

F0. Introduction

F0.1

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

Against this backdrop of deeply rooted changes, Carrefour launched a wide-reaching transformation plan in January 2018, clearly setting out its ambition to become the world leader of the food transition for all.

Carrefour has numerous assets that will help it achieve this ambition: a brand that is well-known in many countries around the world; 77 million customer households; a network of 13,048 stores in more than 30 countries and e-commerce sites that attract 46 million of connexion every month; local roots and contributions by each store to the day-to-day life and development of its host community; and 322,164 employees working in 300 different areas of expertise. Very often, the Carrefour Group is the first private employer in the countries in which it operates. This is obviously the case in France – where the Group was founded – but it also holds true in countries such as Brazil, Argentina and Italy. At the same time, the Group gives priority to local supply chains. Nearly three-quarters of its own brand food products come from local suppliers in the countries in which it operates.

Fully aware of the urgency and extent of the challenges to be faced, Carrefour launched Act for Food in September 2018, a global program of concrete initiatives for “better eating”. The corresponding commitments are adapted to meet the specific needs of each of the Group’s host countries such as “Ensuring quality and traceability and eliminating controversial substances” and “Developing agroecology and organic products”.

F0.2

**(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 2020	December 31 2020

F0.3

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

EUR

F0.4

**(F0.4) Select the forest risk commodity(ies) that you are, or are not, disclosing on (including any that are sources for your processed ingredients or manufactured goods); and for each select the stages of the supply chain that best represents your organization’s area of operation.**

	Commodity disclosure	Stage of the value chain	Explanation if not disclosing
Timber products	Disclosing	Retailing	<Not Applicable>
Palm oil	Disclosing	Retailing	<Not Applicable>
Cattle products	Disclosing	Retailing	<Not Applicable>
Soy	Disclosing	Retailing	<Not Applicable>
Other - Rubber	Not disclosing	Retailing	Carrefour decided to not disclosing about Rubber in the 2020 CDP Questionnaire. Nevertheless, Carrefour deals with all raw materials (incl. rubber) presenting a risk of deforestation in its forest-related policy. Policy, action plan and performance on Forest-related risks are described in the Universal Registration Document. Regarding textile products, Carrefour has set a target to reach 100% deforestation-free textile fibers from wood (viscose, lyocell, modal type) in our Carrefour’s TEX products by 2022.
Other - Cocoa	Not disclosing	Retailing	Carrefour decided to not disclosing about Cocoa in the 2020 CDP Questionnaire. Nevertheless, Carrefour deals with all raw materials (incl. cocoa) presenting a risk of deforestation in its forest-related policy. Policy, action plan and performance on Forest-related risks are described in the Universal Registration Document. In 2020, Carrefour took as engagement to reach 100% of Carrefour brand chocolate tablets which must be in compliance with our sustainable cocoa charter by 2023 (in France, Belgium, Spain and Italy). In order to combat deforestation resulting from Cocoa sourcing, Carrefour is implementing initiatives with its chocolate providers and working alongside its stakeholders to take collective action. Carrefour has been a partner of the CÉMOI’s Cocoa Transparency programme since its inception. It has now been applied to 20 Carrefour-branded tablets, including 8 products sold under the Bio brand. This programme contributes to combating deforestation and improving the living and working conditions of farmers involved in growing cocoa. The cocoa paste produced from cocoa beans can be completely traced from the planter to the consumer. Carrefour also joined the Retailer Cocoa Collaboration (RCC) initiative in 2019. The purpose of this platform is to initiate dialogue between cocoa distributors and traders in order to promote transparency and progress towards sustainable cocoa production, both from an environmental and social point of view. Through this annual assessment programme, the RCC can be used to: - measure the progress of cocoa traders with respect to the eight core principles of the Cocoa and Forestry Initiative (CFI); - ensure that distributors all use the same assessment method; - make more informed decisions in relation to cocoa sourcing.
Other - Coffee	Not disclosing	Retailing	Carrefour decided to not disclosing about Coffee in the 2020 CDP Questionnaire. Nevertheless, Carrefour deals with all raw materials (incl. coffee) presenting a risk of deforestation in its forest-related policy. Policy, action plan and performance on Forest-related risks are described in the Universal Registration Document.

F0.5

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

Yes

**F0.5a**

**(F0.5a) Identify the parts of your direct operations or supply chain that are not included in your disclosure.**

Value chain stage	Exclusion	Description of exclusion	Potential for forests-related risk	Please explain
Supply chain	Specific product line(s)	Supplier brand products are excluded from the reporting for Timber, Palm oil and Soy. For cattle, owned brand and suppliers' brands are included but only beef (meat) is included in the disclosure (processed meat excluded).	Potential for forests-related risk but not evaluated	The deforestation risk linked to supplier / national brand products is evaluated by the brands themselves. Carrefour evaluates the risk for its own brand products for which the group has direct leverage (governance, policies, action plans, key performance indicators). However, Carrefour sets up multilateral collaborations to tackle deforestation issue with these national brands which pose potential for forests-related risk. As an example, Carrefour launched in 2019 the Food Transition Pact which is a large Carrefour suppliers network whose objective is to collectively involve the actors in the Food Transition and continued its action in 2020 with national brands. The Food Transition Pact deals with 6 pillars which are integrated in the programme, including one on biodiversity, which notably addresses collective projects to combat deforestation. The group was the first retailer to ask its biggest suppliers to sign the Food Transition Pact. For cattle, only beef is material for Carrefour. Leather represents less than 1% of the textile department. For beef, Carrefour actions focus on Brazil and Argentina as European sourcing is mainly local and therefore has no significant deforestation risks. To move forward and engage indirect suppliers (traders), Carrefour works alongside other European industrials and retailers through CGF Forest Positive Coalition which is co-led by Carrefour's CEO. Going forward, the Coalition will focus on systemic change underpinned by the two pillars of its theory of change – supply chain management and integrated land use approach – developed with significant input from both supply chain companies and other stakeholders. The Forest Positive Coalition of Action will: • Accelerate efforts to remove commodity-driven deforestation from our individual supply chains. • Set higher expectations for traders to act across their entire supply base. • Drive more transformational change in these key commodity landscapes. • Transparently report on progress to ensure accountability. The Coalition is led at the CGF Board-level by Alexandre Bompard, CEO, Carrefour and Grant Reid, President & CEO, Mars, Incorporated.

**F1. Current state**

**F1.1**

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

**Timber products**

**Activity**

Retailing/onward sale of commodity or product containing commodity

**Form of commodity**

- Paper
- Primary packaging
- Cellulose-based textile fiber

**Source**

Contracted suppliers (processors)

**Country/Area of origin**

- Belgium
- Brazil
- Canada
- Chile
- Estonia
- Finland
- France
- Italy
- Lithuania
- Norway
- Portugal
- Russian Federation
- Spain
- Sweden
- United States of America
- Uruguay

**% of procurement spend**

1-5%

**Comment**

Forest protection is one of the main topic of Carrefours' CSR "Product" action plan. Carrefour sells non-food products containing wood fibres (example: outdoor furniture, stationary, hygiene products), these types of products represent between 1 to 5% of the Carrefour own brands sells. Some products are 100% made from wood fibres, and other products are just partly made of wood fibres. Carrefour also uses wood fibres for other purposes, as in packaging of its products. In textile, the part of viscose from a natural origin is negligible (<3% of the volume of textile fibres used). For direct activities, Carrefour does not directly buy timber or wood commodities, except paper for the catalogues and the office paper. During its sourcing process for timber product, Carrefour always demand to its supplier to complete a "wood information table" mentioning species of wood used and the origin. In 2020, wood in Carrefour timber products comes from more than 40 countries.

## **Palm oil**

### **Activity**

Retailing/onward sale of commodity or product containing commodity

### **Form of commodity**

Crude palm oil (CPO)  
Crude palm kernel oil (CPKO)  
Refined palm oil  
Palm oil derivatives  
Palm kernel oil derivatives

### **Source**

Contracted suppliers (manufacturers)

### **Country/Area of origin**

China  
Indonesia  
Malaysia  
Netherlands  
Papua New Guinea  
Thailand

### **% of procurement spend**

<1%

### **Comment**

Forest protection is one of the main topics of Carrefours' CSR "Product" action plan. Palm oil is an ingredient in a high number of Carrefour products, and therefore the procurement is not monitored. However, palm oil is monitored in volumes. Carrefour's suppliers are located mainly in countries where Carrefour operates. The main part of the suppliers is located in France, as it is Carrefour biggest business unit. For Carrefour, palm oil comes mainly from Indonesia and Malaysia.

## **Cattle products**

### **Activity**

Retailing/onward sale of commodity or product containing commodity

### **Form of commodity**

Beef  
Hides/leather

### **Source**

Contracted suppliers (manufacturers)

### **Country/Area of origin**

Argentina  
Brazil  
France  
Italy  
Poland  
Romania  
Spain

### **% of procurement spend**

1-5%

### **Comment**

Forest protection is one of the main topics of Carrefours' CSR "Product" action plan. For cattle commodities, only beef is material for Carrefour. (leather represents less than 1% of the textile department). For beef, Carrefour actions focus on Brazil and Argentina as European sourcing is mainly local and therefore has no significant deforestation risks.

**Soy**

**Activity**

Retailing/onward sale of commodity or product containing commodity

**Form of commodity**

Soy derivatives

**Source**

Contracted suppliers (manufacturers)

**Country/Area of origin**

Argentina  
 Brazil  
 France  
 India  
 Paraguay  
 Romania  
 Thailand  
 United States of America

**% of procurement spend**

<1%

**Comment**

Forest protection is one of the main topics of Carrefours' CSR "Product" action plan. Soy is an ingredient in several Carrefour products. But soy is primarily used in livestock feed, entering in Carrefour products. Due to the number of products concerned, the procurement is not monitored. Carrefour's suppliers are located mainly in the countries where Carrefour operates. The main part of the suppliers is located in France, as it is Carrefour biggest business unit. For Carrefour, soy used as feed comes mainly from Brazil and Argentina. Carrefour also demand non-GMO soy to feed animals entering in the Carrefour Quality Line products, mainly from India or from local soy production in France.

**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	1-5%	Our policy scopes all timber, wood fibres and paper products we sell under Carrefour brand, together with paper for commercial publications. We estimate that gross sales made on timber products represents between 1% to 5% of total own brand products gross sales (the packaging is not taken into account).
Palm oil	11-20%	Our policy scopes all the products we sell under Carrefour brand containing palm oil. We estimate that palm oil enters in the composition of between 11 to 20% of Carrefour brand food products and household and personal care products are concerned by palm oil (European buying office perimeter).
Cattle products	6-10%	Our policy scopes all the cattle products we sell under Carrefour brand. We estimate that between 6 to 10 % of Carrefour quality lines are beef or veal, compared to the total number of quality lines for the Group.
Soy	21-30%	Our policy scopes all the soy product we sell under Carrefour brand. The identification of all product categories concerned by soy commodity has been conducted during a dedicated study for some of the market where we operate. We estimate that between 21 to 30 % of Carrefour quality lines are using soy.
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**

Timber products

**Data type**

Consumption data

**Volume**

103481

**Metric**

Other, please specify (Gross sales of top 10 families of wood/paper/pulp products 2020)

**Data coverage**

Partial commodity production/consumption

**Please explain**

The main consumption in tons would be paper for catalogues easily traceable. In 2020, 100% of the paper used by the Carrefour group for marketing publications is recycled or certified. 100% of our charcoal sold in France is FSC®-certified or made with French raw materials. 100% of our tropical wood garden furniture (acacia and eucalyptus) sourced through our international purchase center is FSC®-certified. In France, we have developed the "Ecoplanet" stationery range to be made from 100% recycled paper. 95% of the printing paper used in our French headquarters is certified of which 90% is FSC®-certified or Blue Angel. To go further, 100% of the paper used in the catalogues are certified/recycled paper.

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**Forest risk commodity**

Palm oil

**Data type**

Consumption data

**Volume**

6127

**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**

170542

**Metric**

Metric tons

**Data coverage**

Partial commodity production/consumption

**Please explain**

Because of the high number of products containing soy directly or indirectly, we do not have a consumption indicator at the level of the group. However, Carrefour has developed special sourcing for soy used for feed in its Carrefour Quality Line products in France, in order to offer more than 350 products bearing a label "reared without GMO" to its clients. In 2020, Carrefour Group sourced 170,542 metric tons of embedded soy in its own-brand animal products. In France, the soy footprint amounts to 98,000 metric tons. At the Group level, 70% of embedded soy comes from conventional sources while the organic/non-genetically modified soy and local French soy amounts to 30%. At French level (48% of the group revenue) this breakdown drops to 53% of conventional soy and 47% of soy under guarantee. Another assessment has allowed to measure the approximative tons of soy coming from Brazil and indirectly use as feed for Carrefour's meat products. In 2020, nearly 19,404 tons of soybeans come from this country. Also, 9,000 tons of soybeans comes from Argentina in 2020.

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**Forest risk commodity**

Cattle products

**Data type**

Consumption data

**Volume**

53000

**Metric**

Metric tons

**Data coverage**

Partial commodity production/consumption

**Please explain**

Brazilian beef is only sold in our stores in Brazil, with more than half of our sales being represented by 'beef in nature' (steak, burgers, etc.) as opposed to other meat products (prepared meals, processed foods). Our annual sales of beef in nature total 14,000 tons for Carrefour, of which 2% is under the Carrefour brand, with the remainder coming from other national brands and 39,000 tons from Atacadão. In 2020, 100% of the Brazilian beef is geo-referenced.

**(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**

Timber products

**Country/Area of origin**

Unknown origin

**State or equivalent jurisdiction**

<Not Applicable>

**% of total production/consumption volume**

100

**Please explain**

The large number of suppliers and wood species does not allow us to make such estimates.

**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 large number of suppliers does not allow us to make such estimates.

**Forest risk commodity**

Soy

**Country/Area of origin**

Unknown origin

**State or equivalent jurisdiction**

<Not Applicable>

**% of total production/consumption volume**

73.1

**Please explain**

In 2020, Carrefour launched a mapping of Group's Soy Footprint (soy is indirectly use in animal products as feed) which will be updated annually. Carrefour includes unprocessed raw products under the following own-brand products: beef, veal, chicken, turkey, milk, dairy products (for France), eggs, pork, lamb and salmon in the scope. The high percentage with an unknown origin is due to the facts that: - it is first time Carrefour asked stakeholders; - soy origin information is not or slightly provided to the end users of the soybean; - for France, work is in progress to finalise the supplier questionnaires (France represents 50% of the group's footprint)

**Forest risk commodity**

Soy

**Country/Area of origin**

Brazil

**State or equivalent jurisdiction**

Don't know

**% of total production/consumption volume**

11.6

**Please explain**

In 2020, Carrefour launched a mapping of Group's Soy Footprint which will be updated annually. Carrefour includes unprocessed raw products under the following own-brand products: beef, veal, chicken, turkey, milk, dairy products (for France), eggs, pork, lamb and salmon in the scope.

**Forest risk commodity**

Soy

**Country/Area of origin**

Argentina

**State or equivalent jurisdiction**

Don't know

**% of total production/consumption volume**

8.9

**Please explain**

In 2020, Carrefour launched a mapping of Group's Soy Footprint which will be updated annually. Carrefour includes unprocessed raw products under the following own-brand products: beef, veal, chicken, turkey, milk, dairy products (for France), eggs, pork, lamb and salmon in the scope.

**Forest risk commodity**

Soy

**Country/Area of origin**

Any other countries/areas

**State or equivalent jurisdiction**

<Not Applicable>

**% of total production/consumption volume**

6.4

**Please explain**

In 2020, Carrefour launched a mapping of Group's Soy Footprint which will be updated annually. Carrefour includes unprocessed raw products under the following own-brand products: beef, veal, chicken, turkey, milk, dairy products (for France), eggs, pork, lamb and salmon in the scope.

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**Forest risk commodity**

Cattle products

**Country/Area of origin**

Brazil

**State or equivalent jurisdiction**

Specify state/equivalent jurisdiction (MatoGrosso do Sul, Amazonas, Goiás, Maranhão, MatoGrosso, Minas Gerais, Pará, Paraná, Rio Grande do Sul, Rondônia, São Paulo and Tocantins)

**% of total production/consumption volume**

26.4

**Please explain**

26.4% of the beef sold in the group is sold in Carrefour shops. Cattle production is geomonitored at 100% which allows Carrefour to identify with high precision the localization of each farms and to identify deforestation alerts. The origin of beef is also available at municipal scale if needed.

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**Forest risk commodity**

Cattle products

**Country/Area of origin**

Brazil

**State or equivalent jurisdiction**

Specify state/equivalent jurisdiction (MatoGrosso, MatoGrosso do Sul, Rondônia, Bahia, Pará, Goiás, Tocantins, Minas Gerais, São Paulo, Paraná, Maranhão, Rio Grande do Sul, Espírito Santo)

**% of total production/consumption volume**

73.6

**Please explain**

73.6% of the beef sold in the group is sold in Atacadao shops. Cattle production is geomonitored at 100% which allows Carrefour to identify with high precision the localization of each farms and to identify deforestation alerts. The origin of beef is also available at municipal scale if needed.

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**F1.5e**

**(F1.5e) How does your organization produce or consume biofuel derived from palm oil?**

**Does your organization produce or consume biofuel derived from palm oil?**

No

**Data type**

<Not Applicable>

**Volume produced/consumed**

<Not Applicable>

**Metric**

<Not Applicable>

**Country/Area of origin**

<Not Applicable>

**State or equivalent jurisdiction**

<Not Applicable>

**% of total production/consumption volume**

<Not Applicable>

**Does the source of your organization's biofuel material come from smallholders?**

<Not Applicable>

**Comment**

Carfuel France represents 90% of all the fuel sold by Carrefour in the world and Carfuel France does not produce or consume biofuel derived from palm oil.

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**F1.6**

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

Yes

**F1.6a****(F1.6a) Describe the forests-related detrimental impacts experienced by your organization, your response, and the total financial impact.****Forest risk commodity**

Palm oil

**Impact driver type**

Reputational and markets

**Primary impact driver**

Increased stakeholder concern or negative stakeholder feedback

**Primary impact**

Brand damage

**Description of impact**

(i) On the basis of our stakeholder consultation on palm oil in 2015, gathering suppliers as well as NGO and internal teams (purchasing and quality) Carrefour has decided to update its palm oil policy to go further than actual RSPO standard and has taken new substantive commitments at group level. (ii) As a result, since 2015, 100% of the palm oil used by Carrefour has been sourced from RSPO supported suppliers. To go further, in 2018 Carrefour has set new objectives to achieve 100% RSPO for Carrefour products sold in France. In 2020, 82,8% of the palm oil in its products is segregated or mass-balance, meaning it is wholly or partially monitored for sustainability throughout the supply chain: 54.6% were RSPO certified 'segregated' (fully traced). Carrefour's goal is to achieve 100% of palm oil used as an ingredient in Carrefour own-brand products must be certified RSPO Segregated by the end of 2022: 2% of palm oil with RSPO Next, POIG, 53% of palm oil with RSPO Segregated certification, 28% of palm oil with RSPO Mass balance certification and 17% of palm oil covered by RSPO credits.

**Primary response**

Tighter supplier performance standards

**Total financial impact**

281842

**Description of response**

(i) In 2015, Carrefour organized a stakeholder consultation gathering private organizations, suppliers and NGOs to discuss about Carrefour palm oil policy. This meeting has shown the need to set new ambitious criteria for the policy. (ii) As a result, Carrefour established a new public policy in 2015 for sustainable palm oil to go further on some specific criteria like peat land protection. This policy can be found on our web site. It includes RSPO criteria and some additional requirements. Since 2015, 100% of palm oil comes from RSPO-supported suppliers. We published our new commitments in the ACOP 2017: expecting to use 100% RSPO certified sustainable palm oil and oil palm products from physical supply chains (Segregated) in our own brand products without derivatives in 2022. In 2020, 83.8% were RSPO certified 'segregated' in France and 54.6% at Group level. Our ambition is to ensure that palm oil we use does not contribute to deforestation. Carrefour value dialogue with upstream actors of the supply chain by organizing roundtables (NGO, suppliers, national brand...) to report and create innovation. (iv) The estimated financial cost of the impact representing the maximum cost of the RSPO certification for the total amount of palm oil used by Carrefour ( $(\text{over-cost of RSPO per ton}) \times [\text{Volume of palm oil used}]$ ). The over-cost of RSPO segregated palm oil is between 13-46€/ton. The maximum cost of response could then be  $6,127t \times 46€ = 281,842 €$ .

**Forest risk commodity**

Cattle products

**Impact driver type**

Reputational and markets

**Primary impact driver**

Increased stakeholder concern or negative stakeholder feedback

**Primary impact**

Brand damage

**Description of impact**

(i) On the basis of a stakeholder consultation on cattle products gathering with Carrefour Brazil purchasing teams, the main Brazilian suppliers, WWF Brazil and other NGOs, Carrefour has decided to define a global policy on beef sourcing based on five criteria to ensure that its supply chain does not cause deforestation or impact preserved areas according to the Consumer Goods Forum (CGF) commitment. As a member, the Group actively participates in coalitions on soy, wood and paper, palm oil, beef and plastic. Alexandre Bompard now co-leads the coalition to combat deforestation. (ii) This substantive impact is leading Carrefour to implement action plans, objectives and other big changes at the group level.

**Primary response**

Tighter supplier performance standards

**Total financial impact**

50000

**Description of response**

(i) Carrefour has developed a new beef sourcing policy that was publicly disclosed in 2016. This policy has been defined and developed in a collective approach involving several stakeholders like: NGOs (e.g. Greenpeace, WWF, TNC, Imafloira, WRI, Proforest), Public actors (e.g. Mato Grosso and São Paulo state government), Private experts, etc. Beef control by georeferencing in the Amazon began in 2017 and is currently being extended to all suppliers in the region. Carrefour carries out satellite surveillance of breeding pastures to reduce the risk of destruction to the Amazon rain forest, preserve biodiversity and prevent the use of land belonging to indigenous tribes. (ii) In 2020, 100% of tier 2 Brazilian beef suppliers are geo-referenced (iii) The estimated financial cost of the impact is 50,000€ /year (R\$ 300.000), representing the cost of the geo-referencing system per year in Brazil for beef. (iv) The Carrefour Brazil group reiterated its commitment to ethical, environmentally-friendly meat production and rejects any practice associated with deforestation in the Amazon. In response to the article published on April 2020 the Carrefour Brazil group suspended purchases of meat from farms in Rondônia state via its direct supplier JBS. This suspension had no financial loss, as these were small-volume slaughterhouses and regional supply; the volume was replenished by other suppliers.

**Forest risk commodity**

Soy



**Impact driver type**

Technological

**Primary impact driver**

Lack of monitoring systems

**Primary impact**

Increased production costs

**Description of impact**

(i) On the basis of a stakeholder consultation on soy in 2019, gathering suppliers as well as NGOs, certifying bodies, companies offering traceability solutions and internal teams (purchasing and quality) Carrefour has decided to implement a traceability tool at the group's level. Evaluations are underway with each supplier in order to refine our total footprint according to current practices (actual soy consumption index versus statistics), to precise origins of the soy, and the proportion of traceable soy that is not linked to deforestation. (ii) Soy is directly and indirectly consumed in products sold by the group in many foodstuffs which makes the impact significant at the Group-level in terms of costs and deforestation risk.

**Primary response**

Tighter supplier performance standards

**Total financial impact**

10500

**Description of response**

(i) After a stakeholders consultation in 2019 which led to a partnership with a company offering traceability solutions on soy, in 2020, Carrefour organized a forum and published the result of this consultations with stakeholders and NGOs in a panel at the end of 2020 including: WWF France and Brazil, National Wildlife Federation, Envol Vert, Mighty Earth, Proforest, and the Consumer Goods Forum. (ii) This new partnership allowed the Group to have a better visibility on its soy supply chain in 2020 thanks to a first mapping of Carrefour's Soy Footprint which will be updated annually on the first exercise basis. Also, in 2020, the group set the following target: 100% of Carrefour Quality Line and Carrefour own-brand products must use soybeans that are not derived from deforestation for animal feed by 2025. Perimeter: raw, fresh and frozen products of the following categories: chicken, turkey, pork, beef, veal, lamb, salmon, eggs, milk, minced meat (fresh and frozen). (iii) The estimated financial cost of the impact represents the cost related to the partnership between the company offering traceability solutions on soy and the implementation of the traceability tool to respond to the lack of monitoring systems and traceability. In 2019, an experiment project with Agrotool has cost 10,500€ (R\$ 69,000).

**Forest risk commodity**

Timber products

**Impact driver type**

Reputational and markets

**Primary impact driver**

Increased cost of certified sustainable material

**Primary impact**

Increased production costs

**Description of impact**

On the basis of a stakeholder consultation on Timber, gathering suppliers as well as NGO and internal teams (purchasing and quality) Carrefour has taken new substantive commitments at group level. A Group-wide purchasing policy and rules are defined for 10 priority families representing more than 80% of wood and paper supplies: they provide for the use of FSC, PEFC and recycled certification for all these families depending on the level of risk. In 2020, 70,248,6% of Carrefour own-brand products in the ten priority categories were sourced from sustainable forests and the target was by end-2020 to each 100%. A significant progress has been achieved between 2019 and 2020 (especially in Italy, Spain, Poland) and an action plan is underway to support the achievement of the final milestone in the first half of 2021. This same year, 534 million of euros (+160% vs. 2019) of Carrefour PEFC and FSC products were sold.

**Primary response**

Tighter supplier performance standards

**Total financial impact**

2337790

**Description of response**

(i) In 2020, Carrefour organized three stakeholder consultation gathering suppliers as well as NGOs, certifying bodies (incl. the FSC organisation), companies offering traceability solutions and internal teams (purchasing and quality). (ii) In 2020, the estimated financial cost of the impact is 2,337,790€, (iv) representing the amount of the annual FSC royalty plus the cost of the PEFC certification for the total amount of PEFC products used by Carrefour ([% of FSC/PEFC over-cost per product] x [Total gross sales amount of FSC and PEFC products]). The % of FSC/PEFC over-cost is estimated at 3,5% according to a PEFC study in 2018. The maximum cost of response could then be 3,5% x 66,794,000€ = 2,337,790€.

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

Yes, forests-related risks are assessed

**F2.1a****(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

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

(i) Our mechanism for identifying and addressing risk factors has multiple levels and includes CSR-related risks. It also includes the risk linked to climate change on our direct operations. Carrefour has also prioritized its CSR approach thanks to the following process: - methodological identification and ranking of the stakes, according to ISO 26000 - stakeholder consultation regarding CSR priorities and actions to undertake at short and medium term - Materiality assessment of CSR stakes, led by a third party. (ii) This approach is supplemented by a commodity specific due diligence. For timber: We have built risk analysis tools to evaluate all the wood that our suppliers procure through a third party. A global priority identification has been conducted based on volumes and raw material (e.g. tropical hard wood for garden furniture, paper for commercial publications). Carrefour has also reinforced its decision-making and auditing system by adding a more in-depth risk analysis by species and procurement zone and by specifying criteria for evaluating suppliers. Depending on the results, we guide our suppliers on whether they must implement audits or sign up to a certification scheme or source from different regions. This risk analysis and mapping, has been established initially with Proforest, and is regularly updated with the collaboration of WWF France. In 2017, in the frame of the duty of care law application in France, we have updated this risk assessment with an analysis by country / activity/ commodity. Depending on the level of risk assessed, Carrefour requires certification, change in supplies, or improvement process towards certification. Our risk assessment for timber scopes all timber and paper products we sell under Carrefour brand together with paper for commercial publications. However, the actions taken, and the reporting availability will vary depending on the sub scope (geographical for instance). A dedicated supplier charter has been written and is signed by suppliers of the International Purchase Office responsible for European procurement. A questionnaire and a pedagogic tool kit have been sent to the suppliers of the International Purchase Office. The questionnaire is used together with a risk map in order to suppress unwanted sources. In 2017, we have updated the risk assessment focusing on the USA, countries from Europe and Russia.

## Palm oil

### Value chain stage

Supply 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

Sustainability Policy Transparency Toolkit (SPOTT)

### Please explain

(i) Within the Carrefour group, the mechanism for identifying and addressing risk factors has multiple levels and includes CSR-related risks. It also includes the risk linked to climate change on Carrefour direct operations. Carrefour has also prioritized its CSR approach thanks to the following process: -methodological identification and ranking of the stakes, according to ISO 26000 -stakeholder consultation regarding CSR priorities and actions to undertake at short and medium term -Materiality assessment of CSR stakes, led by a third party. This approach is supplemented by a commodity specific due diligence. Palm oil is considered as a sensitive commodity whatever the volumes or the origin. Priority is given to main volumes for the implementation of action plans (we focus our work on the purchase office dealing with the highest number of Carrefour brand products). (ii) We scope all the product we sell under Carrefour brand containing palm oil. However, the actions taken and the reporting availability will vary depending on the sub scope (geographical for instance). Carrefour requests its suppliers to source 100% sustainable palm oil according to the RSPO certification. In 2020, 82.8% of palm oil suppliers are RSPO certified (Segregated & Mass Balance). European Purchase office teams have a monitoring system for all suppliers and items containing palm oil and their status regarding the action plan. In addition, Carrefour has decided to increase traceability through supply chain by starting a supply chain mapping. Through this approach, Carrefour wants to increase knowledge across supply chain and facilitate sustainable sourcing. Carrefour is not seeking directly the point of origin for palm oil but is requiring certification. A strengthened approach has been implemented on 50 products, with requirement including RSPO criteria but also some additional requirements to protect natural forests (along with primary forests) and peat logs: -we identify key refiners and producers -we assess the current policy of upstream operators within Carrefour policy. At the end of 2015, objectives were met with 50 products RSPO+. Each year, Carrefour reports its palm oil consumption volume to the ACOP, along with the certification system: 100% of the palm oil used in Carrefour brand products is RSPO certified (incl. % Book & Claim, 28% Mass Balance, 53,3% Segregated).

## 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

Annually

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

1 to 3 years

### Tools and methods used

Internal company methods  
National specific tools and databases

### Please explain

(i) Within the Carrefour group, the mechanism for identifying and addressing risk factors has multiple levels and includes CSR-related risks. It also includes the risk linked to climate change on Carrefour direct operations. Carrefour has also prioritized its CSR approach thanks to the following process: - methodological identification and ranking of the stakes, according to ISO 26000 - stakeholder consultation regarding CSR priorities and actions to undertake at short and medium term - Materiality assessment of CSR stakes, led by a third party. This approach is supplemented by a commodity specific due diligence. (ii) For cattle, the risk assessment has been made at the Group level, and is based on regional risks. For instance, actions on cattle products focus on Brazil as European sourcing for those products is mainly local and therefore has no significant deforestation risks. For cattle, Carrefour scopes all the cattle product sold under Carrefour brand. However, the actions taken and the reporting availability will vary depending on the subscope (geographical for instance). Beef control by georeferencing in the Amazon began in 2017 and is currently being extended to all suppliers in the region. Carrefour carries out satellite surveillance of breeding pastures to reduce the risk of destruction to the Amazon rain forest, preserve biodiversity and prevent the use of land belonging to indigenous tribes. In 2020, to ensure that none of our products participate in deforestation, 100% of suppliers are georeferenced.

## Soy

### Value chain stage

Supply 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  
Trase  
National specific tools and databases

### Please explain

(i) Within the Carrefour group, the mechanism for identifying and addressing risk factors has multiple levels and includes CSR-related risks. It also includes the risk linked to climate change on Carrefour direct operations. Carrefour has also prioritized its CSR approach thanks to the following process: - methodological identification and ranking of the stakes, according to ISO 26000 - stakeholder consultation regarding CSR priorities and actions to undertake at short and medium term - Materiality assessment of CSR stakes, led by a third party. This approach is supplemented by a commodity specific due diligence. (ii) For soy, the risk assessment has been made at the group level. Carrefour risk analysis for soy is based on a theoretical study, a stakeholder perception study and national database available. Thanks to the study, we have assessed the regional risk depending on sourcing areas and taking into consideration whether soy is directly contained in the product or entering indirectly the supply chain (as feed). For Soy, we scope all the soy product we sell under Carrefour brand. However, the actions taken, and the reporting availability will vary depending on the sub scope (geographical for instance or directly using palm oil). The identification of all product categories concerned by soy commodity has been conducted during a dedicated study for some of the market where we operate. Carrefour is also working within CGF soy working group on a risk assessment using tools such as Trase. These tools could allow to trace back to soybean supply municipalities in Carrefour's supply chains.

## 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

(i) To satisfy its clients, Carrefour needs to guaranty the availability of its value chain and its commodities. That is why Carrefour has set sustainable sourcing guidelines and tools with several certifications and requirements (e.g. origin) to insure sufficient sourcing with lower risks (environmental risks as deforestation and social risks as labour conditions). Thus, when certification does not respond sufficiently to the risk, Carrefour develop other initiatives locally or internationally to develop the availability of sustainable commodities. For instance in 2020, Carrefour organized a stakeholder consultation about forest issues gathering NGOs, industrials, competitors and scientists such as WWF France and Brazil, National Wildlife Federation, Envol Vert, Mighty Earth, Proforest, and the Consumer Goods Forum. Also, Carrefour organized a panel of stakeholders in November 2020 to present the results of this initiative. (ii) To tackle the issue and to reconcile availability of forest risk commodities and fight against deforestation, Carrefour develop local and international initiatives, and identify targets to tackle deforestation related to palm oil, soy, wood and paper, beef and cocoa. The targets are fixed for 2025.

## Quality of forest risk commodities

### Relevance & inclusion

Relevant, always included

### Please explain

(i) Carrefour consumers have quality expectation regarding Carrefour products. Promoting food quality to the consumer is one of the main axis of Carrefour's Global Strategy. To insure the best product quality, Carrefour quality teams set a various of quality test and audits with suppliers and consumers in order to decide the best sourcing alternative. (ii) The development of Carrefour own brand products can't avoid the quality of commodities to ensure that the products will keep on responding to the needs of the consumers. Carrefour sustainable sourcing guidelines always include quality expectations.

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

### Relevance & inclusion

Relevant, always included

### Please explain

(i) Carrefour purchasing teams demand and control suppliers to be in conformity with the requirements (e.g. thanks to questionnaire et traceability tools). (ii) Impact of activity on the status of ecosystems and habitats is a current stake. In its Forest Policy, Carrefour applies several principles linked to the preservation of ecosystems and habitats on sustainable forest management such as protecting of high-conservation-value (HCV) forests, peat bogs, high-carbon-stock (HCS) areas and remarkable ecosystems or banning forest clearance by fire, and implementation of good practices to reduce GHG emissions in existing plantations.

## Regulation

### Relevance & inclusion

Relevant, always included

### Please explain

(i) Regulation is a current stake in Carrefour's risk assessments. Carrefour strives to adopt an attitude beyond reproach by following but also participating to the review of the main regulations through individual or collective initiatives in order to develop or strengthen regulatory. As an example, when the European Timber Regulation (EUTR) was under review, Carrefour contributed to make proposals going towards more demands and a stronger ambition from the beginning by being a member of the Timber Retail Coalition, as well as other existing coalitions on the other forest risk commodities. (ii) Participating in these coalitions enables Carrefour to reconcile potential new regulations on forest risk commodities with the Carrefour's Global Strategy, its business and making more ambitious commitments aligned with forest risk commodities policy. In November 2020, Carrefour, along with seven other retail industry operators signed a manifesto, "committing French supermarkets to fight against imported soy-driven deforestation". In particular, the Group committed to requiring its suppliers to reject soy grown on deforested or converted land in Cerrado, which is the main region in Brazil being deforested for soy production, from January 1, 2020 (deadline). This commitment applies primarily to Carrefour's own-brand poultry, pork, beef or dairy products that consumed soy-based livestock feed. Since January 2021, Carrefour has required its own-brand suppliers to include non-conversion/non-deforestation clauses for soy in their suppliers' contractual conditions. The Group is also urging national brand products to deploy these commitments. (iii) Also, Carrefour signed a statement of support from businesses for an effective EU law to halt the trade in commodities and products linked to deforestation and conversion. This statement signed by major companies related to forest issues welcome the European Commission's initiative to reduce the impact of products placed on the EU market on deforestation, ecosystem conversion and nature degradation.

## Climate change

### Relevance & inclusion

Relevant, always included

### Please explain

(i) Climate change is a current stake. The risk linked to climate change on Carrefour direct operations is evaluated at Group level through the global CSR risk assessment. Reducing carbon footprint caused by deforestation is part of our policy regarding climate change and transition to a low-carbon economy. (ii) Thus, climate change risks are totally integrated through Carrefour principles on sustainable forest management through several requirements such as "protecting of high-conservation-value (HCV) forests, peat bogs, high-carbon-stock (HCS) areas and remarkable ecosystems" or "banning forest clearance by fire, and implementation of good practices to reduce greenhouse gas emissions in existing plantations".

## Impact on water security

### Relevance & inclusion

Relevant, sometimes included

### Please explain

(i) Impact on water is a current stake. The risk linked to water on Carrefour direct operations is evaluated at Group level. Direct water-related risks were assessed with WRI Aqueduct tool. (ii) It helps identifying current and future risks (2030 horizon) and measuring the level of water stress per watershed. Life cycle inventory databases (Agrimalyse & Ecoinvent) were also used to assess the water-related impacts associated with the production, consumption and end-of-life of the products sold in Carrefour stores and helped identify the product categories at risk.

## Tariffs or price increases

### Relevance & inclusion

Relevant, always included

### Please explain

(i) Tariffs or price increases is already taken into account in our forest-related risk assessment and can have a not negligible impact on our sourcing capabilities. Forest related raw materials are subject to many price fluctuation and certification could even more impact the price of raw material and directly or indirectly the price of our products. (ii) Carrefour is always considering the price accessibility of the best products in order to allow the democratization of responsible consumption at a large scale.

## Loss of markets

### Relevance & inclusion

Relevant, always included

### Please explain

(i) Loss of markets is a current stake as some markets are being challenged concerning sustainability: the awareness of consumers is being raised by NGOs and the media. Carrefour has a role to go beyond the consumers and the society needs by anticipating their expectations, especially regarding sustainability. (ii) To tackle this issue Carrefour organizes stakeholders' consultations to better understand the issues and to find solutions collectively. For example, in 2020, Carrefour has held three stakeholder consultation meetings on the fight against deforestation and gathering expertise from internal quality and purchasing teams alongside NGO and suppliers to discuss and challenge Carrefour Forest Policy and Carrefour purchasing guidelines.

## Leakage markets

### Relevance & inclusion

Relevant, always included

### Please explain

(i) Leakage markets is a current stake in Carrefour's risk assessments. (ii) To tackle this issue Carrefour organizes stakeholders' consultations to better understand the issues and to find solutions collectively. For example, in 2020, Carrefour has held three stakeholder consultation meetings on the fight against deforestation and gathering expertise from internal quality and purchasing teams alongside NGO and suppliers to discuss and challenge Carrefour Forest Policy and Carrefour purchasing guidelines.

## Brand damage related to forest risk commodities

### Relevance & inclusion

Relevant, always included

### Please explain

(ii) Concerning sustainability: the awareness of consumers is being raised by NGO and the media. Carrefour has a role to go beyond the consumers and the society needs by anticipating their expectations, especially regarding sustainability. (i) To tackle this issue Carrefour organizes stakeholders' consultations (including NGOs, consumers, etc.) to better understand the issues and to find solutions collectively. For example, in 2020, Carrefour has held three stakeholder consultation meetings on the fight against deforestation and gathering expertise from internal quality and purchasing teams alongside NGO and suppliers to discuss and challenge Carrefour Forest Policy and Carrefour purchasing guidelines. Carrefour also participates to several working groups at national and international level (French National Strategy on Imported Deforestation, WWF Soy Working group, CGF...).

## Corruption

### Relevance & inclusion

Relevant, always included

### Please explain

(i) The refusal of any form of corruption is one of the ten principles of Carrefour's Professional Code of Conduct. Carrefour joined in 2001 the United Nations Global Pact and committed to the guiding principles of the OCDE. These texts cover business ethics areas and in particular the fight against corruption. To strengthen its commitment in this area and to contribute to the exchange of good practices, the Group contributes to the Commission Business in Society's works of the International Chamber of Commerce's French section (ICC France). Since 2009, Carrefour also joined Transparency International (France). In 2017, in the frame of the SAPIN II law, the mechanism to fight against corruption was revised and strengthened. (ii) Moreover, the refusal of any act of corruption is a commitment signed by each Group's suppliers through the Social and Ethical Charter for Carrefour controlled products' suppliers and through the Ethical Charter for all other suppliers. To go further, the Group Ethics Committee launched in 2012 the establishment of independence certificates for those involved in the procurement process. The independence certificates are widely deployed in the majority of the Group's countries especially for food buyers and the non-trade Purchasing Department (utilities, energy...). In 2021, Carrefour updated its Group's corruption risk map for each of its major business sectors. On this occasion, 576 employees were interviewed through 342 interviews conducted throughout the Carrefour Group. This update made it possible to redefine the corruption risk scenarios for each of the company's managerial and operational processes, prioritize any action plans for better risk management and an analysis of the controls in place.

## Social impacts

### Relevance & inclusion

Relevant, always included

### Please explain

(i) Social impacts as stakeholder conflicts concerning forest risk commodities are a current stake. To tackle this issue Carrefour organizes stakeholders' consultations to better understand the issues and the solutions. As an example, regarding stakeholders' conflicts, Carrefour held in September 2015 a meeting with all involved stakeholders (NGOs, suppliers and scientists) to transform the market in light of the new production criteria related to palm oil use. (ii) The meeting concluded that Carrefour should continue its relationship with the RSPO to push for strengthening the current criteria and support stakeholders in their effort to meet the palm oil policy criteria.

## Other, please specify

### Relevance & inclusion

Not considered

### Please explain

N/A

## F2.1c

### (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

As Carrefour always wants to meet the needs of its customers; customers are the most important stakeholders to consider within risk assessments. In the materiality analysis, Carrefour takes into account feedback of stakeholders (incl. customers) to confirm that their expectations match the priorities identified by the Group in its "Carrefour 2022" transformation plan and its corporate social responsibility strategy. Several times a year, Carrefour arranges meetings to assess the current situation and make functional recommendations on a specific CSR theme. Every year, these meetings are attended by approximately 40 people representing the Group, NGOs, government, customers, investors and suppliers, who come together to share their expertise or point of view on the subject in question. In 2019, 2 meetings were held on themes such as traceability of forest risk commodities and due diligence systems and multi capital accounting. In addition, in 2020, the Group launched the Soy Manifesto with the aim of mobilizing French players (government, NGOs, distributors and upstream players) to fight against the deforestation linked to Brazilian. In this context, additional criteria for the non-deforestation and non-conversion of ecosystems are integrated into the specifications for Carrefour brand products in France. Direct suppliers are educated to apply Group standards throughout the production chain. French retailers, civil society and the French Ministry, having all signed this Manifesto, unite in a joint effort around the National Strategy against Imported Deforestation to produce a viable nationwide whistleblowing system and engage the entire value chain. This initiative was presented and praised on November 2020.

## Employees

### Relevance & inclusion

Relevant, always included

### Please explain

Employees and especially from marketing, quality or purchasing teams are the key stakeholder to make the food transition feasible and to develop products meeting the need of zero deforestation commitment. In the materiality analysis, Carrefour takes into account feedback of stakeholders (incl. employees) to confirm that their expectations match the priorities identified by the Group in its "Carrefour 2022" transformation plan and its corporate social responsibility strategy. Carrefour arranges regular meetings with the union representatives elected within the framework of the CICE (European Information and Consultation Committee) on sustainable development issues including in 2017 the presentation of the zero deforestation policy. Carrefour quality and purchasing teams are working together with the support of CSR team to meet the targets and commitment of Carrefour's Zero deforestation policy.

## Investors

### Relevance & inclusion

Relevant, always included

### Please explain

Carrefour considers investors as particularly relevant, because forest related risks and opportunities could have an impact on company's results and in their investment decisions. In the materiality analysis, Carrefour takes into account feedback of stakeholders (incl. investors) to confirm that their expectations match the priorities identified by the Group in its "Carrefour 2022" transformation plan and its corporate social responsibility strategy. The Group participates to specific events and bilateral discussions to pass on information to investors. In 2020, CSR themes evolved due to the actions taken with the "Carrefour 2022" transformation plan, it includes the following principles: - transparent goals with stakeholders supported at the highest level of the organization, - dedicated governance, - actions integrated into products and stores for its customers, - working towards a positive transformation in market standards, - implementing exclusive initiatives at a local or international level, - getting direct suppliers and partners involved, - educating and engaging customers. Carrefour believes in the importance of replying to questionnaires sent by NGOs, investors and ratings agencies (CDP, RobecoSAM DJSI index, Vigeo Eiris, etc.). That is how the Group engages in building transparent dialogue with its stakeholders to assess the relevance of its policies and action plans, and compare its performance with that of its peers and best practices available on the market. Carrefour frequently organises informational meetings for investors and takes part in socially responsible investment (SRI) conferences to keep the financial markets informed about the Group's CSR policy.

## Local communities

### Relevance & inclusion

Relevant, sometimes included

### Please explain

Deforestation issues have a major impact on threatening local communities; that the reason why it is essential to include them into Carrefour forest related risk assessments. For timber and palm oil, the certification standards (PEFC, FSC and RSPO) include social criteria regarding local community (e.g. indigenous people rights, community relations). For beef, local communities are considered in Brazil to define the level of risk per region.

## NGOs

### Relevance & inclusion

Relevant, always included

### Please explain

Carrefour has always had a proactive behavior regarding NGOs. NGOs are key to alert the market regarding the issues of our supply chain and our operation and they can share expertise to find alternative solutions. In the materiality analysis, Carrefour takes into account feedback of stakeholders (incl. NGOs) to confirm that their expectations match the priorities identified by the Group in its "Carrefour 2022" transformation plan and its corporate social responsibility strategy. Carrefour leads several long-term action plans in conjunction with various associations, such as the WWF® since 1998. In 2020, Carrefour has organized a forum and published the result of this consultations with stakeholders and NGOs in a panel at the end of 2020 including: WWF France and Brazil, National Wildlife Federation, Envol Vert, Mighty Earth, Proforest, and the Consumer Goods Forum. Also at its Shareholders' Meeting of May, 2020, Carrefour announced new goals approved by the WWF. Then, Carrefour is one of the leading company of the CGF Forest Positive Coalition. Carrefour systematically replies to questionnaires by NGOs, investors and ratings agencies (CDP, RobecoSAM DJSI index, and theVigeo Eiris). Carrefour also announced measures to end the use of soy produced on deforested land today. This alignment was made through the signing of a Manifesto "for the mobilization of French actors to fight against imported deforestation linked to soybeans". The Earthworm Foundation has been commissioned by the distributors to coordinate the initiative and ensure the implementation of the commitments.

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

### Relevance & inclusion

Relevant, sometimes included

### Please explain

Deforestation issues have a major impact on threatening local communities; that the reason why it is essential to include them into Carrefour forest related risk assessments. For timber and palm oil, the certification standards (PEFC, FSC and RSPO) include social criteria regarding local community (e.g. indigenous people rights, community relations). For beef, local communities are considered in Brazil in order to define the level of risk per region.

## Regulators

### Relevance & inclusion

Relevant, always included

### Please explain

Regulators are always considered within Carrefour forest related risk assessment. Regulators can have a major impact to transform the market by setting regulations. Several times a year, Carrefour arranges meetings to assess the current situation and make functional recommendations on a specific CSR theme. These meetings are attended by approximately 40 people representing the Group, NGOs, government, customers, investors and suppliers, who come together to share their expertise or point of view on the subject in question. In 2019, 2 meetings were held on themes such as traceability of forest risk commodities and due diligence systems and multi capital accounting. Also, Carrefour signed with other companies concerned by the forest issues, the Statement of support from businesses for an effective EU law to halt the trade in commodities and products linked to deforestation and conversion.

## Suppliers

### Relevance & inclusion

Relevant, always included

### Please explain

Supplier are always considered within Carrefour forest related risk assessment. Working collectively with suppliers is key to transform the market and Carrefour own brand product. Carrefour's zero deforestation commitment couldn't achievable without embarking suppliers. In the materiality analysis, Carrefour takes into account feedback of stakeholders (incl. suppliers) to confirm that their expectations match the priorities identified by the Group in its "Carrefour 2022" transformation plan and its corporate social responsibility strategy. Several times a year, Carrefour arranges meetings to assess the current situation and make functional recommendations on a specific CSR theme. These meetings are attended by approximately 40 people representing the Group, NGOs, government, customers, investors and suppliers, who come together to share their expertise or point of view on the subject in question. In 2019, 2 meetings were held on themes such as traceability of forest risk commodities and due diligence systems and multi capital accounting. In 2019, Carrefour launched the Food Transition Pact which is a large Carrefour suppliers network whose objective is to collectively involve the actors in the Food Transition and continued its action in 2020 with national brands. The Food Transition Pact deals with 6 pillars which are integrated in the programme, including one on biodiversity, which notably addresses collective projects to combat deforestation.

### Other stakeholders, please specify

### Relevance & inclusion

Relevant, always included

### Please explain

Other manufacturers and retailers: Carrefour with 10 other businesses across the value chain from manufacturer to retailers requested strong EU actions to eliminate imported deforestation with a strong traceability in the EU internal market. The 11 businesses call on the European Commission and Member States to strengthen cooperation with producing countries through technical assistance; exchange of information; trade and other incentives; and good practices in the preservation, conservation, and sustainable use of forests. Also, Carrefour adopted a collective position paper on EU action to protect and restore the world's forests with concrete actions such as engaging dialogue with other consumer countries, to ensure that stricter standards in the EU market do not simply divert unsustainably produced products away to other markets or partnerships between the EU and producer countries to put in place the enabling conditions necessary to protect forests and improve the standards of production of agricultural commodities. In 2019, Carrefour launched the Food Transition Pact which is a large Carrefour suppliers, manufacturers and retailers network whose objective is to collectively involve the actors in the Food Transition and continued its action in 2020 with national brands. The Food Transition Pact deals with 6 pillars which are integrated in the programme, including one on biodiversity, which notably addresses collective projects to combat deforestation.

## 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	Yes
Palm oil	Yes
Cattle products	Yes
Soy	Yes
Other - Rubber	<Not Applicable>
Other - Cocoa	<Not Applicable>
Other - Coffee	<Not Applicable>

### F3.1a

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

(i) Carrefour defines a substantial financial or strategic impact as an irreversible shortage of the supply chain.

A materiality analysis enables Carrefour to map and prioritize the challenges associated with its raison d'être, based on their importance to external stakeholders and their impact on Carrefour's performance. As part of its ambition to become the world leader of the food transition for all, Carrefour is dedicated to help end deforestation, offer customers deforestation-free solutions by 2025 and promote sustainable forest management beyond that. Indeed, Carrefour understands that consumers nowadays expects that the group fights against deforestation.

(ii) To identify substantive change for each commodity, Carrefour uses measure, metrics and indicators in addition to Carrefour's zero deforestation commitment. The group has declined sourcing commitments for 2025 with all the key performance indicators for each commodity:

- Palm oil: 100% of palm oil used as an ingredient in Carrefour own-brand products must be RSPO Segregated certified by the end of 2022;
- Soy: 100% of Carrefour Quality Line and Carrefour own-brand products must use soybeans that are not derived from deforestation for animal feed by 2025. Perimeter: raw, fresh and frozen products of the following categories: chicken, turkey, pork, beef, veal, lamb, salmon, eggs, milk, minced meat (fresh and frozen);
- Paper wood: 100% of the ten priority product families must follow the sustainable forestry policy by 2021. 100% of the paper and cardboard packaging used with controlled products must follow the sustainable forestry policy by 2025;
- Beef: 100% of Brazilian beef suppliers must be geo-monitored and in compliance with the forestry policy or committed to ambitious policies to combat deforestation by 2025. Perimeter: suppliers of fresh, frozen, processed meat, retailers and warehouses;
- Cocoa: 100% of Carrefour brand chocolate tablets must follow our sustainable cocoa charter by 2023 (in France, Belgium, Spain and Italy);
- Trader traceability and assessment: 100% of key traders that have been assessed and which are in the process of being assessed must follow our forest policy (palm oil, soybeans, wood and paper, beef, cocoa) by 2025;
- Textiles: 100% of wood fibers (viscose, lyocell, modal type) used in our TEX products must be produced without recourse to deforestation by 2022.

Those indicators allow Carrefour to measure the substantive changes during the period 2020-2025.

(iii) Once the indicators are correctly defined, Carrefour uses threshold to measure the indicator that indicates substantive change. For example, during this year Carrefour reported that:

- the percentage of progress in the implementation of a sustainable forest action plan on products related to deforestation is 88,3%% (+21 points versus 2019);
- the percentage of geo-referenced tier 2 Brazilian beef suppliers is 100% (+4,3 points versus 2019);
- the proportion of Carrefour-brand products in ten priority categories sourced from sustainable forests is 70,2% (+21,6 points versus 2019);
- 100% of the Group's marketing publications are certified to FSC® (Forest Stewardship Council®) or PEFC®, or made from recycled fibers;
- 100% of palm oil sourced from RSPO-certified suppliers with 82,8% (+0,8 points versus 2019) from RSPO segregated or mass balance;
- in 2020, Carrefour Group sourced 170,542 metric tons of embedded soy in its own-brand animal products. At the Group level, 70% of embedded soy comes from conventional sources while the organic/non-genetically modified soy and local French soy amounts to 30%;
- 20 Carrefour Quality Lines products are with zero-deforestation animal feed (+6 products versus 2019).

The threshold depends on the nature of the indicator but recording the evolution of the indicators allows Carrefour to monitor a substantive change.

(iv) The targets defined by Carrefour concerns each commodity and are used directly or indirectly in the Carrefour own brand products sourced from supply chains.

### F3.1b

#### (F3.1b) For your disclosed forest risk commodity(ies), provide details of risks identified with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

##### Forest risk commodity

Palm oil

##### Type of risk

Regulatory

##### Geographical scale

Global

##### Where in your value chain does the risk driver occur?

Supply chain

##### Primary risk driver

Changes to national legislation

##### Primary potential impact

Increased operating costs

##### Company-specific description

(i) National regulation could change and then request modifications in our sourcing. Palm oil is used in many Carrefour own brand and national brand products what could lead to significant financial impacts for Carrefour and its suppliers. As an example a "Nutella tax" has been discussed in France aiming to increase the taxes in some palm oil imports. Another European regulation requested companies to label on pack the type of oil used in food products.

##### Timeframe

Current - up to 1 year

##### Magnitude of potential impact

Medium

##### Likelihood

Unlikely



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

Yes, a single figure estimate

**Potential financial impact (currency)**

612700

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

<Not Applicable>

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

<Not Applicable>

**Explanation of financial**

The financial impact of a tax could be a percentage on the price of the product. In the case of a "Nutella tax"; the financial impact could be: Quantity of palm-based raw materials x Palm oil price on the market [EUR] x Tax [%]. Taking into account a palm oil price set at 500€/T and a 20% tax; the estimated financial impact for Carrefour could be 6,127 x 500 x 20% = 612,700 €.

**Primary response to risk**

Engagement in multi-stakeholder initiatives

**Description of response**

(ii) We are managing regulatory risk, incl. labelling, by promoting sustainable palm oil through RSPO and by supporting additional. Carrefour is working to raise supplier awareness regarding the need to achieve supply chain certification and to source segregated certified sustainable palm oil (iii) 1) Since 2010, our policy is to replace palm oil in our own-brand products when it improves the nutritional quality. For those Carrefour-brand products which still require palm oil it is the Group's intention to guarantee that by 2022, 100% of palm oil and palm kernel oil used as an ingredient in Carrefour products must be RSPO-certified. 2) We have developed with WWF a dedicated toolkit for suppliers providing a detailed pragmatic step by step guide to help suppliers to source certified sustainable palm oil. 3) Until 2013 Carrefour has supported RSPO by within the RSPO Executive Board. 4) In 2014, Carrefour supported the charter from the French Alliance for sustainable palm oil to accelerate the deployment of sustainable supplies. 5) As a result, since 2015, 100% of the palm oil used by Carrefour has been sourced from RSPO-supported suppliers. 6) In 2017, Carrefour has contributed to the review of RSPO principles and criteria, supporting the adoption of more ambitious criteria. 7) In 2020, Carrefour has set new objectives regarding palm oil such as achieving 100% RSPO Mass Balance or Segregated by the end of 2022 and ensuring full traceability from plantation to consumer

**Cost of response**

281842

**Explanation of cost of response**

RSPO palm oil increases the cost of the final product. The cost of the response could then be : Quantity of palm-based raw materials x Over-cost of RSPO-certified palm oil. According to several sources, the over-cost of RSPO palm oil is from 10-25\$/ton (9-22€/ton) for "mass balance" and 15-50\$/ton (13-46€/ton) for "segregated". The maximum cost of response could then be 6,127t x 46€ = 281,842 €.

**Forest risk commodity**

Cattle products

**Type of risk**

Regulatory

**Geographical scale**

Country

**Where in your value chain does the risk driver occur?**

Supply chain

**Primary risk driver**

Changes to national legislation

**Primary potential impact**

Supply chain disruption

**Company-specific description**

(i) In Brazil, as the new forestry code is under implementation, administrative development is in progress (farms are being registered for example).

**Timeframe**

Current - up to 1 year

**Magnitude of potential impact**

Low

**Likelihood**

About as likely as not

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

Yes, a single figure estimate

**Potential financial impact (currency)**

260000000

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

<Not Applicable>

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

<Not Applicable>

**Explanation of financial**

The loss of authorization to sale any Brazilian beef in our stores would be huge, and represents 100 000 000 € (R\$ 600 000 000) for Carrefour and 160 000 000 € (R\$ 1 000 000 000) for Atacadão. Remembering that this category is essential to increase the average ticket of our customers within the store. Carrefour will be excluding as a purchase option for the consumer if the store no longer sell beef.

**Primary response to risk**

New product/technology development

**Description of response**

(ii) We are following closely the new forestry code with our sustainability and public affairs teams. In case of weaker environmental legislation than our own requirements then the eligible quantity of deforestation-free commodities will be lower what will endanger our supply. Regarding our European sourcing, it is mainly local and therefore free from deforestation risks. Carrefour has developed a new beef sourcing policy that was publicly disclosed in August 2016. This policy has been defined and developed in a collective approach involving several stakeholders like: NGOs (e.g. Greenpeace, WWF, TNC, Imaflo, WRI, Proforest), Public actors (e.g. Mato Grosso and São Paulo state government), Private experts, etc. (iii) Beef control by georeferencing in the Amazon began in 2017 and is currently being extended to all suppliers in the region. Carrefour carries out satellite surveillance of breeding pastures to reduce the risk of destruction to the Amazon rain forest, preserve biodiversity and prevent the use of land belonging to indigenous tribes. In 2020 100% of the slaughterhouses supplying Carrefour Brazil set up a geo-referencing system for their supplier-producers.

**Cost of response**

50000

**Explanation of cost of response**

The estimated financial cost of the response is 50 000€ /year (R\$ 300.000), representing the approximative cost of the geo-referencing system per year.

**Forest risk commodity**

Soy

**Type of risk**

Regulatory

**Geographical scale**

Global

**Where in your value chain does the risk driver occur?**

Supply chain

**Primary risk driver**

Changes to national legislation

**Primary potential impact**

Supply chain disruption

**Company-specific description**

(i) In Brazil, as the new forestry code is under implementation.

**Timeframe**

Current - up to 1 year

**Magnitude of potential impact**

Medium-high

**Likelihood**

About as likely as not

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

Yes, a single figure estimate

**Potential financial impact (currency)**

1300000000

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

<Not Applicable>

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

<Not Applicable>

**Explanation of financial**

The financial impact could represent a percentage of the consumers boycotting the products related to soy sold by Carrefour. If we estimate that 20% of consumers could be vegan, vegetarian, flexitarian or could boycott Carrefour's products, the estimated financial impact could then be: [Total amount of gross sales for traditional fresh food from animal origin] x 20% = around 1,3 billion euros.

**Primary response to risk**

Increased use of sustainably sourced materials

**Description of response**

(ii) We are following the new forestry code with our sustainability and public affairs teams. (iii) To find solutions Carrefour is working alongside his peers, industrials and NGOs: 1)In 2006, Carrefour supported the Soy Moratorium for Amazon. In 2016, we managed to make this moratorium permanent, maintaining Carrefour's progress and preserving the Amazon Rainforest 2)Carrefour is participating to working groups to build sustainable alternatives: GTS, RTRS, European Soy User Working group, French national strategy about imported deforestation, WWF soy working group, CGF Forest Positive Coalition and Soy working group. 3)Since 1999, Carrefour developed a GMO-free animal feed traceable or certified with the Proterra standard (more than 350 Carrefour products sold in France) 4)In 2016, Carrefour France boosted the development of local vegetable proteins through the creation of Sojalim, a sustainable soy production line based in France with AVRIL. 5)In 2017, Carrefour took up the initiative of the Cerrado Manifesto, along with over 60 companies, and takes part in discussions on protecting this ecosystem in Brazil with the government, NGOs and producers. 6) In 2020, Carrefour announced measures to end the use of soy produced on deforested land by signing a Manifesto "for the mobilization of French actors to fight against imported deforestation linked to soybeans". The Earthworm Foundation has been commissioned to coordinate and ensure the implementation of the commitments.

**Cost of response**

14000000

**Explanation of cost of response**

Non-GM traceable soy increase the cost of the final product. The cost of the response could then be = Quantity of non-GM soy raw materials x Over-cost of Non-GM certified soy. According to several sources, the over-cost of non-GM soy is around 80€/ton. Then the cost could represent 170 000 x 80 = 14 000 000 €/year.

**Forest risk commodity**

Timber products

**Type of risk**

Regulatory

**Geographical scale**

Global

**Where in your value chain does the risk driver occur?**

Supply chain

**Primary risk driver**

Changes to international law and bilateral agreements

**Primary potential impact**

Increased operating costs

**Company-specific description**

(i) EUTR is under review and the requirements or scope of the regulation are under study.

**Timeframe**

Current - up to 1 year

**Magnitude of potential impact**

Medium-high

**Likelihood**

Likely

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

Yes, a single figure estimate

**Potential financial impact (currency)**

5671000

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

<Not Applicable>

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

<Not Applicable>

**Explanation of financial**

The financial impact could represent a percentage of the consumers boycotting the non-certified products related to timber sold by Carrefour. If we estimate that 20% of consumers could boycott, the estimated financial impact could then be: [Gross sales of non-certified timber products] x 20% = 5,671,000 €.

**Primary response to risk**

Increased use of sustainably sourced materials

**Description of response**

(ii) Carrefour contributes to making proposals by being a member of the Timber Retail Coalition, an alliance with other European retailers. We request to include more products in the scope of the regulation as our internal policy for wood and paper sustainability goes further than the EUTR, and with a broader scope. We also request a better implementation of the controls. (iii) But in order to fight deforestation in our supply chain, the best response is to source sustainable raw materials, using FSC and PEFC standards. The proportion of Carrefour-brand products in ten priority categories sourced from sustainable forests is 70,2% (+21,6 points versus 2019). In 2019, the sales of FSC and PEFC products continued to increase significantly (+48.6% vs. 2019; +16% vs. 2018; +73% in 2018 vs. 2017).

**Cost of response**

992000

**Explanation of cost of response**

FSC and PEFC certified wood increase the cost of the final product. The cost of the response could then be = [Gross sales of non-certified timber products] x [Over-cost of certified products]. The FSC/PEFC over-cost is estimated at 3,5% according to a PEFC study in 2018. Then the cost could represent 28,354,000 x 3.5% = 992,000 €/year.

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	Yes
Palm oil	Yes
Cattle products	Yes
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**

Timber products

**Type of opportunity**

Markets

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

Supply chain

**Primary forests-related opportunity**

Increased demand for certified materials

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

Carrefour customers are more and more aware of sustainable issues regarding their consumption. In 2020, the sales of FSC and PEFC products have increased significantly (+160% vs. 2019). This increase really shows the opportunity of a driving demand for sustainable material. For timber, the opportunity covers our non-food products such as toilet paper, tissues, furniture, etc. To seize the opportunity, we are acting toward third-party certification, stakeholder consultation, and customer information. The opportunity also enables Carrefour to build better relations with suppliers and enhance its reputation thanks to media communication. When products are third party certified, we take the opportunity to communicate to consumers with labels (FSC, PEFC). We conduct many information and awareness raising operation in stores. We see this as an opportunity to enhance our reputation and our market shares through our certified own products. We also see opportunities in the relation we are building with suppliers. We also communicate with WWF France in order to inform consumers on deforestation issues. For instance, information are provided in stores to explain solutions available and the approach Carrefour is taking, information on our wood policy is also available online, on our website [www.pourmoipourtous.fr](http://www.pourmoipourtous.fr). As another example, information has been sent to clients thanks to a newsletter and added to catalogues in order to explain our action toward sustainability for stationary. In France, the paper used for Carrefour till receipts and coupons is also certified. Paper used for Commercial catalogues is also 100% recycled or certified. Case study : In 2017, Carrefour has embarked its hygiene paper purchasing team in order to transform the whole hygiene products portfolio for France, Spain, Italy and Belgium. Through stakeholder consultation, internal workshops and suppliers' mobilization, Carrefour purchasing teams have defined a transformation plan to certify with the most demanding scheme (FSC) all its hygiene portfolio (Carrefour own brand products) before 2020. In 2020, 100% of the paper used by the Carrefour group for marketing publications is recycled or certified.

**Estimated timeframe for realization**

1-3 years

**Magnitude of potential impact**

Medium-low

**Likelihood**

More likely than not

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

Yes, a single figure estimate

**Potential financial impact figure (currency)**

205000000

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

<Not Applicable>

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

<Not Applicable>

**Explanation of financial impact figure**

Offering certified timber products generates new revenues. In 2020, the total sales of Carrefour PEFC and FSC products represents 533 million of euros. New certified products development as well as an increasing demand for certified product explain the major increase of 160% of this figure between 2020 and 2019. The financial impact of the opportunity is then:  $533\ 000\ 000 - [533\ 000\ 000 / 2,60] = 205\ 000\ 000\ €$ .

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**Forest risk commodity**

Palm oil

**Type of opportunity**

Markets

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

Supply chain

**Primary forests-related opportunity**

Increased demand for certified materials

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

Carrefour customers are more and more aware of sustainable issues regarding their consumption. In France and in Europe, studies show that consumers have a big concern about nutritional and environmental issues regarding palm oil. This concern really shows the opportunity of a driving demand for sustainable material. For palm oil, the opportunity covers our food and non-food products. To seize the opportunity, we are acting toward third party certification, stakeholder consultation, and customer information. The opportunity also enables Carrefour to build better relations with suppliers and enhance its reputation thanks to media communication. As an example, we apply the RSPO trademark on our products. We see this as an opportunity to demonstrate better practices to our clients. Case study: We launched in July 2012 an RSPO certified (mass balance) cooking oil in Indonesia sold under Carrefour Ecoplanet brand. The product was launched with Indonesian officials and in coordination with RSPO and WWF Indonesia. The launch was accompanied by an important consumer outreach organization. We also see opportunities in the relation we are building with suppliers. The launch of Ecoplanet cooking oil in Indonesia, the official Foundation to support small holder with WWF Indonesia and the purchase of Greenpalm certificate were all opportunities for important media outreach. The completion of 100% RSPO certified palm oil in our own brand products in 2015 was also communicated. An example of our communication is available online, on our website.

**Estimated timeframe for realization**

1-3 years

**Magnitude of potential impact**

Medium

**Likelihood**

More likely than not

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

Yes, a single figure estimate

**Potential financial impact figure (currency)**

100000000

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

<Not Applicable>

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

<Not Applicable>

**Explanation of financial impact figure**

The total sales of Carrefour owned brand food products containing certified palm oil has been estimated at more than 100 000 000€.

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**Forest risk commodity**

Cattle products

**Type of opportunity**

Markets

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

Supply chain

**Primary forests-related opportunity**

Increased availability of products with reduced environmental impact (other than certified products)

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

In Brazil, there is a big concern about the environmental and social issues linked to deforestation caused by agricultural expansion in Amazonia and Cerrado (especially for soy production and cattle). This concern really shows the opportunity of a driving demand for sustainable material. For cattle products, the opportunity covers our beef products in Brazil, and non-GMO fed products in France. To seize the opportunity, we are acting toward third-party certification, stakeholder consultation, and customer information. The opportunity also enables Carrefour to build better relations with suppliers and enhance its reputation thanks to media communication. In Brazil, Carrefour launched a Rainforest Alliance beef. This is the first Rainforest Alliance beef meat to be certified in the world and Carrefour is the first retailer to propose this product to its consumers. Specific communication has been developed, for instance smartphone application or Internet information, enabling consumers to have access to traceability and all information about the product, making this project differentiating for Carrefour Brazil. Case study: In 2016, together with its main suppliers in Brazil and the public authorities Carrefour launched a process of geolocalization of the cattle so as to verify that it is not linked with deforestation. As a result, in 2020 the percentage of geo-referenced tier 2 Brazilian beef suppliers has represented 100%. To go further, Carrefour Brazil is participating within CFA, an initiative that is the product of a collaboration between WWF, TNC and NWF and funded by the Gordon & Betty Moore Foundation. The initiative supports companies to align, develop, and implement deforestation-free commitments by improving decision-support tools, enhancing information transparency and unlocking financial incentives. Within the CFA, Carrefour Brazil is participating in the application of the CFA operational Guidance, which is a process to support companies to implement Deforestation and Conversion Free (DCF) commitments for beef and soy in the Amazon, Cerrado and Chaco biomes. The process includes an Assessment of the supply chain management practices, the development of a Summary of Assessment Results and the development of an Implementation Plan that prioritize recommended actions and establishes milestones to measure progress within a time period.

**Estimated timeframe for realization**

1-3 years

**Magnitude of potential impact**

Medium-low

**Likelihood**

More likely than not

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

Yes, a single figure estimate

**Potential financial impact figure (currency)**

2000000

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

<Not Applicable>

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

<Not Applicable>

**Explanation of financial impact figure**

The growth of beef sold through the years since the geo-referencing is in place shows the success of this initiative. In 2018 Brazilian beef sold in Brazil has increased up to 1,7%. The financial impact of the opportunity is then 2 000 000€.

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**Forest risk commodity**

Soy

**Type of opportunity**

Markets

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

Supply chain

**Primary forests-related opportunity**

Increased availability of products with reduced environmental impact (other than certified products)

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

Carrefour customers are more and more aware of sustainable issues regarding their consumption. In Brazil, there is a big concern about the environmental and social issues linked to deforestation caused by agricultural expansion in Amazonia and Cerrado (especially for soy production and cattle). This concern really shows the opportunity of a driving demand for sustainable material. The opportunity regarding soy covers our food products. To seize the opportunity, we are acting toward third party certification, stakeholder consultation, and customer information. The opportunity also enables Carrefour to build better relations with suppliers and enhance its reputation thanks to media communication. Through its non-GMO fed label, Carrefour best practices are matching consumers' needs and expectations. Products bearing this label includes pork, veal, poultry, eggs and farm raised fish. The products used to feed these animals are GMO free, and a special traceability is implemented for these products. According to IFOP, 63% of French consumers stated that they would stop consuming any products they knew came from animals fed with GMO feed. As another example, in 2014, Carrefour launched a 100% French egg, from chicken raised in France and fed locally (GMO free). This product is sold in France (the biggest market for Carrefour), and answers to the will of the consumers to eat local food. To go further in the global transformation of the market, Carrefour wants to act collectively with its peers, direct and indirect suppliers at an international level and at a Brazilian scale. That is why Carrefour has supported the Soy Moratorium since the initial report was published in 2006 yielding positive results for the protection of the Amazon. Then, Carrefour encourages expanding it to other biomes like Cerrado by supporting the

Cerrado Manifesto. In 2017, along with over 60 other companies, and takes part in discussions on protecting this remarkable ecosystem in Brazil with the government, NGOs and producers.

**Estimated timeframe for realization**

1-3 years

**Magnitude of potential impact**

Medium-low

**Likelihood**

About as likely as not

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

Yes, a single figure estimate

**Potential financial impact figure (currency)**

2900000

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

<Not Applicable>

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

<Not Applicable>

**Explanation of financial impact figure**

Development of the demand for non- GMO fed products in Europe can explain part of the increased sales for Non- GM animal product. For example, in France, gross sales of Carrefour Quality Line Non- GM pork has increased up to 2,3% in 2018, representing around 2 000 000€ of new revenues.

**F4. Governance**

**F4.1**

**(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
Board-level committee	Member of the Executive board who represents Carrefour on the CSR board. The CSR committee is at board level and the CEO and General Secretary are at executive board level. Forest protection is one of the main topics of Carrefours' CSR "Product" action plan and decisions regarding forests commitments are made during the CSR board.
Chief Executive Officer (CEO)	Briefings to the Deputy CEO and General Secretary on deforestation risk issues happen frequently and annually on the results. Carrefour's CEO is signatory of the Forest Policy making a one-page statement about the importance of protecting forest linked to our activities. To step up the Group's commitment to forests and help drive systemic changes with all stakeholders, our CEO co-leads the Consumer Goods Forum's Forest Positive Coalition of Action, bringing together 20 companies who are eliminating deforestation in their supply chains through concrete measures such as jointly assessing traders' policies and the degree to which they are implemented. The coalition uses these assessments to get traders to apply measures to combat deforestation across their own supply lines. For individual traders, these assessments can serve as a basis for dialogue and specific trade measures. This process has been adopted for soy and palm oil. We are working on implementing a similar approach for beef.
Chief Sustainability Officer (CSO)	The sustainability department reports to the Deputy Chief Executive Officer and General Secretary, in direct relation with board and CEO. The Sustainability Direction oversees Carrefour sustainability strategy including deforestation and commodities topic. The sustainability Direction works with the Risk and Compliance Direction.
Other C-Suite Officer	The Group's General Corporate Secretary is the second position in the Group's hierarchy. Concerning forest-related issues his role is to ensure that the CSR methodology is implemented. It involves defining the Group's Corporate Social Responsibility strategy, managing its implementation, initiating projects and dealing with matters at the highest level of the company, as well as ensuring that the agreed strategies are adopted, and best practices are disseminated internally. Clear rationale: The General Corporate Secretary has access to the Executive Committee and the Board of directors, therefore he has a broad spectrum of the Group activities, from the strategy to operations. Moreover, the Group's General Corporate Secretary has a political background, which allows him to better understand the national stakes in which Carrefour overlaps.

**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 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 Setting performance objectives	The Forest Positive Coalition of Action is led by 20 of the world's leading consumer goods companies and is sponsored at the CGF Board level by Carrefour's CEO. Each year the CSR Committee has duties incl. on forests-related issues: -reviews the CSR strategy and the roll-out of the related initiatives; -verifies that the commitments are integrated in light of the challenges specific to the Group's business and objectives; -assesses risks, identifies new opportunities and takes account of the impact of the CSR policy in terms of business performance; -reviews the annual non-financial performance report and the ratings summary awarded by ratings agencies and in non-financial analysis. The CSR Committee meets as often as necessary and met twice with an attendance rate of 100% in 2020. The Purchasing rule Committee was set up in 2020 and deals with forests-related issues, analyzes the risks arising from group's supplies and defines the strategies, monitors the rules purchasing implementation, through the CSR and food transition index results on products and reports to the General Secretariat and to the CSR Committee. Forest actions are always included in the Carrefour purchasing rules. For each meeting the forests issue is evoked. It meets every two months and the secretary general of Carrefour Brazil is always included in those meetings. In 2020, during meetings with the CSR Committee, the Board expressed its opinion about the fight against deforestation in Brazil.

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	More frequently than quarterly	Head of the CSR department. Formed more than ten years ago, the Group's CSR department oversees implementation of the CSR methodology to help meet Carrefour's objectives, including forests-related issues, in all of the countries where the Group operates. The main duties of the CSR department are: - the implementation of policies, action plans and the monitoring of Group's objectives within the framework of the non-financial statement; - the implementation of a vigilance plan which aims to assess and mitigate risks related to the environment, human rights, health and safety; - compliance with the procurement rules which govern social and environmental compliance of purchases of all controlled products; - supporting suppliers in their compliance as well as raising awareness and training suppliers and sourcing teams. These duties include in particular forest-related issues. The CSO reports directly to the Group's General Secretary and reports weekly about the progress of the CSR action plans such as the completion of the Forest Policy targets.
Chief Risk Officer (CRO)	Assessing forests-related risks and opportunities	As important matters arise	Head of Risk and audit department. The risk management system implemented by the Group is primarily based on identifying and accounting for principal risk factors and uncertainties which may have a material impact on its activities, financial position or image. The Head of Risk and compliance reports directly to the Group's General Secretary and validate the process.
Other committee, please specify (Food Transition Advisory Committee)	Both assessing and managing forests-related risks and opportunities	Half-yearly	In 2018, Carrefour formed a Food Transition Advisory Committee bringing together seven external well-known figures from different backgrounds who are committed and concerned about food issues: founders of startups, officials, associative activists, medical personnel and business executives. The Committee members agreed to support Carrefour's transformation of its production model. They participate in projects working towards the food transition for all, share best practices, propose new ideas and lead exploratory discussions about changing food habits. The Committee meets twice a year. The first session was held in 2018 and focused on four food transition topics, last year, the Committee was consulted on the main themes of the Transformation Plan for the Food Transition for All. In 2020, the Committee confirmed the direction taken by Carrefour's executive management and will monitor the implementation of four key forward-looking projects: development of new farming practices based on soil conservation and agroecology, calculation test for the true cost of food, in-store tests of a cooperative store model, and deployment of the fight against food waste. The Committee meets twice a year, with work sessions organized throughout the year to assess progress.
Other C-Suite Officer, please specify (General Secretary)	Both assessing and managing forests-related risks and opportunities	Half-yearly	The Group's General Corporate Secretary is the second position in the Group's hierarchy. Concerning forest-related issues his role is to ensure that the CSR methodology is implemented. It involves defining the Group's Corporate Social Responsibility strategy, managing its implementation, initiating projects and dealing with matters at the highest level of the company, as well as ensuring that the agreed strategies are adopted, and best practices are disseminated internally. Clear rationale: The General Corporate Secretary has access to the Executive Committee and the Board of directors, therefore he has a broad spectrum of the Group activities, from the strategy to operations. Moreover, the Group's General Corporate Secretary has a political background, which allows him to better understand the national stakes in which Carrefour overlaps.
Sustainability committee	Both assessing and managing forests-related risks and opportunities	As important matters arise	The CSR Committee was set up by the Board of Directors. It is composed of 5 members (incl. 3 members qualified as independent Directors within the meaning of the AFEP-MEDEF Code) and meets as often as necessary (at least two scheduled meetings per year). The CSR Committee conducts: - the review of the Group's CSR strategy and implementation projects related to this strategy; - the verification of the integration of the Group's commitments in CSR, in view of the challenges specific to its activity and to its objectives; - the assessment of risks, the identification of new opportunities, taking into account the impact of the CSR policy in terms of economic performance; - review of the annual review of extra-financial performance; - review of the summary of ratings carried out on the Group; - review of the summary of ratings carried out on the Group by the rating agencies and by the analyses extra-financial. In 2020, the committee met 2 times with a 100% attendance rate. During the course of the meetings of the CSR Committee, the following main topics were reviewed: - review of the Non-Financial Information Statement and the CSR report included in the 2019 Universal Registration Document; - discussions about the Group's action plans and priority initiatives as regards the food transition and CSR; - "report on social innovation programmes; commitments, analysis and action plans as regards packaging.
Other committee, please specify (Purchasing rule committee)	Both assessing and managing forests-related risks and opportunities	More frequently than quarterly	The Purchasing rule Committee has been set up in 2020. The committee analyzes the risks arising from Carrefour's supplies and defines the strategies to be implemented. It monitors the implementation of the rules purchasing, through the results of the CSR and food transition index on products. He reports to the General Secretariat and to the CSR Committee. For each meeting of the Committee the forest issue is evoked regarding the communication of the group, the franchisees and the global sourcing. The Committee meets every two months and the secretary general of Carrefour Brazil is always included in those meetings.
Chief Executive Officer (CEO)	Both assessing and managing forests-related risks and opportunities	More frequently than quarterly	To step up the Group's commitment to forests and help drive systemic changes with all market stakeholders, Alexandre Bompard now co-leads the Consumer Goods Forum's Forest Positive Coalition of Action, bringing together 20 companies who are eliminating deforestation in their supply chains through concrete measures such as jointly assessing traders' policies and the degree to which they are implemented. The coalition uses these assessments to get traders to apply measures to combat deforestation across their own supply lines. For individual traders, these assessments can serve as a basis for dialogue and specific trade measures. This process has already been adopted for soy and palm oil. Carrefour is currently working on implementing a similar approach for beef.

**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	N/A

**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	Board chair Board/Executive board Director on board Corporate executive team Chief Executive Officer (CEO) Chief Financial Officer (CFO) Chief Operating Officer (COO) Chief Procurement Officer (CPO) Chief Risk Officer (CRO) Chief Sustainability Officer (CSO) Chief Purchasing Officer (CPO) Other, please specify (• Chief Risk Officer (CRO))	Achievement of commitments and targets	The Carrefour CSR and Food Transition Index allows the group to monitor the achievement of the objectives, to evaluate its CSR performance and to involve the teams internally. It provides an overview of existing commitments and the progress made by action plans in the four main areas. Developed by Carrefour, the Index is aligned with the Group's global strategy and adapted to meet the specific challenges faced by the business. It measures the progress made on its action plans and ensures that all of the business lines are working towards achieving a common set of targets and goals. As of 2019, the performance to achieve these objectives have been incorporated into the Group's of executive compensation. CSR objectives are taken into account for 25% of the compensation for 600 top directors has well as the CEO (20% of the compensation). Designed to measure the performance of CSR policies over several years, the Index sets an annual target for 17 indicators. The overall Index score is an average of the scores for these 17 indicators. As of 2021, the CSR index will be incorporated into the variable remuneration of all Group entity employees, as well as into the remuneration of integrated country managers. In 2020, Carrefour exceeded its non-financial objectives measured by the CSR and Food Transition Index with a score of 115%, meaning it outperformed the initial target by 15%. This performance reflects in particular the Group's lead in reducing its greenhouse gas emissions, reducing food waste, developing organic farming and agro-ecology, deploying its packaging plan and promoting diversity in its teams. Included in this Index, the objective of implementing a sustainable forest action plan on products related to deforestation by end-2020 is currently being 88% of implementation in 2020. This 2020 performance on the forestry objectives contributes to the achievement of the annual threshold of success. To help reach these targets, performance criteria have been incorporated into the pay of Group managers. Starting in 2019, 25% of managers' pay was based on the CSR index as part of a Long-Term Incentive. And 20% of the CEO's pay has been made up of a variable component. Since 2021, the CSR index has been incorporated into the variable remuneration of all Group entity employees, as well as into the remuneration of integrated country managers.
Non-monetary reward	Other, please specify (CSR department, Purchasing department, Quality department and all teams (stores))	Achievement of commitments and targets Supply chain engagement No indicator for incentivized performance	Each year, Carrefour suppliers are requested to respond to a sustainable development self-assessment tool, launched in France in 2006 and deployed in the food sector in 2007, which is a detailed self-evaluation framework designed in conjunction with WWF France. It is accessible to suppliers online and includes 35 assessment criteria, enabling them to assess their practices against four central pillars which reflect the principles of ISO 26000: Organizational governance; Human rights and working conditions; Environmental responsibility; Fair practices; Consumer issues; Communities and local development. Since 2018, a new internal challenge called "Super heroes program" allows Carrefour teams to valorize CSR initiatives to the entire Group. In 2020, 2,286 superheroes were identified (870 in 2019). This internal challenge is included in the new Act for Change program and is renewed every year. Through internal events and communication, the Group put forward Carrefour's products at the headquarters and in countries. These actions contribute to raising awareness, recognition and integration of CSR issue in their day-to-day work.

**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)

Carrefour - 2020\_Universal\_Registration\_Document.pdf

**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	Company-wide	<p>Commitment to eliminate deforestation</p> <p>Commitment to protect rights and livelihoods of local communities</p> <p>Commitment to stakeholder awareness and engagement</p> <p>Commitment to align with the SDGs</p> <p>Recognition of the overall importance of forests and other natural ecosystems</p> <p>Description of business dependency on forests</p> <p>Description of forest risk commodities, parts of the business, and stages of value-chain covered by the policy</p> <p>List of timebound milestones and targets</p> <p>Description of forests-related performance standards for direct operations</p>	<p>The policy is reviewed as soon as necessary and has been updated at the end of 2020. (i) As part of its ambition to become the world leader of the food transition for all. Carrefour rounded out its action plan in 2020 to tackle deforestation, and strengthening its ambition by setting out targets for end 2025 regarding palm oil, soy, wood and paper, beef and cocoa. To become a world leader in the food transition for all and enable customers to consume better, (ii) we are working to positively influence our supply chain to preserve biodiversity and protect HCV forests, peat bogs, HCS areas and remarkable ecosystem; to ban forest clearance by fire and reduce greenhouse gas (GHG) emissions; to ensure that human rights and workers' rights are fully respected; to support small-scale producers; to ban GMO where possible and the use of endangered species (IUCN / CITES lists) and to reduce pesticides use. This vision includes all Carrefour brand products across all the countries where we operate. The scope of our products linked to forests is broad, so we have prioritized our efforts on addressing the issue in commodities that are most material in our supply chain, and where our efforts can have the most systemic impact in the market. Our priority commodities are timber, palm oil, Brazilian beef and soy. Risk assessment and stakeholder consultation insure that no material issues is excluded from the policy. Major retail sites (stores and warehouses) have a wide-ranging environmental impact, from water consumption, water stress risk, waste production and soil artificialisation, to emissions in air, water and soil. All of these issues must be taken into account at each site through conversations engaged at the level of local governments and local economies and extending to a global comprehensive policy. To achieve lasting reductions in their carbon footprints, stores and warehouses must act at various levels and at all life cycle stages, from initial design through to everyday operation: eco-friendly construction, operation and renovation; waste reduction and recycling; optimized water consumption, water stress risk, waste production and soil water and soil; preservation and restoration of biodiversity.</p>

**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

	Do you have a commodity specific sustainability policy?	Scope	Content	Please explain
Timber products	Yes	Company-wide	<p>Commitment to eliminate deforestation</p> <p>Commitment to protect rights and livelihoods of local communities</p> <p>Commitment to transparency</p> <p>Commitment to align with the SDGs</p> <p>Recognition of the overall importance of forests and other natural ecosystems</p> <p>Description of business dependency on forests</p> <p>Description of forest risk commodities, parts of the business, and stages of value-chain covered by the policy</p> <p>List of timebound commitments and targets</p>	<p>Carrefour has defined a global policy regarding forest related products including timber, pulp and paper. Sourcing standards are developed in parallel in order to facilitate the implementation of this policy, a supplier charter for products containing wood, paper and pulp has been defined and is signed by suppliers. All suppliers are required to sign the Carrefour Wood Charter, which is systematically appended to contracts. This charter covers the following points: the legality of procurement; the respect of local populations; that supplies are not sourced from high conservation value forests (HCVF); that supplies are not sourced from species included on the International Union for Conservation of Nature (IUCN) red list of threatened species or species protected under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES). For pulp and paper used in commercial publication, Carrefour uses FSC, PEFC paper or recycled paper. To demonstrate its efforts in this domain and in the context of the CSR Index, Carrefour has set a target for wood, paper and pulp production in its products: 100% of the ten priority product categories must comply with the sustainable forests policy by 2021 (Certified – Products certified as FSC, FSC mix, PEFC Europe (from European forests – some European countries may be excluded following an updated risk analysis), and/or - Recycled – 100% recycled paper (for example, products which are certified as Blue Angel 100% recycled), or - Verified – Products for which the supply chain is controlled by a third party (for example, TFT, audited forest) and which is in-line with Carrefour's Wood –Paper Charter Indicators = (a) sales of top 10 families of controlled wood/paper/pulp products which respect our sustainable forest commitments; and (b) total sales of top 10 families of controlled wood/paper/pulp products.) 100% of paper and cardboard packaging for all certified products must comply with the sustainable forests policy by 2025.</p>
Palm oil	Yes	Company-wide	<p>Commitment to eliminate deforestation</p> <p>Commitment to protect rights and livelihoods of local communities</p> <p>Commitment to stakeholder awareness and engagement</p> <p>Commitment to align with the SDGs</p> <p>Recognition of the overall importance of forests and other natural ecosystems</p> <p>Description of business dependency on forests</p> <p>Description of forest risk commodities, parts of the business, and stages of value-chain covered by the policy</p> <p>List of timebound commitments and targets</p>	<p>Carrefour has defined a global policy concerning forest related products including palm oil. Carrefour has also established a new public policy for sustainable palm oil sourcing in order to go further. In its policy, Carrefour recognizes the RSPO as the best available certification scheme, in position to transform the market. Carrefour set the following target: 100% of palm oil used as an ingredient in Carrefour own-brand products must be RSPO Segregated certified by the end of 2022. To go further, Carrefour has established a new public policy. It includes RSPO criteria and also some additional requirements to protect natural forests (along with primary forests) and peat bogs that Carrefour deployed within its supply chain in 2015 (a first test has been conducted on 50 products). At the end of 2015, objectives were met with 50 products RSPO+. Carrefour also replaces palm oil in its own brand products with another oil when this improves the product's nutrition, in line with consumer expectations. To strengthen the RSPO standard, Carrefour will be working together with other brands on its update. The policy covers all the supply regions from palm oil (Indonesia, Malaysia ...).</p>

	Do you have a commodity specific sustainability policy?	Scope	Content	Please explain
Cattle products	Yes	Selected facilities, businesses or geographies only	<p>Commitment to eliminate deforestation</p> <p>Commitment to protect rights and livelihoods of local communities</p> <p>Commitment to transparency</p> <p>Commitment to stakeholder awareness and engagement</p> <p>Commitment to align with the SDGs</p> <p>Recognition of the overall importance of forests and other natural ecosystems</p> <p>Description of business dependency on forests</p> <p>Description of forest risk commodities, parts of the business, and stages of value-chain covered by the policy</p> <p>List of timebound commitments and targets</p> <p>Other, please specify (Monitoring and tracability)</p>	<p>For beef a strengthened policy has been publicly disclosed on August, 25th 2016. Beef control by georeferencing in the Amazon began in 2017 and has been extended to all suppliers in the region until 2020. By 2025, Carrefour aims to reach 100% of Brazilian beef suppliers geo-monitored and in compliance with the forestry policy or committed to ambitious policies to combat deforestation by 2025. Perimeter: suppliers of fresh, frozen, processed meat, retailers and warehouses. Carrefour carries out satellite surveillance of breeding pastures to reduce the risk of destruction to the Amazon rain forest, preserve biodiversity and prevent the use of land belonging to indigenous tribes. To go further, Carrefour Brazil is implemented audit phases of suppliers by a 3rd party organization to ensure the compliance with the Policy criteria.</p>

	Do you have a commodity specific sustainability policy?	Scope	Content	Please explain
Soy	Yes	Company-wide	<p>Commitment to eliminate deforestation</p> <p>Commitment to protect rights and livelihoods of local communities</p> <p>Commitment to stakeholder awareness and engagement</p> <p>Commitment to align with the SDGs</p> <p>Recognition of the overall importance of forests and other natural ecosystems</p> <p>Description of business dependency on forests</p> <p>Description of forest risk commodities, parts of the business, and stages of value-chain covered by the policy</p> <p>List of timebound commitments and targets</p> <p>Other, please specify (recognition of the GMO impact on health)</p>	<p>Carrefour has defined a global policy concerning forest related products including soy. All Carrefour brand products for Europe are GMO free. Carrefour has developed special sourcing for soy used for feed in its Carrefour Quality Line products in France. As a result of these efforts, more than 350 products are bearing a label "reared without GMO". For some specific items Carrefour also develops local source of soy. As an example, in France, Carrefour has launched an egg from chicken raised in France and fed with nationally produced soy. Also, Carrefour just signed an agreement with Avril, starting started in 2017, to develop 100% French plant proteins as an alternative to imported soy. Local plant protein should be available to feed poultry, pigs, ducks, and trout. Together they created SOJALIM, a sustainable soybean supply chain operating. To tackle the issue of deforestation in Amazonia and Cerrado, Carrefour has supported the Soy Moratorium since the initial report was published in 2006 yielding positive results for the protection of the Amazon. Then, Carrefour encourages expanding it to other biomes like Cerrado. In 2017, along with over 60 other companies, and takes part in discussions on protecting this remarkable ecosystem in Brazil with the government, NGOs and producers. Carrefour also announced measures to end the use of soy produced on deforested land today. This alignment was made through the signing of a Manifesto "for the mobilization of French actors to fight against imported deforestation linked to soybeans". The Earthworm Foundation has been commissioned by the distributors to coordinate the initiative and ensure the implementation of the commitments. The Group set the target to reach 100% of Carrefour Quality Line and Carrefour own-brand products which must use soybeans that are not derived from deforestation for animal feed by 2025 (scope: raw, fresh and frozen products of the following categories: chicken, turkey, pork, beef, veal, lamb, salmon, eggs, milk, minced meat (fresh and frozen).</p>
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?**

Tropical Forest Alliance 2020

Cerrado Manifesto

Soy Moratorium

Other, please specify (Sustainable Trade Initiative; initiatives from CGF and RTRS, sustainable soy initiative from WWF, member of working group French government initiatives "SNDI" and signatory of the manifesto to end the use of soy produced on deforested land today.)

#### F4.6b

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

**Forest risk commodity**

Timber products

#### Criteria

Zero gross deforestation/ no deforestation  
Avoidance of negative impacts on threatened and protected species and habitats  
No trade of CITES listed species  
No land clearance by burning or clearcutting  
No conversion of High Conservation Value areas  
No conversion of High Carbon Stock forests  
Secure Free, Prior and Informed Consent (FPIC) of indigenous people and local communities  
Adoption of the UN International Labour Organization principles  
Facilitate the inclusion of smallholders into the supply chain  
No sourcing of illegally produced and/or traded forest risk commodities

#### Operational coverage

Selected facilities, businesses or geographies only

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

100%

#### Cutoff date

2010

#### Commitment target date

2020

#### Please explain

As stated in our policy, all sourcing of wood, paper, pulp and agricultural commodities (palm and soy), for both merchandise and not for sale products, is to ensure legality and the promotion of responsible forest management. In addition to legality, wood paper and pulp products must not come from: • Forest areas where traditional or civil rights are violated due to land conflict • Forest with threatened High Conservation Values (HCVs) • Natural forest or peatlands cleared for plantation or other use • Genetically modified (GM) trees • Threaten species listed by IUCN (International Union for Conservation of Nature) Red list & CITES (the Convention on International Trade in Endangered Species of Wild Fauna and Flora). Our sustainable timber program uses several key tools: 1/ Binding supplier policy. In 2011, we established a Timber Charter to engage our suppliers in helping implement our sourcing criteria. This charter has been signed by all our suppliers who use timber, pulp and paper to manufacture Carrefour brand products. It lays out our sustainable forest policy and offers clear guidance on how suppliers can comply with it. 2/ Risk analysis tool. We have built risk analysis tools to evaluate all the wood that our suppliers procure through a third party. These analyses are based on: • Volume: Number of product categories that consume the most tonnes of equivalent wood. • Species: Type of wood used to ensure none are considered high-risk or banned by our Charter (e.g., those on the IUCN Red List of Threatened Species). • Origin: The level of risk associated with the timber, pulp and paper depending on country or region of harvesting. Depending on the results, we guide our suppliers on whether they must implement audits or sign up to a certification scheme or source from different regions. 3/ Certification. We use a number of certification schemes to ensure compliance with our policy and promote sustainable forest management across our supply chain. Given its robustness, we use FSC®'s 100%, Mix or Recycled certification for high-risk areas, and PEFC® for the lower-risk areas. We also use certification schemes such as the EU Ecolabel to integrate production criteria where required. As an example, in 2020, the percentage of certified/recycled paper in catalogues is 100% while it was 99.3% in 2013. In 2020, Carrefour set the following targets: 100% of the ten priority product categories must comply with the sustainable forests policy by 2021. 100% of paper and cardboard packaging for all certified products must comply with the sustainable forests policy by 2025.

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#### Forest risk commodity

Palm oil

#### Criteria

No conversion of natural ecosystems  
Zero gross deforestation/ no deforestation  
No new development on peat regardless of depth  
No conversion of High Conservation Value areas  
No conversion of High Carbon Stock forests  
Secure Free, Prior and Informed Consent (FPIC) of indigenous people and local communities  
Adoption of the UN International Labour Organization principles  
Facilitate the inclusion of smallholders into the supply chain  
No sourcing of illegally produced and/or traded forest risk commodities

#### Operational coverage

Supply chain

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

100%

#### Cutoff date

2010

#### Commitment target date

2021-25

#### Please explain

Carrefour has defined a global policy concerning forest related products including palm oil. To go further, Carrefour has established a new public policy. It includes RSPO criteria and also some additional requirements to protect natural forests (along with primary forests) and peat bogs that Carrefour deployed within its supply chain in 2015 (a first test has been conducted on 50 products). All sourcing of palm oil through our supply chain should ensure legality and the promotion of sustainable palm oil including RSPO existing standards as well as with additional critical issues. Carrefour, considers the following principles critical for sustainable palm oil sourcing: 1. Protection of forest with HCV, Peat lands, HCS 2. Implementation of good practices to reduce GHG emissions in existing plantations 3. Respect for human rights 4. Respect for rights of workers 5. Respect for local communities' rights including free prior informed consent implementation and land conflict prevention 6. Support small holders in integrating sustainable supply chains 7. No GMOs supplies 8. Minimisation and responsible use of pesticides and ban of most hazardous pesticides (except for exceptional circumstances) Our sustainable palm oil program uses three key tools: 1/ Certification. We use third-party certification by the RSPO as the minimum standard along with other schemes that meet our policy (such as the Rainforest Alliance) for all palm oil in our products. At the same time, we are working to increase sourcing from physically traced suppliers. 2/ Traceability. In addition to certification, Carrefour is collaborating with its key suppliers to map its supply chain up to the relevant point of guarantee. This will ensure that, in addition to guaranteeing the use of physically traced oil, our suppliers share our policy. 3/ Collaboration. We are collaborating with multiple stakeholders to achieve our vision of a sustainable palm oil industry. •Supporting organizations that promote standards that meet our palm oil policy such as the Palm Oil Innovation Group (POIG) and working alongside Alliance Française de l'Huile de Palme Durable in stakeholders working groups (French Ministry and WWF). •Engaging with key actors in our supply chain to promote our sourcing criteria. •Supporting updates to RSPO to ensure full compliance with our policy. In 2020, Carrefour set the following

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### Forest risk commodity

Cattle products

#### Criteria

Zero gross deforestation/ no deforestation  
No trade of CITES listed species  
Facilitate the inclusion of smallholders into the supply chain  
No sourcing of illegally produced and/or traded forest risk commodities  
No sourcing of forest risk commodities from unknown/controversial sources

#### Operational coverage

Supply chain

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

100%

#### Cutoff date

2009

#### Commitment target date

2021-25

#### Please explain

For beef a strengthened policy has been publicly disclosed on August, 25th 2016. Carrefour announced that it would use georeferencing to track 100% of its beef distribution in Brazil. This target has been achieved in 2020. Satellite surveillance of breeding pastures will make it possible as of 2017 to reduce the risk of destruction to the Amazon rain forest and biodiversity, and will also prevent the use of land belonging to indigenous tribes. To go further, Carrefour Brazil is working in order to implement audits of suppliers by a 3rd party organization to ensure compliance with the Policy criteria Our Brazilian beef programme uses three key tools – monitoring, certification and collaboration: 1/ Monitoring. Our new Beef Monitoring platform will monitor all beef that is procured for consumption in the Brazilian market by checking data provided by thousands of our beef suppliers. This will help identify any non-compliance with the five criteria identified in our Beef Sourcing Policy. The platform will help prevent farms from producing meat in regions that are: 1. In deforested areas 2. Under an environmental embargo 3. In protected areas 4. In indigenous lands 5. Using illegal labor 2/ Certification. We are working with our suppliers to improve the quality and traceability of the beef we sell by using certification. Two recent examples of this include: • Carrefour Quality Line – We are developing an own brand product line with full traceability, from farm to store shelf, to improve monitoring against the key criteria of our Beef Sourcing Policy. • Alianza del Pastizal Certification – Working in partnership with the JD Group and the Marfrig Group, Carrefour Brazil has created a range of Alianza del Pastizal-certified beef, the first product line with environmental and social certification produced according to rigorous international standards. 3/ Collaboration. Carrefour Brazil is participating in several working groups to help find pragmatic solutions to reduce the risk of cattle breeding on forests across the beef supply chain. • Sustainable Livestock Working group (GTPS) – Define common practices for adoption. • Indirect Suppliers Working group (GTFI) – Monitor indirect supplier practices. • Brazilian Ministry of the Environment Working Group – Multi-stakeholder supply chain engagement. • Distributors and Slaughter Houses Working Group – Establish and maintain supplier and audit protocols. In 2020, Carrefour set the following targets regarding beef: 100% of suppliers are geo-monitored and compliant with the forest policy or committed to ambitious policies to combat deforestation by 2025. The scope concerns direct suppliers of fresh, frozen and processed meat, distributors and warehouses. The Carrefour Foundation has teamed up with IDH Foundation to develop a "zero-deforestation" beef line by 2030. This initiative supports over 450 calf supplier farms in the state of Mato Grosso, the country's biggest beef producer, and it is aiming to preserve 60% of the indigenous forest while doubling production between now and 2030. Providing support and training to these local producers experiencing difficulties helps boost their productivity. In late 2020, the Carrefour Foundation earmarked over 2 million euros for this project.

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### Forest risk commodity

Soy

#### Criteria

Zero gross deforestation/ no deforestation  
No new development on peat regardless of depth  
No trade of CITES listed species  
No land clearance by burning or clearcutting  
No conversion of High Conservation Value areas  
No conversion of High Carbon Stock forests  
Secure Free, Prior and Informed Consent (FPIC) of indigenous people and local communities  
Adoption of the UN International Labour Organization principles  
Facilitate the inclusion of smallholders into the supply chain  
No sourcing of illegally produced and/or traded forest risk commodities

#### Operational coverage

Supply chain

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

100%

#### Cutoff date

2010

#### Commitment target date

2021-25

#### Please explain

For soy, there is no specific policy, so we are working on the criteria of the Group policy for forest commodities. Soy requirements have to take into account the 5 requirements of the Forest Policy (Protection of HCVs, Peat lands, HCS, Implementation of good practices to reduce GHG emissions, Respect for human and workers right, Respect for local communities' rights including FPIC principles, Support small holders, No GMOs and Minimisation use of pesticides and ban of most hazardous pesticides). Carrefour has developed special sourcing for soy used for feed in its Carrefour Quality Line products in Europe (More than 300 products are bearing a label reared without GMO). For some specific items Carrefour also develops local source of soy: Carrefour has launched an egg from chicken raised in France and fed with nationally produced soy. Also, Carrefour signed an agreement with Avril in 2017, to develop 100% French plant proteins as an alternative to imported soy to feed poultry, pigs, ducks, and trout. Our efforts to address the impact of soy on forests include three key tools – collaboration, alternative feeds and animal protein alternatives: 1/ Collaboration. We are working with several stakeholder organizations locally and internationally to address the impact of soy, and to develop solutions to identify alternative cultivation methods. • Soy Moratorium since 2006. • Grupo de Trabalho de Soja in Brazil. • Grupo Trabalho Cerrado in Brazil • Consumer Goods Forum – Initiatives to expand sustainable soy practices. • Round Table on Responsible Soy (RTRS) – • Duralim – A French collaborative charter for sustainable feeding since 2016. • French National Strategy on Imported Deforestation. • CGF Forest Positive Coalition of action regarding soy. 2/ Sustainable feed initiatives for suppliers. We have developed

alternative feeds that can help reduce the use of soy in animal feeds. These include a local vegetable-based protein, as well as a non-GMO animal feed that uses geographic traceability with the Pro Terra standard to track the absence of deforestation in the supply chain. 3/ Animal protein alternatives for customers. We have developed the Carrefour Veggie range, the first retail brand designed for vegetarians in France, which includes products made from soy alternatives such as GMO-free soy, pea protein and a wide range of pulses. In 2020, Carrefour set the following targets regarding soy: 100% of Carrefour Quality Lines and key Carrefour-brand products must use deforestation-free soy for livestock feed by 2025.

## 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	The raison d'être of Carrefour, linked to Carrefour 2022 plan is "to provide our customers with quality services, products and food accessible to all across all distribution channels. Thanks to the competence of our employees, to a responsible and multicultural approach, to our broad territorial presence and to our ability to adapt to production and consumption modes, our ambition is to be the leader of the food transition for all." As stated by our CEO, Carrefour 2022 strategy and Forest protection are linked : "We know that by protecting forests, we are also preserving biodiversity, protecting local populations and fighting climate change. By doing this, we are also ensuring continued access to the products and raw materials we depend on while responding to customers' demands and helping improve their quality of life. Our business is inextricably linked to the world's forests. Although it may not seem obvious, protecting our forests is critical for our business. Healthy forests directly impact our ability to continue to use agricultural raw materials sustainably. More indirectly, forests provide us with a whole host of benefits such as packaging. Therefore we are focusing on four key raw materials as part of our zero-deforestation commitment: palm oil, soy, wood (including paper and pulp), and Brazilian beef. Through certification and innovative traceability and monitoring solutions, we have taken concrete steps toward reducing our impact on forests in these supply chains. Our aim is to make deforestation-free solutions the norm for customers. We recognize that the market is at a turning point regarding products that protect biodiversity and forests. Consumer expectations are shifting: they want more information, higher quality products and greater transparency. It is essential that we respond with products that meet their expectations, whether that's through improving conventional farming, fishing and logging practices or improving manufacturing processes. And we know that we cannot achieve these goals alone. Transforming the market will require both individual responsibility on our part as well as meaningful multi-stakeholder initiatives. We are collaborating with stakeholders across our business including suppliers, industry peers, commodities traders, local and national governments, scientists, NGOs, as well as service and data providers."
Strategy for long-term objectives	Yes, forests-related issues are integrated	5-10	The Carrefour CSR Index provides an overview of existing commitments and the progress made by action plans in the four main areas. Developed by Carrefour, the Index is aligned with the Group's global strategy and adapted to meet the specific challenges faced by the business. It measures the progress made on its action plans and ensures that all of the business lines are working towards achieving a common set of goals. The Index can be broken down into four distinct areas, each of which contains four quantitative objectives with deadlines. Designed to cover a three-year period, the Index measures CSR performance every year for each of the 17 indicators. When an objective's target date goes beyond the Index's three-year period, the annual objectives are determined on the basis of a straight-line trajectory required to reach the overall objective set. The Index's overall score is a simple average of the score for the 17 indicators. The annual results and objectives are presented in a transparent manner. The objective "Full compliance with our Sustainable Forest Initiative by 2020" reached 88,3% at the end of 2020 and is one of 17 indicators of the CSR Index. It is itself composed of 4 indicators of the same weight relative to the commodities included in the policy: - Share of palm oil from RSPO-supported commodity chains (segregated and mass balance) of which share of palm oil used certified sustainable and fully traced (segregated RSPO). - Share of product sales to Carrefour brands in the 10 priority families, from sustainable forests. - Percentage of geo-referenced Brazilian beef suppliers. Number of products Carrefour Quality Lines with zero deforestation.
Financial planning	Yes, forests-related issues are integrated	5-10	The leadership of the Group to lead the food transition is clearly displayed. The protection of biodiversity and therefore of forests is a major axis. The food transition strategy is integrated into the financial planning. More information: <a href="https://www.carrefour.com/en/group/food-transition">https://www.carrefour.com/en/group/food-transition</a> For example, financial performance linked to some forest-related products such as the sales of certified FSC/PEFC products is monitored and reported into the registration document.

## F6. Implementation

### F6.1

**(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

**(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**

Timber products

**Type of target**

Third-party certification

**Description of target**

As part of its ambition to become the world leader of the food transition for all, Carrefour is dedicated to help end deforestation, offer customers deforestation-free solutions by 2021 and promote sustainable forest management beyond that. Among our targets on Timber, we have a target to source ten priority product categories, defined as those using the largest volumes of wood and paper (toilet paper, printing paper and garden furniture, for example), with 100% in compliance with Carrefour's sustainable forests policy (sustainability criteria are the FSC 100%, FSC Mix and PEFC Europe labels) by 2020.



**Linked commitment**

Zero net/gross deforestation

**Traceability point**

<Not Applicable>

**Third-party certification scheme**

FSC Forest Management certification  
FSC Chain of Custody  
FSC Controlled Wood  
FSC Forest Management Group certification  
FSC SLIMF (small or low-intensity managed forest)  
FSC Recycled  
PEFC Sustainable Forest Management certification  
PEFC Chain of Custody  
PEFC Project Chain of Custody  
PEFC Group Forest Management certification

**Start year**

2017

**Target year**

2020

**Quantitative metric**

<Not Applicable>

**Target (number)**

<Not Applicable>

**Target (%)**

100

**% of target achieved**

70.2

**Please explain**

100% of the ten priority product categories must comply with the sustainable forests policy by 2021. Carrefour is committed to sourcing 100% of supplies from sustainably managed forests by 2020. Sustainability criteria are the FSC (Forest Stewardship Council) 100%, FSC Mix and PEFC (Pan European Forest Certification) Europe labels, which attest to sustainably managed forests and sustainable wood varieties or sourcing. In 2020, the proportion of Carrefour-brand products in ten priority categories sourced from sustainable forests is 70.2%. The reason of choosing this target is to prioritize on the main product categories (Top 10) which represents the main amount of timber, pulp and paper products; using the most demanding third certification scheme. To meet the target, all purchasing, and quality teams are mobilized and report their progress quarterly during a steering committee. 100% of our charcoal sold in France is FSC®- certified or made with French raw materials. 100% of our tropical wood garden furniture (acacia and eucalyptus) sourced through our international purchase center is FSC®-certified. . We have developed the "Ecoplanet" stationery range to be made from 100% recycled paper.

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**Target reference number**

Target 2

**Forest risk commodity**

Timber products

**Type of target**

Third-party certification

**Description of target**

As part of its ambition to become the world leader of the food transition for all, Carrefour is dedicated to help end deforestation, offer customers deforestation-free solutions by 2020 and promote sustainable forest management beyond that. Among our targets on Timber, we have a target to source 100% of the Group's marketing publications which are certified to FSC or PEFC or made from recycled fibres.

**Linked commitment**

Zero net/gross deforestation

**Traceability point**

<Not Applicable>

**Third-party certification scheme**

FSC Forest Management certification  
FSC Chain of Custody  
FSC Controlled Wood  
FSC Forest Management Group certification  
FSC SLIMF (small or low-intensity managed forest)  
FSC Recycled  
PEFC Sustainable Forest Management certification  
PEFC Chain of Custody  
PEFC Project Chain of Custody  
PEFC Group Forest Management certification

**Start year**

2013

**Target year**

2020

**Quantitative metric**

<Not Applicable>

**Target (number)**

<Not Applicable>

**Target (%)**

100

**% of target achieved**

100

**Please explain**

We have a target 100% of our commercial publications to be Forest Stewardship Council® (FSC®) or Programme for the Endorsement of Forest Certifications® (PEFC®)-certified or made from recycled fibres. In 2020, the percentage of certified/recycled paper in catalogues is 100% while it was 99.3% in 2013. The reason of choosing this target is that commercial publication represents a big amount of paper used and need to be coherent with our zero-deforestation commitment; using the most demanding third certification scheme.

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**Target reference number**

Target 3

**Forest risk commodity**

Palm oil

**Type of target**

Third-party certification

**Description of target**

As part of its ambition to become the world leader of the food transition for all, Carrefour is dedicated to help end deforestation, offer customers deforestation-free solutions by 2025 and promote sustainable forest management beyond that. We have a target to source 100% of palm oil contained in Carrefour own brand products will not in any way impact deforestation by sourcing palm oil from RSPO-certified suppliers.

**Linked commitment**

Zero net/gross deforestation

**Traceability point**

<Not Applicable>

**Third-party certification scheme**

RSPO Identity Preserved

RSPO Segregated

**Start year**

2010

**Target year**

2022

**Quantitative metric**

<Not Applicable>

**Target (number)**

<Not Applicable>

**Target (%)**

100

**% of target achieved**

54.6

**Please explain**

Carrefour's palm oil procurement policy is based on production criteria, including the RSPO standard and additional requirements to protect natural forests and peat bogs. The Group is working closely with suppliers, NGOs, scientists and refiners to speed up the implementation of additional standards on top of those of the RSPO. In 2020, 100% of Carrefour's own-brand products containing palm oil come from RSPO-supported suppliers (82.8% certified RSPO segregated or mass balanced). We are expecting to be using 100% RSPO certified sustainable palm oil and oil palm products from physical supply chains (Identity Preserved, Segregated) in our own brand products without derivatives in 2022. To meet the target, All the suppliers are aware of this commitment and all purchasing, and quality teams are mobilized and report their progress quarterly during an internal steering committee. In 2020, the percentage of segregated RSPO palm oil is 54.6% while it was 51.8% in 2019, 40.7% in 2018, 31% in 2017 and 15.5% in 2016.

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**Target reference number**

Target 4

**Forest risk commodity**

Cattle products

**Type of target**

Traceability

**Description of target**

As part of its ambition to become the world leader of the food transition for all, Carrefour is dedicated to help end deforestation, offer customers deforestation-free solutions by 2020 and promote sustainable forest management beyond that. We have a target to reach 100% of the fresh Brazilian beef sold in Carrefour stores in Brazil complies with its five supply criteria by 2020. This target is followed through the percentage of geo-referenced tier 2 Brazilian beef suppliers for which the target is 100% by 2020.

**Linked commitment**

Zero net/gross deforestation

**Traceability point**

Breeding farm

**Third-party certification scheme**

<Not Applicable>

**Start year**

2017

**Target year**

2020

**Quantitative metric**

<Not Applicable>

**Target (number)**

<Not Applicable>

**Target (%)**

100

**% of target achieved**

100

**Please explain**

The targets of the beef policy are: - To ensure that 100% of fresh Brazilian beef meat sold in Carrefour Brazil, own-brand and national brand, is verified as complying with the five key criteria defined in our Beef Policy. - To ensure all our Brazilian suppliers are verified against public lists of embargoed areas and companies involved in forced labour and other human rights violations. Carrefour has set up a satellite geo-referencing platform to ensure that 100% of the fresh beef sold by Carrefour Brazil meets its requirements. This platform references data from thousands of supplier farms, to monitor all the beef produced in Brazil. This makes it possible to identify any non-compliance with Carrefour's five supply criteria. The geo-referencing platform is integrated into the Carrefour purchasing program, to guarantee fulfilment of the policy for all beef purchasing requests. In 2020, 100% (95.7% in 2019) of the slaughterhouses supplying Carrefour Brazil set up a geo-referencing system for their supplier-producers.

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**Target reference number**

Target 5

**Forest risk commodity**

Soy

**Type of target**

Engagement with smallholders

**Description of target**

As part of its ambition to become the world leader of the food transition for all, Carrefour is dedicated to help end deforestation, offer customers deforestation-free solutions by 2020 and promote sustainable forest management beyond that. We have a target to implement Carrefour Quality Lines products with zero-deforestation animal feed in all countries by the end of 2020 by following the number of Carrefour Quality Lines products with zero-deforestation animal feed (animal products fed with local food).

**Linked commitment**

Zero net/gross deforestation

**Traceability point**

<Not Applicable>

**Third-party certification scheme**

<Not Applicable>

**Start year**

2018

**Target year**

2020

**Quantitative metric**

<Not Applicable>

**Target (number)**

9

**Target (%)**

<Not Applicable>

**% of target achieved**

100

**Please explain**

Soy is present indirectly in a significant part of animal products in the market. Carrefour has decided to use a combination of solutions to reduce deforestation and other negative impacts of soy production on ecosystems across our supply chain by 2020 and beyond, in close partnership with our suppliers. Our efforts to address the impact of soy on forests include three key tools: collaboration, animal protein alternatives and alternative feeds. For animal protein alternatives for customers, we have developed the Carrefour Veggie range which includes products made from soy alternatives such as GMO-free soy, pea protein and a wide range of pulses. For alternative feeds, we have sustainable feed initiatives for suppliers that can help reduce the use of soy in animal feeds. These include a local vegetable-based protein, as well as a non-GMO animal feed that uses geographic traceability with the Pro Terra standard to track the absence of deforestation in the supply chain. In France for instance, some animals' products are now fed with local soy and feed, a key source for French cereals as well as eggs, chicken and pork from our Carrefour Quality Line (CQL). In 2020, Carrefour counts 20 Carrefour Quality Lines products with zero-deforestation animal feed (+6 products versus 2019). More than 350 Carrefour and CQL products sold in France are produced using GMO-free feed based on traceable and traced soy.

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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	In order to implement its sourcing policy Carrefour is using a risk- based approach with both certification and supply chain mapping. Certification insure the traceability of the raw material. When the certification is not requested, Carrefour requests its suppliers to provide information on the species and area of origin of the raw material. Depending on the level of risk assessed, further information are requested going deeper into the identification of point of origin. Depending on the risk assessment, change in supplies or certification can be requested. Case study : Since 2018, 100% of toilet paper and tissues for sale in Italy and Belgium have been certified FSC® "Mixed" and supplier are currently working to supply certified products for paper towels.	Not applicable	<Not Applicable>
Palm oil	Yes	Carrefour is not seeking directly the point of origin for palm oil but is requiring certification. Through this third-party verification, Carrefour can require deforestation free sourcing without assessing the point of origin. Indeed, chain of custody is guaranteed by certification throughout the supply chain. In addition to certification, Carrefour is working on supply chain mapping in order to identify key actors in the supply chain and move easier toward compliance with sourcing Policy. Case study : In order to offer quality products, we are committed beyond the already demanding organic regulations to reduce controversial substances.	Not applicable	<Not Applicable>
Cattle products	Yes	Regarding beef products in Brazil: Carrefour has established specific lines "Carrefour Quality Lines" enabling a direct relation with producers. Beef control by georeferencing in the Amazon began in 2017 and reached 100% of the suppliers in Brazil in 2020. Worldwide, Carrefour Quality Lines gather 27,884 producers (all products). Cattle products are part of the Carrefour Quality Line assortment. Through this direct relation with producers, Carrefour defines specifications and knows the precise origin of the product. In Brazil, Carrefour Quality Lines have been developed since 1999, enabling traceability. The approach has been used to integrate Alianza Del Pastizal beef approach. Also, Carrefour Brazil its participating within CFA (Collaboration for Forests and Agriculture), an initiative that is the product of a collaboration between World Wildlife Fund (WWF), The Nature Conservancy (TNC) and National Wildlife Federation (NWF) and funded by the Gordon & Betty Moore Foundation. The initiative supports companies to align, develop, and implement deforestation-free commitments by improving decision-support tools, enhancing information transparency and unlocking financial incentives. Within the CFA, Carrefour Brazil its participating in the application of the CFA Operational Guidance, which is a process to support companies to implement Deforestation and Conversion Free (DCF) commitments for beef and soy in the Amazon, Cerrado, and Chaco biomes. The process includes an Assessment of the supply chain management practices, the development of a Summary of Assessment Results and the development of an Implementation Plan that prioritize recommended actions and establishes milestones to measure progress within a time period.	Not applicable	<Not Applicable>
Soy	Yes	In Brazil, all soy suppliers are registered through a national identification number allowing to know the producing company for products directly containing soy. This identification system enables to avoid blacklisted suppliers. Carrefour brand product specifications in Brazil requires suppliers to be able to justify soy origin. In order to implement its non -GM criteria for Carrefour Quality Line sold in France and bearing the label "reared without GMO", Carrefour has established a specific supply chain controlled and secured at different level across the supply chain. Carrefour has also launched in France a specific product from animal fed with locally sourced soy: eggs produced in France from chicken fed with feed produced in France. Also, in 2020, Carrefour launched a mapping of Group's Soy Footprint which will be updated annually. Carrefour includes unprocessed raw products under the following own-brand products: beef, veal, chicken, turkey, milk, dairy products (for France), eggs, pork, lamb and salmon in the scope. Case study: Since 2019, Carrefour has served as Co-Sponsor of the CGF Forest Positive Coalition of Action - bringing together 20 of the top consumer goods companies - 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.	Specific product line(s)	For products containing soy outside the Carrefour Quality Line, and bought by the European Purchase Office, soy is coming from Europe and is then free from deforestation. No specific supply chain is then required by Carrefour. In the mapping of Group's Soy Footprint, Carrefour includes unprocessed raw products under the following own-brand products: beef, veal, chicken, turkey, milk, dairy products (for France), eggs, pork, lamb and salmon in the scope.
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
Timber products	Forest management unit	70.2
Palm oil	Mill	54.6
Cattle products	Breeding farm	100
Soy	Country	27

**F6.3**

**(F6.3) Have you adopted any third-party certification scheme(s) for your disclosed commodity(ies)?**

	Third-party certification scheme adopted?	% of total production and/or consumption volume certified
Timber products	Yes	70.2
Palm oil	Yes	100
Cattle products	Yes	0.6
Soy	Yes	21.1
Other - Rubber	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>

**F6.3a****(F6.3a) Provide a detailed breakdown of the volume and percentage of your production and/or consumption by certification scheme.****Forest risk commodity**

Timber products

**Third-party certification scheme**

FSC (any type)

**Chain-of-custody model used**

&lt;Not Applicable&gt;

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

42.8

**Form of commodity**

Pulp

Paper

Boards, plywood, engineered wood

**Volume of production/ consumption certified**

29900

**Metric for volume**

Metric tons

**Is this certified by more than one scheme?**

Yes

**Please explain**

For our 10 priority product categories, accounting for close to 80% of the consumption of components derived from wood or paper, Carrefour is committed to sourcing 100% of supplies from sustainably managed forests by 2020. Sustainability criteria are the FSC (Forest Stewardship Council) 100%, FSC Mix and PEFC (Pan European Forest Certification) Europe labels, which attest to sustainably managed forests and sustainable wood varieties or sourcing. To meet the target, all purchasing, and quality teams are mobilized and report their progress quarterly during a steering committee. 100% of our charcoal sold in France is FSC®-certified or made with French raw materials. 100% of our tropical wood garden furniture (acacia and eucalyptus) sourced through our international purchase center is FSC®-certified. Since 2018 all our toilet paper for France, Spain, Italy and Belgium has been certified FSC® Mix. In 2020, the percentage of certified/recycled paper in catalogues is 100% while it was 99.3% in 2013. We have also developed the "Ecoplanet" stationery range to be made from 100% recycled paper.

**Forest risk commodity**

Palm oil

**Third-party certification scheme**

RSPO Segregated

**Chain-of-custody model used**

&lt;Not Applicable&gt;

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

54.6

**Form of commodity**

Crude palm oil (CPO)

Crude palm kernel oil (CPKO)

Refined palm oil

Palm oil derivatives

Palm kernel oil derivatives

**Volume of production/ consumption certified**

3250

**Metric for volume**

Metric tons

**Is this certified by more than one scheme?**

Yes

**Please explain**

100% of the palm oil used in Carrefour brand products is RSPO certified (54.6% were RSPO certified 'segregated' (fully traced), 28% RSPO certified 'mass balanced' (partially traced palm oil) and 17% covered by Green Palm certificates). Regarding palm oil, Carrefour recognizes RSPO as the best available and main stream certification to avoid deforestation within supply chains. Carrefour asks its suppliers to use RSPO certified palm oil and has a target to increase its percentage of Segregated palm oil (with the highest traceability) by 2020 in its own brand products. In 2020, the percentage of segregated RSPO and wholly monitored palm oil has significantly increased at

54.6% while it was 51.8% in 2019.

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**Forest risk commodity**

Soy

**Third-party certification scheme**

Other, please specify (Guarantee zero deforestation)

**Chain-of-custody model used**

Not applicable

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

17.2

**Form of commodity**

Whole soy beans

**Volume of production/ consumption certified**

35207

**Metric for volume**

Metric tons

**Is this certified by more than one scheme?**

No

**Please explain**

Part of the soy sourced for Carrefour Quality Line products is guarantee zero deforestation. Carrefour has established a specific supply chain controlled and secured at different level across the supply chain. Carrefour has also launched in France 3 specific products from animal fed with locally sourced soy: eggs produced in France from chicken fed with feed produced in France but also chicken from south of France and pork. Non-GM traceable soy represents around 200,000 tons in our supply chain. Carrefour's soy footprint is updated annually. Carrefour includes unprocessed raw products under the following own-brand products: beef, veal, chicken, turkey, milk, dairy products (for France), eggs, pork, lamb and salmon in the scope. In 2020, Carrefour Group sourced 170,542 metric tons of embedded soy in its own-brand animal products. In France, the soy footprint amounts to 98,000 metric tons. At the Group level, 70% of embedded soy comes from conventional sources while the organic/non-genetically modified soy and local French soy amounts to 30%. At French level this breakdown drops to 53% of conventional soy and 47% of soy under guarantee. To account for its footprint, the 2020 sales tonnages of each product category is multiplied by a theoretical soy consumption index recognized by RTRS and based on current agricultural practices. The same methodology is applied to each country of operation of Carrefour, which gives insight into country-specific challenges and enables the ranking of supply chains that contribute the most to the overall footprint.

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**Forest risk commodity**

Soy

**Third-party certification scheme**

ProTerra certification

**Chain-of-custody model used**

Segregation

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

2.2

**Form of commodity**

Whole soy beans

**Volume of production/ consumption certified**

3720

**Metric for volume**

Metric tons

**Is this certified by more than one scheme?**

No

**Please explain**

Part of the soy sourced for Carrefour Quality Line products labelled "reared without GMO" is certified according to Proterra or to RTRS standard (100% for Carrefour France, the majority for Carrefour Belgium and Poland and around 50% for Carrefour Spain and Italy). For Carrefour Quality Line sold in France and bearing the label "reared without GMO", Carrefour has established a specific supply chain controlled and secured at different level across the supply chain. Carrefour has also launched in France 3 specific products from animal fed with locally sourced soy: eggs produced in France from chicken fed with feed produced in France but also chicken from south of France and pork. Non GM traceable soy represents around 200 000 tons in our supply chain.

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**Forest risk commodity**

Timber products

**Third-party certification scheme**

PEFC (any type)

**Chain-of-custody model used**

<Not Applicable>

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

5.8

**Form of commodity**

Pulp

Paper

Boards, plywood, engineered wood

**Volume of production/ consumption certified**

1245

**Metric for volume**

Metric tons

**Is this certified by more than one scheme?**

Yes

**Please explain**

For our 10 priority product categories, accounting for close to 80% of the consumption of components derived from wood or paper, Carrefour is committed to sourcing 100% of supplies from sustainably managed forests by 2020. Sustainability criteria are the FSC (Forest Stewardship Council) 100%, FSC Mix and PEFC (Pan European Forest Certification) Europe labels, which attest to sustainably managed forests and sustainable wood varieties or sourcing. To meet the target, all purchasing, and quality teams are mobilized and report their progress quarterly during a steering committee. 100% of our charcoal sold in France is FSC®-certified or made with French raw materials. 100% of our tropical wood garden furniture (acacia and eucalyptus) sourced through our international purchase center is FSC®-certified. Since 2018 all our toilet paper for France, Spain, Italy and Belgium has been certified FSC® Mix. In 2020, the percentage of certified/recycled paper in catalogues is 100% while it was 99.3% in 2013. We have also developed the "Ecoplanet" stationery range to be made from 100% recycled paper.

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**Forest risk commodity**

Palm oil

**Third-party certification scheme**

RSPO Mass Balance

**Chain-of-custody model used**

&lt;Not Applicable&gt;

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

28

**Form of commodity**

Crude palm oil (CPO)  
Crude palm kernel oil (CPKO)  
Refined palm oil  
Palm oil derivatives  
Palm kernel oil derivatives

**Volume of production/ consumption certified**

1728

**Metric for volume**

Metric tons

**Is this certified by more than one scheme?**

Yes

**Please explain**

100% of the palm oil used in Carrefour brand products is RSPO certified (54,6% were RSPO certified 'segregated' (fully traced), 28% RSPO certified 'mass balanced' (partially traced palm oil) and 17% covered by Green Palm certificates). Regarding palm oil, Carrefour recognizes RSPO as the best available and main stream certification to avoid deforestation within supply chains. Carrefour asks its suppliers to use RSPO certified palm oil and has a target to increase its percentage of Segregated palm oil (with the highest traceability) by 2020 in its own brand products. In 2020, the percentage of segregated RSPO and wholly monitored palm oil has significantly increased at 54.6% while it was 51.8% in 2019. The percentage of Mass Balance palm oil produced is 28%.

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**Forest risk commodity**

Palm oil

**Third-party certification scheme**

RSPO Credits/Book &amp; Claim

**Chain-of-custody model used**

&lt;Not Applicable&gt;

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

17

**Form of commodity**

Crude palm oil (CPO)  
Crude palm kernel oil (CPKO)  
Refined palm oil  
Palm oil derivatives  
Palm kernel oil derivatives

**Volume of production/ consumption certified**

1049

**Metric for volume**

Metric tons

**Is this certified by more than one scheme?**

Yes

**Please explain**

100% of the palm oil used in Carrefour brand products is RSPO certified (including 17% Book & Claim, 28% Mass Balance, 53% Segregated and 2% RSPO Next, POIG). Regarding palm oil, Carrefour recognizes RSPO as the best available and main stream certification to avoid deforestation within supply chains. Carrefour asks its suppliers to use RSPO certified palm oil and has a target to increase its percentage of Segregated palm oil (with the highest traceability) by 2020 in its own brand products. The percentage of RSPO Book&Claim palm oil produced is 17%.

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**Forest risk commodity**

Cattle products

**Third-party certification scheme**

Other, please specify (Alianza del pastizal)

**Chain-of-custody model used**

Segregation

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

0.6

**Form of commodity**

Beef

**Volume of production/ consumption certified**

333

**Metric for volume**

Metric tons

**Is this certified by more than one scheme?**

No

**Please explain**

60 tons of Carrefour Quality Lines beef in Brazil is certified Alianza del Pastizal and 273 tons of Carrefour quality line beef in Argentina is certified Alianza del Pastizal. Beyond certification, the target geo-monitoring beef supplies has been reached for the perimeter concerned: data from more than 6.000 farms has been provided. A new target has been defined with a wider scope and the policy on sustainable beef bolstered by integrating action plans for indirect suppliers.

**Forest risk commodity**

Soy

**Third-party certification scheme**

RTRS Segregated

**Chain-of-custody model used**

&lt;Not Applicable&gt;

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

1.7

**Form of commodity**

Whole soy beans

**Volume of production/ consumption certified**

2833

**Metric for volume**

Metric tons

**Is this certified by more than one scheme?**

No

**Please explain**

2,833 tons of Brazilian soy used by Carrefour are certified RTRS (1.7% at the group level). Part of the soy sourced for Carrefour Quality Line products labelled "reared without GMO" is certified according to Proterra or to RTRS standard (100% for Carrefour France, the majority for Carrefour Belgium and Poland and around 50% for Carrefour Spain and Italy). For Carrefour Quality Line sold in France and bearing the label "reared without GMO", Carrefour has established a specific supply chain controlled and secured at different level across the supply chain. Carrefour has also launched in France 3 specific products from animal fed with locally sourced soy: eggs produced in France from chicken fed with feed produced in France but also chicken from south of France and pork. Non GM traceable soy represents around 200 000 tons in our supply chain.

**F6.4****(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

To control its sourcing policy Carrefour is using a risk-based approach with both certification (FSC, PEFC) and supply chain mapping. Certification insure the traceability of the raw material. When certification is not requested, Carrefour requests its suppliers to provide information on the species and area of origin of raw material. Depending on the level of risk assessed, further information are requested going deeper into the identification origin. Depending on the risk assessment, change in supplies or certification can be requested. Also, a questionnaire and a pedagogic tool kit have been sent to the suppliers of the International Purchase Office. The questionnaire is used together with a risk map to suppress unwanted sources. Depending on the origin and the species of the wood used, the information of the forest can be required. The risk map has been partially updated with Nepcon in 2014, thanks to a detailed analysis of the situation in the most common timber sourcing countries

### Monitoring and verification approach

Third-party verification

### % of total volume in compliance

61-70%

### % of total suppliers in compliance

100%

### Response to supplier non-compliance

Retain & engage

Exclude

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

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

Assessing the efficacy and efforts of non-compliant supplier actions through consistent and quantified metrics

### Please explain

(iii) The monitoring compliance is done continuously with the suppliers through the certification of products that Carrefour sells in its stores and in accordance with the risk-based approach with both certification (FSC and PEFC) and supply chain mapping made by the Group. Thus, the Group follows different steps to monitor suppliers' compliance including: a risk analysis to identify suppliers' criticality level; a signature of the Zero Deforestation Plan Charter; audits integrating the raw material traceability dimension and (vi) corrective action plan in case of non-compliance.

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### Forest risk commodity

Palm oil

### Operational coverage

Supply chain

### Description of control systems

Carrefour is not seeking directly the point of origin for palm oil but is requiring certification (RSPO) through a third-party verification. Indeed, chain of custody is guaranteed by certification. Moreover, Carrefour is working on supply chain mapping in order to identify key actors and move easier toward compliance with sourcing Policy. European Purchase office teams have a monitoring system for all suppliers and items containing palm oil and their status regarding the action plan. In addition to this process, Carrefour has decided to increase traceability through supply chain by starting a supply chain mapping to increase knowledge across supply chain, facilitate sustainable sourcing and identify key actors. In addition, Carrefour supported additional requirements (RSPO+) and deployed them on 50 products in 2015. For these products, a more precise due diligence has been implemented: identification of key refiners and producers; assessment of the current policy of upstream operators.

### 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

Developing time-bound targets and milestones to bring suppliers back into compliance

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

### Please explain

(iii) The monitoring compliance is done continuously with the suppliers through the certification of products that Carrefour sells in its stores. Each year, Carrefour improves the part of RSPO-segregated palm oil. In 2020, 82.8% of the palm oil in its products is segregated or mass-balance, meaning it is wholly or partially monitored for sustainability throughout the supply chain: 54.6% were RSPO certified 'segregated' (fully traced), 28% RSPO certified 'mass balanced' (partially traced palm oil) and 17% covered by Green Palm certificates. In parallel, to monitor compliance of palm oil suppliers, the Group follows different steps including: a risk analysis to identify suppliers' criticality level; a signature of the Zero Deforestation Plan Charter; audits integrating the raw material traceability dimension and (vi) corrective action plan in case of non-compliance.

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### Forest risk commodity

Cattle Products

### Operational coverage

Supply chain

### Description of control systems

Regarding beef in Brazil: Carrefour has established "Carrefour Quality Lines" (CQL) enabling a direct relation with producers. Beef control by georeferencing in the Amazon began in 2017 and is currently being extended to all suppliers in the region. Worldwide, CQL gather 27,884 producers (all products). Cattle products are part of the CQL assortment. Through this direct relation with producers, Carrefour defines specifications and knows the precise origin of the product. In Brazil, CQL have been developed since 1999, enabling traceability. The approach has been used to integrate Alianza Del Pastizal beef approach. CQL beef producers in Brazil are audited regarding production methods. For other products in Brazil, Carrefour favors suppliers who are implementing the Cattle Agreement which has been verified through third party audit in 2014. In Europe, the European purchase office requires the national origin of the beef, and ensures traceability to the farm for CQL products.

### Monitoring and verification approach

Ground-based monitoring system

**% of total volume in compliance**

100%

**% of total suppliers in compliance**

100%

**Response to supplier non-compliance**

Suspend & engage

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

Re-integrating suppliers back into supply chain based on the successful and verifiable completion of activities

**Please explain**

(iii) Thanks to the ground-based monitoring system, Carrefour follows continuously the suppliers' compliance in real time. (iv) Carrefour responds to supplier non-compliance according to the impact of supplies et the severity of the non-compliance with a suspend and engage response strategy based on a supply blockage followed by a corrective action plan in case of non-compliance.

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**Forest risk commodity**

Soy

**Operational coverage**

Supply chain

Selected facilities, businesses or geographies only

**Description of control systems**

For alternative feeds, we have sustainable feed initiatives for suppliers that can help reduce the use of soy in animal feeds. These include a local vegetable-based protein, as well as a non-GMO animal feed that uses geographic traceability with the Pro Terra standard to track the absence of deforestation in the supply chain. In France for instance, some animals' products are now fed with local soy and feed, a key source for French cereals as well as eggs, chicken and pork from our Carrefour Quality Line (CQL). More than 350 Carrefour and CQL products sold in France are produced using GMO-free feed based on traceable and traced soy. Within the CGF coalition, we will define in 2020 common criteria between CGF members to evaluate soy traders together and integrate these ratings into our purchasing decisions.

**Monitoring and verification approach**

Ground-based monitoring system

**% of total volume in compliance**

10-20%

**% of total suppliers in compliance**

10-20%

**Response to supplier non-compliance**

Retain & engage

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

Developing time-bound targets and milestones to bring suppliers back into compliance

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

**Please explain**

Within the CGF coalition, we will define in 2020 common criteria between CGF members to evaluate soy traders together and integrate these ratings into our purchasing decisions.

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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	Comment
Timber products	Yes, from suppliers	<Not Applicable>
Palm oil	Yes, from suppliers	<Not Applicable>
Cattle products	Yes, from suppliers	<Not Applicable>
Soy	Yes, from suppliers	<Not Applicable>
Other - Rubber	<Not Applicable>	<Not Applicable>
Other - Cocoa	<Not Applicable>	<Not Applicable>
Other - Coffee	<Not Applicable>	<Not Applicable>

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F6.6a

**(F6.6a) For you disclosed commodity(ies), indicate how you ensure legal compliance with forest regulations and/or mandatory standards.**

## Timber products

### Procedure to ensure legal compliance

To control its sourcing policy Carrefour is using a risk-based approach with both certification (FSC, PEFC) and supply chain mapping. Certification insure the traceability of the raw material. When certification is not requested, Carrefour requests its suppliers to provide information on the species and area of origin of raw material. Depending on the level of risk assessed, further information are requested going deeper into the identification of origin. Depending on the risk assessment, change in supplies or certification can be requested. Also, a questionnaire and a pedagogic tool kit have been sent to the suppliers of the International Purchase Office. The questionnaire is used together with a risk map to suppress unwanted sources. Depending on the origin and the species of the wood used, the information of the forest can be required. The riskmap has been partially updated with Nepcon in 2014, thanks to a detailed analysis of the situation in the most common timber sourcing countries.

### Country/Area of origin

Brazil

### Law and/or mandatory standard(s)

Brazilian Forest Code  
EU Timber Regulation  
CITES

### Comment

## Palm oil

### Procedure to ensure legal compliance

Carrefour ensure legal compliance with forest regulations and/or mandatory standards thanks to RSPO certification. Indeed, according to a study led in 2017 by the "Forest People Programme", RSPO meets all the most demanding criteria compared to other palm oil initiatives/regulations/standard (incl. ISPO and MSPO among others). These RSPO criteria are thus sufficient to ensure legal compliance within our operations and supply chain.

### Country/Area of origin

Indonesia  
Malaysia  
Papua New Guinea  
Thailand

### Law and/or mandatory standard(s)

General assessment of legal compliance

### Comment

## Cattle products

### Procedure to ensure legal compliance

The monitoring tool of beef verifies many aspects regarding legal compliance, including indigenous territories, protected areas, conditions analogous to slavery, and others specific regulations about deforestation. Also, Carrefour Brazil its participating within CFA (Collaboration for Forests and Agriculture), an initiative that is the product of a collaboration between World Wildlife Fund (WWF), The Nature Conservancy (TNC) and National Wildlife Federation (NWF) and funded by the Gordon & Betty Moore Foundation. The initiative supports companies to align, develop, and implement deforestation-free commitments by improving decision-support tools, enhancing information transparency and unlocking financial incentives. Within the CFA, Carrefour Brazil its participating in the application of the CFA Operational Guidance, which is a process to support companies to implement Deforestation and Conversion Free (DCF) commitments for beef and soy in the Amazon, Cerrado, and Chaco biomes. The process includes an Assessment of the supply chain management practices, the development of a Summary of Assessment Results and the development of an Implementation Plan that prioritize recommended actions and establishes milestones to measure progress within a time period.

### Country/Area of origin

Argentina  
Brazil

### Law and/or mandatory standard(s)

General assessment of legal compliance  
Brazilian Forest Code

### Comment

## Soy

### Procedure to ensure legal compliance

Concerning soy sourced for Carrefour Quality Line products labelled "reared without GMO", the group uses Proterra or RTRS standard certification to ensure legal compliance. For Carrefour Quality Line sold in France and bearing the label "reared without GMO", Carrefour has established a specific supply chain controlled and secured at different level across the supply chain. In parallel, Carrefour is working on a traceability solution at the group's level. In 2020, Carrefour performed a mapping of its Soy Footprint to ensure compliance. Evaluations are underway with each supplier in order to refine our total footprint according to current practices (actual soy consumption index versus statistics), to precise origins of the soy, and the proportion of traceable soy that is not linked to deforestation.

### Country/Area of origin

Argentina  
Bolivia (Plurinational State of)  
Brazil  
India  
Nigeria  
Paraguay  
Thailand

### Law and/or mandatory standard(s)

General assessment of legal compliance  
Brazilian Forest Code

### Comment

**(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>	
Palm oil	No, not working with smallholders	<Not Applicable>	<Not Applicable>	<Not Applicable>	
Cattle products	Yes, working with smallholders	Supply chain mapping	Developing or distributing supply chain mapping tool	27884	The collaboration with producers has enable Carrefour to be the first retailer to sell Rainforest Alliance Beef in Brazil. This has been made possible thanks to the close and direct collaboration between Carrefour team and San Marcello Farm. Regarding beef products in Brazil: Carrefour has established specific lines "Carrefour Quality Lines" enabling a direct relation with producers. Beef control by georeferencing in the Amazon began in 2017 and is currently being extended to all suppliers in the region. Worldwide, Carrefour Quality Lines gather 27,884 producers (all products). Cattle products are part of the Carrefour Quality Line assortment. Through this direct relation with producers, Carrefour defines specifications and knows the precise origin of the product. Alongside the IDH Foundation, the Carrefour Foundation and the Carrefour Group have committed to developing a "zero deforestation" beef sector by 2030, while making land available on which to grow soy responsibly. This is the first public-private investment in the Juruena Valley. The aim of the project is to support more than 450 farmers (calf suppliers) in the state of Mato Grosso, the country's leading beef producer, and to preserve 60% of the indigenous forest, while doubling economic production by 2030. At the same time, the support and training of these local producers in difficulty will increase their productivity. The Carrefour Foundation provided financial support worth €641,349 for the project in 2018, and the Group undertakes to provide technical assistance and access to loans for these producers. As part of the ACT FOR FOOD program, Carrefour set the objective to give ultra-availability for local products.
Soy	No, not working with smallholders	<Not Applicable>	<Not Applicable>	<Not Applicable>	
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	Capacity building Other	Offering on-site training and technical assistance Other, please specify (Awards for the more sustainable approaches and best practices)	100%	Carrefour has defined a supplier charter and a wood information table for its wood and paper suppliers, defining Carrefour requirements for its own brand products. This charter and table are signed and filled in by 100% of the suppliers of its European Purchase Office. In collaboration with WWF France, Carrefour is also developing trainings for its timber, pulp and paper suppliers worldwide. Carrefour is engaging with its supply chain to improve awareness, better understand the challenges and opportunities to driving sustainable production of these commodities. Carrefour is raising awareness among its suppliers, recommending them to work in stepwise programs such as GFTN to achieve greater traceability. Carrefour is also promoting the GFTN process among its suppliers for them to engage towards certification. As an example, Carrefour has conducted trainings among its teams and suppliers in collaboration with WWF France and GFTN in order to promote a step wise approach to improve the sustainability of existing supplies. With the objective of continuous improvement, Carrefour strives to enhance the expertise of its teams, training them in local regulatory issues, risk analysis, standards and supplier evaluation. Carrefour is also member of the Sustainability Steering Committee of the Consumer Goods Forum. Within this platform, Carrefour supports the global commitment to help achieve zero net deforestation by 2020. Carrefour proposes to its own brand suppliers to fill a sustainability self-assessment questionnaire, based on ISO 26000, and dealing with sustainable sourcing. Awards are rewarding several times a year the more sustainable approaches and best practices of the suppliers. In 2018 we organized a Sustainable forest forum in partnership with WWF, which was attended by a number of key stakeholders involved in forest conservation across the food industry. It served as an opportunity for 250 people representing companies, NGOs and institutions from a number of different countries to put forward solutions for protecting our forests.
Palm oil	Yes, working with direct suppliers	Supply chain mapping Capacity building Other	Supplier questionnaires on environmental and social indicators Organizing capacity building events Other, please specify (Awards for the more sustainable approaches and best practices)	100%	Carrefour is engaging with its supply chain to improve awareness, better understand the challenges and opportunities to driving sustainable production of these commodities with 100% of its suppliers. Carrefour has both written to all its suppliers, as well as had meetings with major producers to encourage the development of capacity in the supply chain. Carrefour developed a comprehensive tool kit for suppliers on sourcing certified sustainable palm oil. This kit includes a presentation on the different issues (nutrition, environment, social and economic) concerning palm oil. The kit provides a detailed pragmatic step by step guide to help suppliers take the necessary actions to source certified sustainable palm oil. Regularly, Carrefour quality and purchasing team send a questionnaire to all suppliers using palm oil in order to measure the amount of palm oil used and to push them towards more sustainability in the supply chain. Recently Carrefour has supported the charter adopted the French Alliance for sustainable palm oil in order to accelerate the deployment of sustainable supplies. Carrefour is working on supply chain mapping in order to identify key actors in the supply chain and move easier toward compliance with sourcing policy. Carrefour proposes to its own brand suppliers to fill a sustainability self-assessment questionnaire, based on ISO 26000 and dealing with sustainable sourcing. Awards are rewarding several times a year the more sustainable approaches and best practices of the suppliers. In 2018 we organized a Sustainable forest forum in partnership with WWF, which was attended by a number of key stakeholders involved in forest conservation across the food industry. It served as an opportunity for 250 people representing companies, NGOs and institutions from a number of different countries to put forward solutions for protecting our forests.

	Are you working with direct suppliers?	Type of direct supplier engagement approach	Direct supplier engagement approach	% of suppliers engaged	Please explain
Cattle products	Yes, working with direct suppliers	Supply chain mapping Capacity building Other	Supplier questionnaires on environmental and social indicators Developing or distributing supply chain mapping tool Investing in pilot projects Other, please specify (Awards for the more sustainable approaches and best practices)	100%	Carrefour has organized top-to-top meetings with Brazilian suppliers (100% of the most relevant ones, representing 88% of the total volume). Engagement next steps involve the inclusion of supplier's data in the Carrefour geo-monitoring system. The collaboration with producers has enable Carrefour to be the first retailer to sell Rainforest Alliance Beef in Brazil. This has been made possible thanks to the close and direct collaboration between Carrefour team and San Marcello Farm. Carrefour made recently an alliance with two suppliers Frigosilva and Marfrig Global Foods in Brazil, Uruguay, Argentine and Paraguay to launch the "Alianza dal Pastizal" beef. With this initiative, 110 beef suppliers are selling their meat (representing an amount of 60 tonnes of beef) with a distinctive logo ensuring: - Animal well-fare (100% animal pasture) - Biome preservation - Promotion of sustainable cattle production - Production rules beyond the brazilian's legislation (the Forest code imposes 20% of protected areas whereas the Alianza's standard requires 50% of protected areas) Moreover, Carrefour is part of the GTPS (working group for sustainable beef in Brazil) to improve traceability and globally to improve sustainability of cattle production. Carrefour carries out satellite surveillance of breeding pastures to reduce the risk of destruction to the Amazon rain forest, preserve biodiversity and prevent the use of land belonging to indigenous tribes. Beef control by georeferencing in the Amazon began in 2017 and is currently being extended to all suppliers in the region. Each year, Carrefour sends proposes to 100% of its own brand suppliers to fill a sustainability self-assessment questionnaire, based on ISO 26000 and dealing with sustainable sourcing, then organizes meetings with suppliers representing 80% of supply volumes in Brazil. Awards are rewarding several times a year the more sustainable approaches and best practices of the suppliers. In 2018 we organized a Sustainable forest forum in partnership with WWF, which was attended by a number of key stakeholders involved in forest conservation across the food industry. It served as an opportunity for 250 people representing companies, NGOs and institutions from a number of different countries to put forward solutions for protecting our forests.
Soy	Yes, working with direct suppliers	Supply chain mapping Capacity building Other	Supplier questionnaires on environmental and social indicators Investing in pilot projects Other, please specify (Awards for the more sustainable approaches and best practices)	100%	Carrefour has organized top-to-top meetings with soy suppliers (indirect supplier - 100% of the most relevant). Follow up meetings are ongoing to have an overview of progress. Then, direct suppliers of fish, pork, eggs and chicken are encouraged to address the traceability of soy through the participation within CFA (Collaboration for Forests and Agriculture). Carrefour is member of the RTRS and is also engaging within the European Soy User Working group, supporting soya moratorium in providing supports to the upstream best practices. This year, we managed to make this moratorium permanent which is a big step in maintaining our progress and preserving the Amazon Rainforest. More recently, Carrefour has started participating to the GTS (working group for sustainable soy in Brazil) in order to support all stakeholder in achieving a collective process that can provide the same level of guarantee than the moratorium. Carrefour is also working with its supplier Avril to set up a French soy production with first crop in 2017. Carrefour proposes to its own brand suppliers to fill a sustainability self-assessment questionnaire, based on ISO 26000 and dealing with sustainable sourcing. Awards are rewarding several times a year the more sustainable approaches and best practices of the suppliers. In 2018 we organized a Sustainable forest forum in partnership with WWF, which was attended by a number of key stakeholders involved in forest conservation across the food industry. It served as an opportunity for 250 people representing companies, NGOs and institutions from a number of different countries to put forward solutions for protecting our forests. In January 2021, Carrefour has required its own-brand suppliers to include non-conversion/non-deforestation clauses for soy in their suppliers' contractual conditions. The Group is also urging national brand products to deploy these commitments.
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>	Carrefour only works with its first- tier suppliers, but strongly encourages suppliers to engage the discussion with their own suppliers, and requires documents coming from the upstream supply chain. The sustainability questionnaire also invites suppliers to better communicate with their own suppliers on sustainability.
Palm oil	Yes, working beyond first tier	Supply chain mapping Capacity building	Supplier questionnaires on environmental and social indicators Participating in workshops	Carrefour is working on supply chain mapping in order to identify key actors in the supply chain and move easier toward compliance with sourcing policy. The sustainability questionnaire also invites suppliers to better communicate with their own suppliers on sustainability. Carrefour have also discussions with palm oil traders through stakeholder meetings and collective initiatives like "Alliance Française pour l'Huile de palme durable" and the POIG.
Cattle products	Yes, working beyond first tier	Supply chain mapping Capacity building	Developing or distributing supply chain mapping tools Supplier questionnaires on environmental and social indicators Participating in workshops	The sustainability questionnaire also invites suppliers to better communicate with their own suppliers on sustainability. For Beef Carrefour quality lines, Carrefour has full traceability and also works with tiers 2 suppliers. With the new Policy for Brazil, Carrefour is promoting the full monitoring of its beef supply chain. Thanks to the launch of a geolocation system within its supply chain, Carrefour will ensure that its products are compliant with the Policy criteria all along the supply chain (includes indirect suppliers). To improve the beef supply chain in Brazil, Carrefour is collectively working with the relevant stakeholders on a sectoral strategy.
Soy	Yes, working beyond first tier	Supply chain mapping Capacity building	Supplier questionnaires on environmental and social indicators Participating in workshops Investing in pilot projects	Carrefour mainly works with its first- tier suppliers, but strongly encourages suppliers to engage the discussion with their own suppliers. The sustainability questionnaire also invites suppliers to better communicate with their own suppliers on sustainability For Carrefour quality line products reared without GM, a specific supply chain has been segregated in order to provide non- GM feed. In this case, Carrefour has focussed on this dedicated supply chain in order to increase supply chain knowledge. Finally, Carrefour participates to working group on soy sustainability to influence the supply chain on that topic, gathering also traders. Through the development of a French GM-free soy production Carrefour is working beyond its first- tier suppliers. In 2016, Carrefour France has boosted the development of local vegetable proteins through the creation of Sojalim, a sustainable soy production line based in south-west France, in collaboration with Avril.
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**

Timber products

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

Yes

**Activities**

Involved in multi-partnership or stakeholder initiatives

**Initiatives**

UN Global Compact

Tropical Forest Alliance 2020 (TFA)

Roundtable on Sustainable Biomaterials (RSB)

Forest Stewardship Council (FSC)

Programme for the Endorsement of Forest Certification (PEFC)

**Jurisdictional approaches**

<Not Applicable>

**Please explain**

Carrefour is working in close collaboration with WWF France regarding timber, pulp and paper supplies. Forest protection is indeed one of the main axis of the long term partnership between Carrefour and WWF France (over 15 years). Carrefour promotes FSC and GFTN towards its suppliers. As an example, in 2014, Carrefour has organised trainings on timber sustainable sourcing for its teams and suppliers in Vietnam and China. Carrefour is also member of the sustainability steering committee of the Consumer Goods Forum. Within this platform, Carrefour supports the global commitment to help achieve zero net deforestation by 2020. Carrefour is a member of the Timber Retail Coalition, along with other European retailers. The goal of the TRC is to make proposals for updating the EUTR. Carrefour participates to dedicated meetings with NGOs or suppliers to discuss about the stakes and the solutions for timber. In 2017, Carrefour organized a stakeholder's meeting to discuss efforts to combat deforestation (including external experts, NGOs, investors, clients, scientists and internal experts), it will result in a detailed Policy and sustainable forest display in stores to highlight the sustainable procurement Policy. Finally, Carrefour supports the French government strategy to fight imported deforestation "Stratégie Nationale de Lutte contre la Déforestation Importée".

**Forest risk commodity**

Palm oil

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

Yes

**Activities**

Involved in multi-partnership or stakeholder initiatives

**Initiatives**

UN Global Compact

Tropical Forest Alliance 2020 (TFA)

Roundtable on Sustainable Biomaterials (RSB)

Roundtable on Sustainable Palm Oil (RSPO)

Palm Oil Innovation Group (POIG)

**Jurisdictional approaches**

<Not Applicable>

**Please explain**

Carrefour is member of the RSPO and was member of the Executive Board of the RSPO until 2013. Carrefour has been involved within the latest Principle and Criteria review of the RSPO. Sustainable palm oil is also one of the topics that Carrefour discuss with WWF France within its partnership. Carrefour is also member of the sustainability steering committee of the Consumer Goods Forum which also covers palm oil issue. Finally, Carrefour participates to dedicated meetings with NGOs or suppliers to discuss about the stakes and the solutions for palm oil. Finally, Carrefour supports the French government strategy to fight imported deforestation "Stratégie Nationale de Lutte contre la Déforestation Importée".

**Forest risk commodity**

Cattle products

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

Yes

**Activities**

Involved in multi-partnership or stakeholder initiatives

**Initiatives**

UN Global Compact

Tropical Forest Alliance 2020 (TFA)

Roundtable on Sustainable Biomaterials (RSB)

Global Roundtable for Sustainable Beef (GRSB)

Brazilian Roundtable on Sustainable Livestock (GTPS)

Other, please specify (GTFI, Working group of the Brazilian Environment Ministry, Working group on retailers and abattoirs)

**Jurisdictional approaches**

<Not Applicable>

**Please explain**

Carrefour Brazil is member of the GTPS (Working Group for sustainable Cattle). Carrefour Brazil is also signatory of the "Pacto Conexões sustentáveis da Carne". Within this pact, Carrefour is part of a working group for helping collectively the implementation of the pact. Carrefour is also member of the sustainability steering committee of the Consumer Goods Forum. Carrefour Brazil also takes part in several other working groups to come up with pragmatic solutions for reducing the risks that cattle farming with poses to forest protection : GTFI (working group on indirect suppliers): monitoring indirect suppliers' practices ; Working group of the Brazilian Environment Ministry: involving several stakeholders in the supply chain ; Working group on retailers and abattoirs: developing supplier audit protocols. Finally, Carrefour supports the French government strategy to fight imported deforestation "Stratégie Nationale de Lutte contre la Déforestation Importée".

**Forest risk commodity**

Soy

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

Yes

**Activities**

Involved in multi-partnership or stakeholder initiatives

**Initiatives**

UN Global Compact

Tropical Forest Alliance 2020 (TFA)

Roundtable on Sustainable Biomaterials (RSB)

Roundtable on Sustainable Soy (RTRS)

Other, please specify (Other, please specify (Grupo de Trabalho de Soja, Grupo Trabalho Cerrado in Brazil, Consumer Goods Forum soy working group, Duralim, Cerrado Manifesto, Soy Moratorium, IDH Landscape approach))

**Jurisdictional approaches**

<Not Applicable>

**Please explain**

Carrefour is member of the RTRS an international organization including soy producers, industry representatives, mass retailers and NGOs. Carrefour is also discussing soy supply chains with WWF France within its long term partnership. As an example, the recent soy study conducted by Carrefour was discussed with WWF France within the partnership. Carrefour is also member of the sustainability steering committee of the Consumer Goods Forum which covers soy issues. Carrefour is part of the "European Soy User Working Group" which always supported the Soy Moratorium in Brazil. In 2017, we managed to make this moratorium permanent which is a big step in maintaining our progress and preserving the Amazon Rainforest. Also, Carrefour has supported the creation of a multistakeholder process in Brazil, including producers, NGOs etc. This process is held by the GTS, and Carrefour participates to this working group in Brazil as a downstream client. In 2017, Carrefour took up the Cerrado Manifesto initiative along with over 60 other companies, and takes part in discussions on protecting this remarkable ecosystem in Brazil with the government, NGOs and producers. Carrefour also takes part in several other working groups : Grupo Trabalho Cerrado in Brazil, GTS support group aiming to put an end to deforestation in Cerrado ; Consumer Goods Forum (CGF) initiatives for soy produced with no deforestation impact ; Duralim, a French Cooperative Charter dating from 2016 on sustainable livestock feed ans The Sustainable Soy Working Group from WWF France. Finally, Carrefour supports the French government strategy to fight imported deforestation

**Forest risk commodity**

Timber products

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

Yes

**Activities**

Involved in jurisdictional approaches

**Initiatives**

<Not Applicable>

**Jurisdictional approaches**

Other, please specify (Address challenges facing the industry globally through implication in the CGF )

**Please explain**

Carrefour is member of the sustainability steering committee of the Consumer Goods Forum. Within this platform, Carrefour supports the global commitment to help achieve zero net deforestation by 2020. Carrefour is also working in close collaboration with WWF France regarding timber, pulp and paper supplies. Forest protection is indeed one of the main axis of the long term partnership between Carrefour and WWF France (over 15 years). Carrefour promotes FSC and GFTN towards its suppliers. As an example, in 2014, Carrefour has organised trainings on timber sustainable sourcing for its teams and suppliers in Vietnam and China. Carrefour is a member of the Timber Retail Coalition, along with other European retailers. The goal of the TRC is to make proposals for updating the EUTR. Carrefour participates to dedicated meetings with NGOs or suppliers to discuss about the stakes and the solutions for timber. In 2017, Carrefour organized a stakeholder's meeting to discuss efforts to combat deforestation (including external experts, NGOs, investors, clients, scientists and internal experts), it will result in a detailed Policy and sustainable forest display in stores to highlight the sustainable procurement Policy. Finally, Carrefour supports the French government strategy to fight imported deforestation "Stratégie Nationale de Lutte contre la Déforestation Importée".

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**Forest risk commodity**

Timber products

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

Yes

**Activities**

Involved in industry platforms

**Initiatives**

<Not Applicable>

**Jurisdictional approaches**

<Not Applicable>

**Please explain**

Carrefour launched the Food Transition Pact in 2020, which unites national brand suppliers around common objectives on biodiversity (including forest-related issues), transparency, health and nutrition, climate and packaging. It is open to all national brand suppliers working with Carrefour who are encouraged to put in place projects and solutions for consumers in favour of the food transition, in areas such as eliminating controversial substances, deploying Nutri-Scores and reducing the use of plastic. Any supplier wishing to join must present an ambitious action plan before a panel made up of Carrefour experts. By end-2020, 26 international suppliers had signed up, including five who sit on the Steering Committee: Barilla, Bonduelle, Colgate, Nestlé and PepsiCo. This Committee devises themes for the Pact action plans around five priority issues that help to achieve the UN Sustainable Development Goals, namely packaging, biodiversity, transparency, sustainable products and the climate. The Food Transition Pact provides a platform for these suppliers to discuss best practices, explore new opportunities for collaboration with Carrefour, and share progress with consumers. Carrefour is aiming to get 300 suppliers to sign the pact by 2025.

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**Forest risk commodity**

Palm oil

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

Yes

**Activities**

Involved in jurisdictional approaches

**Initiatives**

<Not Applicable>

**Jurisdictional approaches**

Other, please specify (Address challenges facing the industry globally through implication in the CGF)

**Please explain**

Carrefour is member of the sustainability steering committee of the Consumer Goods Forum (CGF) which also covers palm oil issue. Carrefour is also member of the RSPO and was member of the Executive Board of the RSPO until 2013. Carrefour has been involved within the latest Principle and Criteria review of the RSPO. Sustainable palm oil is also one of the topics that Carrefour discuss with WWF France within its partnership. Finally, Carrefour participates to dedicated meetings with NGOs or suppliers to discuss about the stakes and the solutions for palm oil. Finally, Carrefour supports the French government strategy to fight imported deforestation "Stratégie Nationale de Lutte contre la Déforestation Importée".

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**Forest risk commodity**

Palm oil

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

Yes

**Activities**

Involved in industry platforms

**Initiatives**

<Not Applicable>

---



### Jurisdictional approaches

<Not Applicable>

### Please explain

Carrefour launched the Food Transition Pact in 2020, which unites national brand suppliers around common objectives on biodiversity (including forest-related issues), transparency, health and nutrition, climate and packaging. It is open to all national brand suppliers working with Carrefour who are encouraged to put in place projects and solutions for consumers in favour of the food transition, in areas such as eliminating controversial substances, deploying Nutri-Scores and reducing the use of plastic. Any supplier wishing to join must present an ambitious action plan before a panel made up of Carrefour experts. By end-2020, 26 international suppliers had signed up, including five who sit on the Steering Committee: Barilla, Bonduelle, Colgate, Nestlé and PepsiCo. This Committee devises themes for the Pact action plans around five priority issues that help to achieve the UN Sustainable Development Goals, namely packaging, biodiversity, transparency, sustainable products and the climate. The Food Transition Pact provides a platform for these suppliers to discuss best practices, explore new opportunities for collaboration with Carrefour, and share progress with consumers. Carrefour is aiming to get 300 suppliers to sign the pact by 2025.

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### Forest risk commodity

Cattle products

### Do you participate in activities/initiatives?

Yes

### Activities

Involved in jurisdictional approaches

### Initiatives

<Not Applicable>

### Jurisdictional approaches

Other, please specify (Address challenges facing the industry globally through implication in the CGF)

### Please explain

Carrefour is member of the sustainability steering committee of the Consumer Goods Forum (CGF). Carrefour Brazil is also member of the GTPS (Working Group for sustainable Cattle). Carrefour Brazil is also signatory of the "Pacto Conexões sustentáveis da Carne". Within this pact, Carrefour is part of a working group for helping collectively the implementation of the pact. Carrefour Brazil also takes part in several other working groups to come up with pragmatic solutions for reducing the risks that cattle farming with poses to forest protection : GTFI (working group on indirect suppliers): monitoring indirect suppliers' practices ; Working group of the Brazilian Environment Ministry: involving several stakeholders in the supply chain ; Working group on retailers and abattoirs: developing supplier audit protocols. Finally, Carrefour supports the French government strategy to fight imported deforestation "Stratégie Nationale de Lutte contre la Déforestation Importée".

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### Forest risk commodity

Cattle products

### Do you participate in activities/initiatives?

Yes

### Activities

Involved in industry platforms

### Initiatives

<Not Applicable>

### Jurisdictional approaches

<Not Applicable>

### Please explain

Carrefour launched the Food Transition Pact in 2020, which unites national brand suppliers around common objectives on biodiversity (including forest-related issues), transparency, health and nutrition, climate and packaging. It is open to all national brand suppliers working with Carrefour who are encouraged to put in place projects and solutions for consumers in favour of the food transition, in areas such as eliminating controversial substances, deploying Nutri-Scores and reducing the use of plastic. Any supplier wishing to join must present an ambitious action plan before a panel made up of Carrefour experts. By end-2020, 26 international suppliers had signed up, including five who sit on the Steering Committee: Barilla, Bonduelle, Colgate, Nestlé and PepsiCo. This Committee devises themes for the Pact action plans around five priority issues that help to achieve the UN Sustainable Development Goals, namely packaging, biodiversity, transparency, sustainable products and the climate. The Food Transition Pact provides a platform for these suppliers to discuss best practices, explore new opportunities for collaboration with Carrefour, and share progress with consumers. Carrefour is aiming to get 300 suppliers to sign the pact by 2025.

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### Forest risk commodity

Soy

### Do you participate in activities/initiatives?

Yes

### Activities

Involved in jurisdictional approaches

### Initiatives

<Not Applicable>

### Jurisdictional approaches

Other, please specify (Address challenges facing the industry globally through implication in the CGF)

### Please explain

Carrefour is member of the sustainability steering committee of the Consumer Goods Forum (CGF) which covers soy issues. Carrefour is also member of the RTRS an international organization including soy producers, industry representatives, mass retailers and NGOs. Carrefour is also discussing soy supply chains with WWF France within its long term partnership. As an example, the recent soy study conducted by Carrefour was discussed with WWF France within the partnership. Carrefour is part of the "European Soy User Working Group" which always supported the Soy Moratorium in Brazil. In 2017, we managed to make this moratorium permanent which is a big step in maintaining our progress and preserving the Amazon Rainforest. Also, Carrefour has supported the creation of a multistakeholder process in Brazil, including producers, NGOs etc. This process is held by the GTS, and Carrefour participates to this working group in Brazil as a downstream client. In 2017, Carrefour took up the Cerrado Manifesto initiative along with over 60 other companies, and takes part in discussions on protecting this remarkable ecosystem in Brazil with the government, NGOs and producers. Carrefour also takes part in several other working groups : Grupo Trabalho Cerrado in Brazil, GTS support group aiming to put an end to deforestation in Cerrado ; Consumer Goods Forum (CGF) initiatives for soy produced with no deforestation impact ; Duralim, a French Cooperative Charter dating from

2016 on sustainable livestock feed and The Sustainable Soy Working Group from WWF France. Finally, Carrefour supports the French government strategy to fight imported deforestation "Stratégie Nationale de Lutte contre la Déforestation Importée".

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**Forest risk commodity**

Soy

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

Yes

**Activities**

Involved in industry platforms

**Initiatives**

<Not Applicable>

**Jurisdictional approaches**

<Not Applicable>

**Please explain**

Carrefour launched the Food Transition Pact in 2020, which unites national brand suppliers around common objectives on biodiversity (including forest-related issues), transparency, health and nutrition, climate and packaging. It is open to all national brand suppliers working with Carrefour who are encouraged to put in place projects and solutions for consumers in favour of the food transition, in areas such as eliminating controversial substances, deploying Nutri-Scores and reducing the use of plastic. Any supplier wishing to join must present an ambitious action plan before a panel made up of Carrefour experts. By end-2020, 26 international suppliers had signed up, including five who sit on the Steering Committee: Barilla, Bonduelle, Colgate, Nestlé and PepsiCo. This Committee devises themes for the Pact action plans around five priority issues that help to achieve the UN Sustainable Development Goals, namely packaging, biodiversity, transparency, sustainable products and the climate. The Food Transition Pact provides a platform for these suppliers to discuss best practices, explore new opportunities for collaboration with Carrefour, and share progress with consumers. Carrefour is aiming to get 300 suppliers to sign the pact by 2025.

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**Forest risk commodity**

Soy

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

Yes

**Activities**

Other, please specify (Manifesto, "committing French supermarkets to fight against imported soy-driven deforestation")

**Initiatives**

<Not Applicable>

**Jurisdictional approaches**

<Not Applicable>

**Please explain**

In November 2020, Carrefour, along with seven other retail industry operators signed a manifesto, "committing French supermarkets to fight against imported soy-driven deforestation". In particular, the Group committed to requiring its suppliers to reject soy grown on deforested or converted land in Cerrado, which is the main region in Brazil being deforested for soy production, from January 1, 2020 (deadline). This commitment applies primarily to Carrefour's own-brand poultry, pork, beef or dairy products that consumed soy-based livestock feed. Since January 2021, Carrefour has required its own-brand suppliers to include non conversion/non-deforestation clauses for soy in their suppliers' contractual conditions. The Group is also urging national brand products to deploy these commitments.

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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?**

Yes

F6.11a

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**(F6.11a) Provide details on your project(s), including the extent, duration, and monitoring frequency. Please specify any measured outcome(s).**

**Project reference**

Project 1

**Project type**

Forest ecosystem restoration

**Primary motivation**

Voluntary

**Description of project**

In 2018, Carrefour launched a three-year sustainable calf production programme in partnership with IDH (The Sustainable Trade Initiative). In the region where the project is located, most of the cattle producers are small and about 91% of them lack know-how and technology. Their production is therefore very limited, hardly sustainable and their income is therefore very low. To make up for this, farmers are cutting into virgin forest to form new pastures, making them unwitting actors in deforestation. That is why IDH, in partnership with Carrefour, is beginning a process of accompaniment and support for 457 small producers in the Juruena Valley and Araguaia Valley regions. These two regions account for 40% of calf production in the state of Mato Grosso. The objectives of the programme are as follows: - Intensification of calf production and conservation of forest resources. IDH also expects producers to adopt the environmental laws and regulations in force in the country in order to promote their integration. - The stamping of the "Calf Free From Deforestation" and "Forest Code Compliance" labels will allow the promotion of this market and its recognition by the general public. It will thus benefit from an additional advantage that will attract the major players who will participate in the economic development of the region. - Training, technical assistance and access to credit will enable producers to see their incomes increase. Many positive externalities are also expected throughout the region. - This support will enable producers to improve their viability, which would lead to an increase in foreign investment, particularly from the Amazon Fund and Andgreen Fund. Sao Marcelo, which is the main private distributor in the region, could also link up with the project and work with producers. The project's strengths are: being part of the supply chain in Sao Marcelo is a springboard for such producers; producers will become more professional and deforestation will be reduced; this region, suffering from the rural exodus, will see its producers become permanently settled; this project guaranteeing the traceability of products is in line with the Act For Food programme.

**Start year**

2018

**Target year**

2020

**Project area to date (Hectares)**

137019

**Project area in the target year (Hectares)**

145000

**Country/Area**

Brazil

**Latitude**

-10.363951

**Longitude**

-58.598795

**Monitoring frequency**

Annually

**Measured outcomes to date**

Other, please specify (Number of producers supported ; Impacted surface; Reforested surface)

**Please explain**

In 2020, the objectives were to reach 457 producers supported; 145,000 ha impacted. The results were: 262 producers supported; 132,275 ha impacted; 4,744 ha reforested. Meat from sustainable calf farms will be sold in part, via the supplier San Marcelo, to Carrefour.

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**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

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**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**

% of Brazilian beef suppliers georeferenced zero deforestation

**Verification standard**

Independent third-party report on consolidated social, environmental and societal information published in the management report: work performed by Mazar in accordance with the French professional standards and with the order dated from May 13, 2013 defining the conditions under which the independent third party performs its engagement and with ISAE 3000 concerning the conclusion on the fairness of CSR Information.

**Please explain**

Frequency : Yearly

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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**

Cattle products

**Coverage**

Supply chain

**Primary barrier/challenge type**

Complexity of certification requirements

**Comment**

One existing challenge is establishing acceptable standards and certification: it should be not too expensive but ensuring good reliability. For beef, we launched the rainforest alliance beef and the Alianza del Pastizal beef standard, georeferencing was introduced.

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**Forest risk commodity**

Soy

**Coverage**

Supply chain

**Primary barrier/challenge type**

Inexistent or immature certification standards

**Comment**

One existing challenge is establishing acceptable standards and certification: it should be not too expensive but ensuring good reliability. RTRS doesn't not meet sufficient requirements for now. Then, the conjuncture with the new Brazilian government and the willingness to develop production in Amazonia is a big threat for Brazilian biomes protection.

---

**Forest risk commodity**

Timber products

**Coverage**

Supply chain

**Primary barrier/challenge type**

Limited supply chain engagement

**Comment**

There is a need for awareness raising and information among suppliers as a step towards certification: the more companies get involved and certified, the more the deforestation risk linked to our products decreases.

---

**Forest risk commodity**

Palm oil

**Coverage**

Supply chain

**Primary barrier/challenge type**

Limited supply chain engagement

**Comment**

There is a need for awareness raising and information among suppliers as a step towards certification: the more companies get involved and certified, the more the deforestation risk linked to our products decreases.

---

**Forest risk commodity**

Cattle products

**Coverage**

Supply chain

**Primary barrier/challenge type**

Limited supply chain engagement

**Comment**

There is a need for awareness raising and information among suppliers as a step towards certification: the more companies get involved and certified, the more the deforestation risk linked to our products decreases. Then, the conjuncture with the new Brazilian government and the willingness to develop production in Amazonia is a big threat for Brazilian biomes protection.

---

**Forest risk commodity**

Soy

**Coverage**

Supply chain

**Primary barrier/challenge type**

Limited supply chain engagement

**Comment**

There is a need for awareness raising and information among suppliers as a step towards certification: the more companies get involved and certified, the more the deforestation risk linked to our products decreases. Then, the conjuncture with the new Brazilian government and the willingness to develop production in Amazonia is a big threat for Brazilian biomes protection.

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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**

Timber products

**Coverage**

Supply chain

**Main measure**

Development of certification and sustainability standards

**Comment**

Certification schemes should all have the same chain of custody certification. Indeed, planting criteria for palm oil or timber production are different but criteria ensuring good segregation in the rest of the supply chain are the same for all commodities. Therefore, there should be a harmonisation on this part of certification schemes. This would reduce certification barriers for small and medium enterprises.

**Forest risk commodity**

Palm oil

**Coverage**

Supply chain

**Main measure**

Development of certification and sustainability standards

**Comment**

Certification schemes should all have the same chain of custody certification. Indeed, planting criteria for palm oil or timber production are different but criteria ensuring good segregation in the rest of the supply chain are the same for all commodities. Therefore, there should be a harmonization on this part of certification schemes. This would reduce certification barriers for small and medium enterprises.

**Forest risk commodity**

Palm oil

**Coverage**

Supply chain

**Main measure**

Development of certification and sustainability standards

**Comment**

Certification schemes should all have the same chain of custody certification. Indeed, planting criteria for palm oil or timber production are different but criteria ensuring good segregation in the rest of the supply chain are the same for all commodities. Therefore, there should be a harmonization on this part of certification schemes. This would reduce certification barriers for small and medium enterprises.

**Forest risk commodity**

Soy

**Coverage**

Supply chain

**Main measure**

Development of certification and sustainability standards

**Comment**

Certification schemes should all have the same chain of custody certification. Indeed, planting criteria for palm oil or timber production are different but criteria ensuring good segregation in the rest of the supply chain are the same for all commodities. Therefore, there should be a harmonization on this part of certification schemes. This would reduce certification barriers for small and medium enterprises.

**Forest risk commodity**

Timber products

**Coverage**

Supply chain

**Main measure**

Greater enforcement of regulations

**Comment**

Regulations should be aligned with NGO requirements and policies of the economic players.

**Forest risk commodity**

Palm oil

**Coverage**

Supply chain

**Main measure**

Greater enforcement of regulations

**Comment**

Regulations should be aligned with NGO requirements and policies of the economic players.

**Forest risk commodity**

Cattle products

**Coverage**

Supply chain

**Main measure**

Greater enforcement of regulations

**Comment**

Regulations should be aligned with NGO requirements and policies of the economic players. In Brazil, to improve Carrefour's ability to manage deforestation risk (linked to beef supply chain) a sectorial approach is needed but most of all an effort at governmental level is essential to accelerate the movement towards zero deforestation. The start of it is seen with the georeferencing tool launched in Mato Grosso.

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**Forest risk commodity**

Soy

**Coverage**

Supply chain

**Main measure**

Greater enforcement of regulations

**Comment**

Regulations should be aligned with NGO requirements and policies of the economic players.

---

**Forest risk commodity**

Timber products

**Coverage**

Supply chain

**Main measure**

Greater stakeholder engagement and collaboration

**Comment**

If many companies or complete sectors would commit to tackle deforestation risk, it would make a difference. Indeed, if more actors were involved, it would make market transformation easier.

---

**Forest risk commodity**

Cattle products

**Coverage**

Supply chain

**Main measure**

Greater stakeholder engagement and collaboration

**Comment**

If many companies or complete sectors would commit to tackle deforestation risk, it would make a difference. Indeed, if more actors were involved, it would make market transformation easier.

---

**Forest risk commodity**

Soy

**Coverage**

Supply chain

**Main measure**

Greater stakeholder engagement and collaboration

**Comment**

If many companies or complete sectors would commit to tackle deforestation risk, it would make a difference. Indeed, if more actors were involved, it would make market transformation easier.

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**F17 Signoff**

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**F-FI**

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**(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**

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(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	General Secretary	Please select

Submit your response

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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

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I have read and accept the applicable Terms