain stage**

Supply chain

**Coverage**

Partial

**Risk assessment procedure**

Assessed in an environmental risk assessment

**Frequency of assessment**

Annually

**How far into the future are risks considered?**

1 to 3 years

**Tools and methods used**

Internal company methods

**Please explain**

Forest related risks are included in our company risk management register. Deforestation issues are mitigated by use of FSC/PEFC certified materials. We predominately pack own-label brands for our retail partners , who have clear policies and requirements for sustainably sourced paper and board.

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## Palm oil

### Value chain stage

Supply chain

### Coverage

Partial

### Risk assessment procedure

Assessed as part of an established enterprise risk management framework

### Frequency of assessment

Annually

### How far into the future are risks considered?

> 6 years

### Tools and methods used

Internal company methods

External consultants

Other, please specify (TCFD framework)

### Please explain

Deforestation related risks are included in our supply chain company risk management register. Deforestation risks are mitigated by using certified materials. We predominately pack own-label brands for our retail partners, who have clear policies and requirements for palm oil. We are also in the process of undertaking our first formal TCFD environmental risk assessment to understand potential risk's and opportunities along with the potential financial impacts.

## Cattle products

### Value chain stage

Supply chain

### Coverage

Full

### Risk assessment procedure

Assessed as part of an established enterprise risk management framework

### Frequency of assessment

Not defined

### How far into the future are risks considered?

1 to 3 years

### Tools and methods used

Internal company methods

External consultants

### Please explain

Deforestation related risks are included in our supply chain company risk management register. Deforestation risks are mitigated by only sourcing cattle from South American suppliers who have comprehensive farm monitoring processes to ensure they are not engaged in deforestation. We are also in the process of undertaking our first formal TCFD environmental risk assessment to understand potential risk's and opportunities along with the potential financial impact.

## Soy

### Value chain stage

Supply chain

Other parts of the value chain

### Coverage

Full

### Risk assessment procedure

Assessed as part of an established enterprise risk management framework

### Frequency of assessment

Annually

### How far into the future are risks considered?

1 to 3 years

### Tools and methods used

Internal company methods

External consultants

### Please explain

We are actively engaged in the UK Roundtable for Sustainable Soy, which collates usage and origin data for soy usage in animal feed to facilitate risk assessments and collaborative engagement. The aim of this group which includes the UK government is to move the UK farming sector, that uses any South American soy, to directly verifiable deforestation free material. We estimate usages based on a sample size of farms and scale this over our annual volumes in UK, Ireland and Holland to purchase the equivalent credits to the soy consumed by the animals we purchased. As part of our work through the roundtable we are working to include deforestation free specifications in the UK animal feed industry, supported by FEMAS and FEFAC. We are founding members of the Soy Transparency Coalition which facilitates the global traders of soy to report their progress to zero deforestation soy publically. Particular progress is being made with soy bean concentrate traders who have committed to a 2021 cut off date for zero deforestation. We are also in the process of undertaking our first formal TCFD environmental risk assessment to understand potential risk's and opportunities along with the potential financial impact.

## F2.1b

**(F2.1b) Which of the following issues are considered in your organization's forests-related risk assessment(s)?**

**Availability of forest risk commodities**

**Relevance & inclusion**

Relevant, always included

**Please explain**

We have considered the capacity of our supply chains to provide soy and are confident the supply is possible without further deforestation. Continuity of supply is key for us, hence if any input was at risk of being unavailable then this would flag on our risk register.

**Quality of forest risk commodities**

**Relevance & inclusion**

Relevant, always included

**Please explain**

The quality of the soy and beef produced in low deforestation risk countries is equal to high risk countries so shifting supply areas who not create a quality risk.

**Impact of activity on the status of ecosystems and habitats**

**Relevance & inclusion**

Relevant, sometimes included

**Please explain**

The approach we take is to work towards zero net deforestation by the protection of existing forests and the restoration of deforested areas with the aim of biome wide zero conversion areas. Our area of focus is the Cerrado biome where we are working collaboratively as signatories of the Statement of Support for the Cerrado Manifesto.

**Regulation**

**Relevance & inclusion**

Relevant, always included

**Please explain**

We are monitoring regulation of forest commodities in the high risk countries and acting head by restricting our supply chains from deforestation that's both legal and illegal. We advocate for improved forest governance as part of our collaborative forum work.

**Climate change**

**Relevance & inclusion**

Relevant, always included

**Please explain**

Increase frequency of fire and flood will impact on deforestation and this is being closely monitored by the local NGO's who inform our collaborative forums. We are particularly informed by WWF and Greenpeace in these risks.

**Impact on water security**

**Relevance & inclusion**

Relevant, always included

**Please explain**

Water security is critical for crop and animal production and our risk assessment includes these potential impacts on our sourcing areas, we have flexibility to adapt them accordingly.

**Tariffs or price increases**

**Relevance & inclusion**

Relevant, always included

**Please explain**

Our TCFD risk assessment includes potential financial effects from tariff and price increases. These can be partly mitigated by improvements in farming efficiency and use of deforestation free sustainable materials.

**Loss of markets**

**Relevance & inclusion**

Relevant, always included

**Please explain**

We factor in changing consumer behaviours and adjust product portfolio accordingly .

**Brand damage related to forest risk commodities**

**Relevance & inclusion**

Relevant, always included

**Please explain**

We have a proactive engagement in these to address the issues alongside our retail partners which builds trust and reputation for both.

**Corruption**

**Relevance & inclusion**

Relevant, always included

**Please explain**

By using reputable certification schemes we can mitigate the chance of corruption issues.

**Social impacts**

**Relevance & inclusion**

Relevant, sometimes included

**Please explain**

We conduct ethical risk assessments in high risk countries of origin and utilise third party audits where required.

**Other, please specify**

**Relevance & inclusion**

Not considered

**Please explain**

F2.1c

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**(F2.1c) Which of the following stakeholders are considered in your organization's forests-related risk assessments?**

**Customers**

**Relevance & inclusion**

Relevant, always included

**Please explain**

Our collaborative work with our customers to address deforestation drives consumers trust in their brands.

**Employees**

**Relevance & inclusion**

Not relevant, explanation provided

**Please explain**

We don't own or operate any facilities in forest risk areas.

**Investors**

**Relevance & inclusion**

Relevant, always included

**Please explain**

Engaging alongside investors in advocacy for zero deforestation and providing assurance through certification of our supply chain integrity to these investors. By taking a proactive leadership role we are protecting our reputation and reducing our investors risk.

**Local communities**

**Relevance & inclusion**

Relevant, sometimes included

**Please explain**

Included in our ethical impact assessments. We have not yet conducted these in high risk countries of origin of our meat but have conducted one in Vietnam for prawns which is high risk for impacts on Mangrove.

**NGOs**

**Relevance & inclusion**

Relevant, always included

**Please explain**

We are informed on deforestation by our partners hip with WWFwork with a broad number of NGO's on many CSR topics. For instance we have signed the statement of support to the Cerrado Manifesto (FAIRR)

**Other forest risk commodity users/producers at a local level**

**Relevance & inclusion**

Relevant, not included

**Please explain**

Due to the minimal use and indirect nature these risks tend not to be included in our scope.

**Regulators**

**Relevance & inclusion**

Relevant, always included

**Please explain**

We are informed on local level regulation through our participation in the UK roundtable for Sustainable Soy, which includes the UK government.

**Suppliers**

**Relevance & inclusion**

Relevant, always included

**Please explain**

Engagement with our suppliers is key to driving action towards zero deforestation, we work closely with them through our CSR strategy 'Quality Naturally'. Our work around forest related risk is based in our 'Sustainable proteins' and 'Packaging' pillars. We aim to work with the most sustainable and trusted suppliers in order to partner together to driven mutual benefit for us and our customers.

**Other stakeholders, please specify**

**Relevance & inclusion**

Not considered

**Please explain**

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**F3. Risks and opportunities**

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**F3.1**

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**(F3.1) Have you identified any inherent forests-related risks with the potential to have a substantive financial or strategic impact on your business?**

	Risk identified?
Timber products	No
Palm oil	No
Cattle products	No
Soy	No
Other - Rubber	<Not Applicable>
Other - Cocoa	<Not Applicable>
Other - Coffee	<Not Applicable>

**F3.1a**

**(F3.1a) How does your organization define substantive financial or strategic impact on your business?**

Greater than 1% impact on revenue would be considered to be financially substantive.

**F3.1c**

**(F3.1c) Why does your organization not consider itself to be exposed to forests-related risks with the potential to have a substantive financial or strategic impact?**

	Primary reason	Please explain
Timber products	Risks exist, but no substantive impact anticipated	Our risks are highly mitigated through ensuring 100% of our material is FSC/PEFC certified, where there is no significant premium for certified sustainable material
Palm oil	Risks exist, but no substantive impact anticipated	This is a small input into our global operations and risks are largely mitigated by procuring 100% RSPO certified material. There is no significant premium to source RSPO material. We are also replacing palm oil and finding substitutes where possible.
Cattle products	Risks exist, but no substantive impact anticipated	Our sourcing of cattle products from forest risk areas is less than 1% of our sourcing mix. Our current suppliers from these areas have independently validated deforestation free beef.
Soy	Risks exist, but no substantive impact anticipated	Soy is used in the biggest volume indirectly in our supply chain as a animal feed supplement. We purchase sufficient volume of sustainable soy credits in UK, Ireland and Holland for the volume used in animal feed. Animal feed substitutes are also becoming more common, such as brewers grain. Where it is used directly it is sourced from a non-deforestation risk area.
Other - Rubber	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>

**F3.2**

**(F3.2) Have you identified any forests-related opportunities with the potential to have a substantive financial or strategic impact on your business?**

	Have you identified opportunities?
Timber products	No
Palm oil	No
Cattle products	No
Soy	Yes
Other - Rubber	<Not Applicable>
Other - Cocoa	<Not Applicable>
Other - Coffee	<Not Applicable>

**F3.2a**

**(F3.2a) For your selected forest risk commodity(ies), provide details of the identified opportunities with the potential to have a substantive financial or strategic impact on your business.**

**Forest risk commodity**

Soy

**Type of opportunity**

Resilience

**Where in your value chain does the opportunity occur?**

Supply chain

**Primary forests-related opportunity**

Ensuring supply chain resilience

**Company-specific description & strategy to realize opportunity**

Ensuring sustainable, physically traceable soy in the animal feed of our meat and fish products. To ensure our products are not causing deforestation and therefore improving their carbon footprint compared to competitors, ensuring the positive reputation and retailer loyalty to our products. Alongside this , ensuring that we only use sustainable soy in the direct selling of our vegetarian products, which currently aren't sourced from deforestation risk areas, however the reputation of soy as a whole as sustainable is important.

**Estimated timeframe for realization**

4-6 years

**Magnitude of potential impact**

Low

**Likelihood**

About as likely as not

**Are you able to provide a potential financial impact figure?**

Yes, an estimated range

**Potential financial impact figure (currency)**

<Not Applicable>

**Potential financial impact figure – minimum (currency)**

100000

**Potential financial impact figure – maximum (currency)**

250000

**Explanation of financial impact figure**

Potential incremental cost of sourcing sustainable soy and credits .

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**F3.2b**

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**(F3.2b) Why does your organization not consider itself to have forests-related opportunities?**

**Timber products**

**Primary reason**

Opportunities exist, but none with potential to have a substantive financial or strategic impact on business

**Please explain**

We already source 100% sustainable paper and board products hence there is little opportunity to further impact financially as the price of these materials has remained static, hence not incurring a large premium.

**Palm oil**

**Primary reason**

Opportunities exist, but none with potential to have a substantive financial or strategic impact on business

**Please explain**

A relatively small amount of palm oil is used and already RSPO certified.

**Cattle products**

**Primary reason**

Opportunities exist, but none with potential to have a substantive financial or strategic impact on business

**Please explain**

Given current sourcing regions/volumes the group does not consider itself to have substantive forest related opportunities for beef products as it would be less than 1% of our global total. This volume is also independently verified to not cause further deforestation. If opportunities become visible through expansion, diversification or changing consumer preferences these will be explored and included within future responses.

**F4. Governance**

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**F4.1**

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**(F4.1) Is there board-level oversight of forests-related issues within your organization?**

Yes

**F4.1a**

**(F4.1a) Identify the position(s) of the individual(s) (do not include any names) on the board with responsibility for forests-related issues.**

Position of individual	Please explain
Chief Executive Officer (CEO)	The CEO is responsible for our group CSR strategy, of which any key forest risks and opportunities are included due to our company wide risk management approach. More information can be found in our annual PLC report.

**F4.1b**

**(F4.1b) Provide further details on the board's oversight of forests-related issues.**

	Frequency that forests-related issues are a scheduled agenda item	Governance mechanisms into which forests-related issues are integrated	Please explain
Row 1	Scheduled - some meetings	Monitoring implementation and performance Overseeing acquisitions and divestiture Reviewing and guiding annual budgets Reviewing and guiding business plans Reviewing and guiding corporate responsibility strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding strategy Reviewing innovation / R&D priorities Setting performance objectives	More information enclosed in our CDP climate change response and annual CSR report on our website.

**F4.2**

**(F4.2) Provide the highest management-level position(s) or committee(s) with responsibility for forests-related issues (do not include the names of individuals).**

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on forests-related issues	Please explain
Chief Sustainability Officer (CSO)	Both assessing and managing forests-related risks and opportunities	As important matters arise	Chief Quality and CSR officer is responsible for managing forest related risks and opportunities.

**F4.3**

**(F4.3) Do you provide incentives to C-suite employees or board members for the management of forests-related issues?**

	Provide incentives for management of forests-related issues	Comment
Row 1	Yes	Managing risk and capitalizing on opportunities related to forest risk commodities is a key work stream i our global CSR strategy hence incentives are provided.

**F4.3a**

**(F4.3a) What incentives are provided to C-Suite employees or board members for the management of forests-related issues (do not include the names of individuals)?**

	Role(s) entitled to incentive?	Performance indicator	Please explain
Monetary reward	No one is entitled to these incentives	No indicator for incentivized performance	Financial rewards are not part of our process currently but we may change this moving forward.
Non-monetary reward	Chief Executive Officer (CEO) Chief Sustainability Officer (CSO)	Achievement of commitments and targets Supply chain engagement	Recognition of meeting of global objectives is clear through our structured global targets and regular interface with the main board

**F4.4**

**(F4.4) Did your organization include information about its response to forests-related risks in its most recent mainstream financial report?**

Yes (you may attach the report – this is optional)

F4.5

**(F4.5) Does your organization have a policy that includes forests-related issues?**

Yes, we have a documented forests policy that is publicly available

F4.5a

**(F4.5a) Select the options to describe the scope and content of your policy.**

	Scope	Content	Please explain
Row 1	Selected facilities, businesses or geographies only	Commitment to eliminate deforestation List of timebound milestones and targets	UK soy policy as on our website.

F4.5b

**(F4.5b) Do you have commodity specific sustainability policy(ies)? If yes, select the options that best describe their scope and content.**

	Do you have a commodity specific sustainability policy?	Scope	Content	Please explain
Timber products	Yes	Company-wide	Commitment to eliminate conversion of natural ecosystems Commitment to eliminate deforestation Commitment to remediation, restoration and/or compensation of past harms Commitment to protect rights and livelihoods of local communities Recognition of the overall importance of forests and other natural ecosystems	Commitment to maintain all paper and board as 100% sustainably certified by 2020 through FSC/PEFC
Palm oil	No	<Not Applicable>	<Not Applicable>	
Cattle products	No	<Not Applicable>	<Not Applicable>	
Soy	Yes	Selected facilities, businesses or geographies only	Commitment to eliminate deforestation Commitment to transparency Commitment to stakeholder awareness and engagement Recognition of the overall importance of forests and other natural ecosystems List of timebound commitments and targets	UK soy policy as seen on our website which is linked to the work of the UK roundtable for sustainable soy
Other - Rubber	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>

F4.6

**(F4.6) Has your organization made a public commitment to reduce or remove deforestation and/or forest degradation from its direct operations and/or supply chain?**

Yes

F4.6a

**(F4.6a) Has your organization endorsed any of the following initiatives as part of its public commitment to reduce or remove deforestation and/or forest degradation?**

Cerrado Manifesto

Other, please specify (UK Roundtable on Sustainable Soy and Soy Transparency Coalition)

F4.6b

**(F4.6b) Provide details on your public commitment(s), including the description of specific criteria, coverage, and actions.**

**Forest risk commodity**

Soy

**Criteria**

Restricting the sourcing and/or trade of forest risk commodities to credible certified sources

**Operational coverage**

Supply chain

**% of total production/ consumption covered by commitment**

21-30%

**Cutoff date**

No cutoff date

**Commitment target date**

2021-25

**Please explain**

For UK supply we are complying with the UK Roundtable for Sustainable Soy commitments with a 2025 target date as detailed in our UK soy sourcing policy accessible via our website. Globally we have set a 2030 target date for net zero deforestation . We are seeking the earliest possible cutoff date that traders can achieve with the first movers setting dates in 2021. The above % of total production represents the size of our UK, Ireland and Dutch businesses to purchases soy credits along with the direct usage in some vegetarian lines. Hence the percentage volume covered by the commitment.

**Forest risk commodity**

Timber products

**Criteria**

Restricting the sourcing and/or trade of forest risk commodities to credible certified sources

**Operational coverage**

Direct operations and supply chain

**% of total production/ consumption covered by commitment**

100%

**Cutoff date**

Not applicable

**Commitment target date**

2020

**Please explain**

Public commitment through our annual report and 'Quality Naturally' CSR strategy that all paper and board will be 100% sustainably sourced by 2020

**F5. Business strategy**

**F5.1**

**(F5.1) Are forests-related issues integrated into any aspects of your long-term strategic business plan, and if so how?**

	Are forests-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, forests-related issues are integrated	5-10	Our business objective is aligned with our customers objectives many of which are aligned with the Consumer Good Forum to have deforestation free supply chains by 2020 achieved via credits. Longer term to have physically traceable sustainable soy. We have three objectives for the responsible sourcing of soy. Initially to purchase credits for equivalent of our UK supply chain usage in animal feed. Then to establish a mass balance certified supply chain for the UK supply chain consumption by 2021. Finally, to have physically traceable direct certified supply of soy to UK supply chain. We are looking to extend these objections to our global sourcing practices.
Strategy for long-term objectives	Yes, forests-related issues are integrated	5-10	Our CSR strategy to address deforestation is focused on farmed animal feed where soy is major component. To achieve our objectives we have joined the UK roundtable on sustainable soy and we are establishing a physical supply chain working group to address directly traceable certified soy into the feed supply chains of the UK. We will apply globally where practical. We have also helped to found the Soy Transparency Coalition which is targeted at large soy traders to be open about their soy movements. Signatories of support to the Cerrado Manifesto and actively lobbied soy traders.
Financial planning	Yes, forests-related issues are integrated	5-10	The cost of purchasing responsible soy credits and subsequently directly purchasing certified soy is incorporated into product costings. This will also become more embedded in our strategy moving forward based in our pilot TCFD risk assessment in 2020

**F6. Implementation**

F6.1

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**(F6.1) Did you have any timebound and quantifiable targets for increasing sustainable production and/or consumption of your disclosed commodity(ies) that were active during the reporting year?**  
Yes

F6.1a

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**(F6.1a) Provide details of your timebound and quantifiable target(s) for increasing sustainable production and/or consumption of the disclosed commodity(ies), and progress made.**

**Target reference number**

Target 1

**Forest risk commodity**

Soy

**Type of target**

Third-party certification

**Description of target**

Targets aligned to the Tesco zero deforestation policy and goals of the UK roundtable for sustainable soy

**Linked commitment**

Zero net/gross deforestation

**Traceability point**

<Not Applicable>

**Third-party certification scheme**

RTRS Credits

**Start year**

2018

**Target year**

2020

**Quantitative metric**

<Not Applicable>

**Target (number)**

<Not Applicable>

**Target (%)**

100

**% of target achieved**

100

**Please explain**

100% of our UK, Irish and Dutch soy in animal feed is certified with RTRS credits

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**Target reference number**

Target 2

**Forest risk commodity**

Timber products

**Type of target**

Third-party certification

**Description of target**

All paper and board to be 100% sustainably sourced by 2020

**Linked commitment**

Zero net/gross deforestation

**Traceability point**

<Not Applicable>

**Third-party certification scheme**

FSC (any type)

PEFC (any type)

**Start year**

2018

**Target year**

2020

**Quantitative metric**

<Not Applicable>

**Target (number)**

<Not Applicable>

**Target (%)**

100

**% of target achieved**

100

**Please explain**

All paper and board used in labels, crates and outers is now made with PEFC/FSC certified material

---

F6.2

**(F6.2) Do you have traceability system(s) in place to track and monitor the origin of your disclosed commodity(ies)?**

	Do you have system(s) in place?	Description of traceability system	Exclusions	Description of exclusion
Timber products	Yes	Certificates to prove certification on receipt	Country/geographical area Business activity	Our traceability system goes back one tier to the label / cardboard produce, hence we don't have visibility of the paper/pulp origin
Palm oil	Yes	Full traceable chain of custody through verified RSPO certification	Not applicable	<Not Applicable>
Cattle products	Yes	Foods Connected - a specification and supplier management portal used in our procurement process, verified by supplier audits	Not applicable	<Not Applicable>
Soy	Yes	The direct soy that we use in our vegetarian products is traceable through our procurement processes back to the supplier and growing region verified by audit.	Country/geographical area Specific supplier(s) Not applicable	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>

F6.2a

**(F6.2a) Provide details on the level of traceability your organization has for its disclosed commodity(ies).**

Forest risk commodity	Point to which commodity is traceable	% of total production/consumption volume traceable
Cattle products	Slaughterhouse	100
Soy	State or equivalent	100

F6.3

**(F6.3) Have you adopted any third-party certification scheme(s) for your disclosed commodity(ies)? Indicate the volume and percentage of your certified production and/or consumption.**

**Forest risk commodity**

Cattle products

**Third-party certification scheme**

Other, please specify (BPU standard which is independently verified by external auditor)

**Certification coverage**

Production volume

**% of total production/consumption volume certified**

100

**Form of commodity**

Beef

**Volume of production/ consumption certified**

1643

**Metric**

Metric tons

**Please explain**

Any Uruguayan beef is certified to BPU standard. External audit by BDO Brazil. Less than 1% of cattle products are sourced from outside Europe and Australia.

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**Forest risk commodity**

Soy

**Third-party certification scheme**

RTRS (any type)

**Certification coverage**

Consumption volume

**% of total production/consumption volume certified**

100

**Form of commodity**

Soy bean meal

**Volume of production/ consumption certified**

11294

**Metric**

Metric tons

**Please explain**

RTRS credits purchased for equivalent usage in our UK , Dutch and Irish supply chains.

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**Forest risk commodity**

Palm oil

**Third-party certification scheme**

RSPO Segregated

**Certification coverage**

Consumption volume

**% of total production/consumption volume certified**

100

**Form of commodity**

Refined palm oil  
Palm oil derivatives

**Volume of production/ consumption certified**

6.2

**Metric**

Metric tons

**Please explain**

Used partly as direct ingredient in coated fish products for example, but mainly as an indirect ingredient in pastry/ buns etc.

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**F6.4**

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**(F6.4) For your disclosed commodity(ies), do you have a system to control, monitor, or verify compliance with no conversion and/or no deforestation commitments?**

	A system to control, monitor or verify compliance	Comment
Timber products	Yes, we have a system in place for our no conversion and/or deforestation commitments	<Not Applicable>
Palm oil	Yes, we have a system in place for our no conversion and/or deforestation commitments	<Not Applicable>
Cattle products	Yes, we have a system in place for our no conversion and/or deforestation commitments	<Not Applicable>
Soy	Yes, we have a system in place for our no conversion and/or deforestation commitments	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>

**F6.4a**

**(F6.4a) Provide details on the system, the approaches used to monitor compliance, the quantitative progress, and the non-compliance protocols, to implement your no conversion and/or deforestation commitment(s).**

**Forest risk commodity**

Timber products

**Operational coverage**

Supply chain

**Description of control systems**

Products are FSC/PEFC certified

**Monitoring and verification approach**

Third-party verification

**% of total volume in compliance**

100%

**% of total suppliers in compliance**

100%

**Response to supplier non-compliance**

Retain & engage

**Procedures to address and resolve non-compliance with suppliers**

Providing information on appropriate actions that can be taken to address non-compliance

**Please explain**

We currently have no non-conformance's reported

**Forest risk commodity**

Palm oil

**Operational coverage**

Supply chain

**Description of control systems**

Products are RSPO certified

**Monitoring and verification approach**

Third-party verification

**% of total volume in compliance**

100%

**% of total suppliers in compliance**

100%

**Response to supplier non-compliance**

Retain & engage

**Procedures to address and resolve non-compliance with suppliers**

Providing information on appropriate actions that can be taken to address non-compliance

**Please explain**

We currently have no non-conformance's reported

**Forest risk commodity**

Cattle Products

**Operational coverage**

Supply chain

**Description of control systems**

Independent verification of suppliers deforestation free sourcing by BDO Brazil and DNV-GL

**Monitoring and verification approach**

Second-party verification

**% of total volume in compliance**

100%

**% of total suppliers in compliance**

100%

**Response to supplier non-compliance**

Retain &amp; engage

**Procedures to address and resolve non-compliance with suppliers**

Providing information on appropriate actions that can be taken to address non-compliance

**Please explain**

We currently have no non-conformance's reported

**Forest risk commodity**

Soy

**Operational coverage**

Supply chain

**Description of control systems**

Sourcing any soy used directly from non-forest risk countries

**Monitoring and verification approach**

First-party verification

**% of total volume in compliance**

100%

**% of total suppliers in compliance**

100%

**Response to supplier non-compliance**

Retain &amp; engage

**Procedures to address and resolve non-compliance with suppliers**

Providing information on appropriate actions that can be taken to address non-compliance

**Please explain**

All direct soy usage is from the USA

**F6.5****(F6.5) For your disclosed commodity(ies), indicate if you collect data regarding your own compliance and/or the compliance of your suppliers with the Brazilian Forest Code.**

	Do you collect data regarding compliance with the Brazilian Forest Code?	Please explain
Timber products	<Not Applicable>	<Not Applicable>
Palm oil	<Not Applicable>	<Not Applicable>
Cattle products	<Not Applicable>	<Not Applicable>
Soy	No, we do not collect data	Soy used directly in vegetarian products is not from South America. Any certified Indirect soy which is sourced from South American in our supply chain, would be in compliance with Brazilian Forest Code through RTRS verification.
Other - Rubber	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>

**F6.6****(F6.6) For your disclosed commodity(ies), indicate if you assess your own compliance and/or the compliance of your suppliers with forest regulations and/or mandatory standards.**

	Assess legal compliance with forest regulations	Please explain
Timber products	<Not Applicable>	<Not Applicable>
Palm oil	No, we do not assess legal compliance	We don't currently have the resource to assess to this level of detail, rather we put the trust in the certification schemes.
Cattle products	No, we do not assess legal compliance	We don't currently have the resource to assess to this level of detail, rather we put the trust in the certification schemes.
Soy	No, we do not assess legal compliance	We don't currently have the resource to assess to this level of detail, rather we put the trust in the certification schemes.
Other - Rubber	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>

F6.7

**(F6.7) Are you working with smallholders to support good agricultural practices and reduce deforestation and/or conversion of natural ecosystems?**

	Are you working with smallholders?	Type of smallholder engagement approach	Smallholder engagement approach	Number of smallholders engaged	Please explain
Timber products	No, not working with smallholders	<Not Applicable>	<Not Applicable>	<Not Applicable>	We support third party schemes through the purchasing of credits such as PEFC in order to drive engagement with small holders on a national level.
Palm oil	No, not working with smallholders	<Not Applicable>	<Not Applicable>	<Not Applicable>	We support third party schemes through the purchasing of credits such as RTRS in order to drive engagement with small holders on a national level.
Cattle products	No, not working with smallholders	<Not Applicable>	<Not Applicable>	<Not Applicable>	Our suppliers engage with their own smallholder suppliers on protecting natural Eco systems and reducing deforestation. Our suppliers are active members of GTPS which is the Brazilian Round table for Sustainable Livestock.
Soy	No, not working with smallholders	<Not Applicable>	<Not Applicable>	<Not Applicable>	We support third party schemes through the purchasing of credits such as RTRS in order to drive engagement with small holders on a national level.
Other - Rubber	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>

F6.8

**(F6.8) Are you working with your direct suppliers to support and improve their capacity to comply with your forests-related policies, commitments, and other requirements?**

	Are you working with direct suppliers?	Type of direct supplier engagement approach	Direct supplier engagement approach	% of suppliers engaged	Please explain
Timber products	Yes, working with direct suppliers	Financial and commercial incentives	Financial incentives for certified products Long-term contracts linked to forest related commitments	100%	Requiring certified raw materials and are also engaged in closed loop recycling of cardboard outer cases for our UK seafood. Collected from retail stores and delivered back to the packaging supplier to be used again.
Palm oil	Yes, working with direct suppliers	Financial and commercial incentives	Financial incentives for certified products	100%	All raw material has to be certified through credits.
Cattle products	Yes, working with direct suppliers	Supply chain mapping Capacity building	Supplier questionnaires on environmental and social indicators Supplier audits Organizing capacity building events	100%	Issued questionnaire which includes deforestation compliance. Statements describing systems and verification and auditing them annually. We are on the goal setting working group in the Global Roundtable for sustainable beef, overseeing the direction and scope of national sustainability platforms supporting the beef industry local initiatives.
Soy	Yes, working with direct suppliers	Supply chain mapping Financial and commercial incentives	Supplier questionnaires on environmental and social indicators Supplier audits Paying higher prices linked to best agricultural practices	100%	Sourcing from direct suppliers that have no deforestation risk and engaging with producer associations such as US Soy bean export council to understand sustainability initiatives and innovations in the sector.
Other - Rubber	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>

F6.9

**(F6.9) Are you working beyond your first-tier supplier(s) to manage and mitigate deforestation risks?**

	Are you working beyond first tier?	Type of engagement approach with indirect suppliers	Indirect supplier engagement approach	Please explain
Timber products	No, not working beyond the first tier	<Not Applicable>	<Not Applicable>	
Palm oil	No, not working beyond the first tier	<Not Applicable>	<Not Applicable>	
Cattle products	Yes, working beyond first tier	Supply chain mapping	Supplier questionnaires on environmental and social indicators	We are engaging with direct suppliers to map out their farming supply chains that supply them to ensure they are only sourcing from farms that have no impact on deforestation.
Soy	Yes, working beyond first tier	Supply chain mapping Other	Other, please specify (Various work streams through sustainable soy and animal collaborative forums)	We are members of the Soy Transparency Coalition and UK Roundtable for sustainable soy are involved in mapping soy trading from south america to be used in animal feed in our global supply chains.
Other - Rubber	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>

**F6.10**

**(F6.10) Do you participate in external activities and/or initiatives to promote the implementation of your forests-related policies and commitments?**

**Forest risk commodity**

Cattle products

**Do you participate in activities/initiatives?**

Yes

**Activities**

Involved in multi-partnership or stakeholder initiatives

**Initiatives**

Global Roundtable for Sustainable Beef (GRSB)

Sustainable Agriculture Initiative (SAI)

Other, please specify (UK Cattle sustainability platform, ERBS (Vice chair), UK roundtable for sustainable soy and signatories of support to the Cerrado Manifesto)

**Jurisdictional approaches**

<Not Applicable>

**Please explain**

Engage in the above multi stakeholder initiatives to drive various sustainability agendas.

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**Forest risk commodity**

Soy

**Do you participate in activities/initiatives?**

Yes

**Activities**

Involved in multi-partnership or stakeholder initiatives

**Initiatives**

Sustainable Agricultural Initiative (SAI)

UK Roundtable on Sustainable Soy

Other, please specify (Soy Transparency Coalition)

**Jurisdictional approaches**

<Not Applicable>

**Please explain**

Engage in the above multi stakeholder initiatives to drive various sustainability agendas.

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**Forest risk commodity**

Timber products

**Do you participate in activities/initiatives?**

Yes

**Activities**

Involved in multi-partnership or stakeholder initiatives

**Initiatives**

Forest Stewardship Council (FSC)

Programme for the Endorsement of Forest Certification (PEFC)

**Jurisdictional approaches**

<Not Applicable>

**Please explain**

Ensure all material we procure is certified to third party standards such as PEFC and FSC

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**F6.11**

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**(F6.11) Is your organization supporting or implementing project(s) focused on ecosystem restoration and protection?**

No, but we plan to implement a project(s) in two years

**F7. Verification**

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**F7.1**

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**(F7.1) Do you verify any forests information reported in your CDP disclosure?**

Yes

**F7.1a**

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**(F7.1a) Which data points within your CDP disclosure have been verified, and which standards were used?**

**Disclosure module**

F6. Implementation

**Data points verified**

Certification of raw materials in timber products to PEFC/FSC is verified by certification bodies. Likewise we have chain of custody certification for RSPO palm oil. All soy RTRS credits which we purchase are independently verified.

**Verification standard**

RSPO , RTRS and PEFC/FSC

**Please explain**

RSPO segregated palm oil used in any ingredients that we purchase. All of the paper and board that we use is FSC/PEFC certified. The indirect soy used in our supply chains in UK, Ireland and Holland are certified through RTRS credits, purchased via independent specialists on behalf of the retailers.

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**F8. Barriers and challenges**

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**F8.1**

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**(F8.1) Describe the key barriers or challenges to eliminating deforestation and/or conversion of other natural ecosystems from your direct operations or from other parts of your value chain.**

**Forest risk commodity**

Soy

**Coverage**

Supply chain

**Primary barrier/challenge type**

Supply chain complexity

**Comment**

As mentioned, our supplying abattoirs source from thousands of small holders who source different feed from varying sources. Identifying areas of origin within this is difficult. Hence it is difficult to ensure the material that these farmers use is directly verifiable as deforestation free. We are addressing this through the physical supply chain working group in the UK roundtable for sustainable soy, which are developing specifications for the UK animal feed industry to include sustainable soy.

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**Forest risk commodity**

Cattle products

**Coverage**

Supply chain

**Primary barrier/challenge type**

Limited availability of certified materials

**Comment**

The scope of certification used in agriculture does not usually include measuring the feed footprint. There is no availability of industry wide certified sustainable programme in south america, therefore our suppliers have their own independent verification processes.

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**F8.2**

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**(F8.2) Describe the main measures that would improve your organization's ability to manage its exposure to deforestation and/or conversion of other natural ecosystems.**

**Forest risk commodity**

Soy

**Coverage**

Supply chain

**Main measure**

Development of certification and sustainability standards

**Comment**

To have a country level sustainable soy specification, to include zero deforestation / conversion, which is mandated by customers. We are currently working towards this with help from the European and UK feed agencies FEMAS/FEFAC.

**Forest risk commodity**

Cattle products

**Coverage**

Supply chain

**Main measure**

Development of certification and sustainability standards

**Comment**

To have a national level certification programme for sustainable beef in each of our countries of supply.

**F17 Signoff**

**F-FI**

**(F-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.**

**F17.1**

**(F17.1) Provide the following information for the person that has signed off (approved) your CDP forests response.**

	Job Title	Corresponding job category
Row 1	Chief Quality and CSR officer	Chief Sustainability Officer (CSO)

**Submit your response**

**In which language are you submitting your response?**

English

**Please confirm how your response should be handled by CDP**

	I am submitting to	Public or Non-Public Submission
I am submitting my response	Investors	Public

**Please confirm below**

I have read and accept the applicable Terms