

Protecting the forest and its biodiversity

1 CHALLENGES

The world population has increased dramatically since 1945, from 1.5 billion to more than 7.6 billion people, putting great pressure on productive lands, particularly in developing countries, to meet the ever-growing global demand for food.

This pressure has led to the conversion of forest land into cropland and livestock areas. As the FAO⁽¹⁾ report points out, land-use changes are leading to the loss of valuable habitats, land degradation, soil erosion, the depletion of drinking water supplies and the release of carbon emissions into the atmosphere. For example, forest areas decreased from 31.6% to 30.6% of global land area between 1990 and 2015. Three major forest basins are particularly affected: the Amazon, Central Africa and South-East Asia.

In many regions of the world where raw materials are cultivated, human rights can be impacted. For example, the rights of indigenous peoples and local communities can come under threat, while property rights and the principles of non-discrimination and decent working conditions can be violated.

Against this backdrop, and in the face of global demand, certain products such as palm oil, soy, cocoa, charcoal, wood, paper and cattle in South America can be produced in regions at risk and contribute to deforestation.

2 PRINCIPLES OF ACTION

Casino Group recognises that native forests and vegetation provide important ecosystem services, meaning they contribute to maintaining life. They provide habitats for half of all known plant and animal species and livelihoods for millions of people in rural and traditional communities. In addition, forests play a fundamental role in regulating the planet's climate and guaranteeing the water supply (i.e., distributing rain that feeds rivers). They are also an important carbon reservoir. Massive deforestation and the large-scale transformation of native vegetation into pasture increase greenhouse gas emissions, which contribute to triggering extreme weather events that destabilise ecosystems, threatening the survival of traditional and indigenous peoples and impacting economic activities.

Aware of the potential impact of these raw materials in the supply chain, Casino Group and its subsidiaries implement policies and concrete action plans to control and mitigate the risk of these raw materials being linked to deforestation or illegal conversion of land.

⁽¹⁾ <http://www.fao.org/3/I9535FR/i9535fr.pdf>

• Acting on strategic supply chain players by supporting collective action platforms

Depending on the raw materials in question, supply chains are more or less complex. Controlling the environmental and social conditions in which these raw materials are produced therefore requires the involvement of all stakeholders including all players in the supply chain. For example, between Casino Group' banners and the production source, there are at least between three and five intermediaries for palm oil, soybeans and cattle.

Moreover, the weight that Casino Group and its private-label brands represent in these sectors is generally very small, which means that collective action is needed to successfully transform practices.

Casino Group believes that mobilising the various players in society is the only effective approach to improving and transforming supply chains, particularly with regard to raw materials. Collaboration is an efficient way to support change, and it is important to act on the key players: palm oil refiners, soybean traders and beef suppliers.

Casino Group supports and participates in multi-stakeholder initiatives by being a member of:

- the Tropical Forest Alliance (TFA);
- the Roundtable on Sustainable Palm Oil (RSPO);
- the Palm Oil Transparency Coalition (POTC);
- the Soy Transparency Coalition (STC);
- the cattle-breeding working group of the Consumer Goods Forum's Forest positive Coalition;
- the Retailer Cocoa Collaboration (RCC).

It is also:

- a signatory of the Cerrado Manifesto;

And through its local subsidiaries, Éxito and GPA:

- a participant in the work of the Tropical Forest Alliance (TFA 2030) in Colombia;
- a supporter of the Soy Moratorium on Amazon in Brazil.
- a member of the Working Group on Indirect Suppliers (GTFI), a platform for discussing the challenges posed by the indirect beef production chain;
- a member of the Brazilian Roundtable on Sustainable Livestock (GTPS);

The Group is also a member of the Earthworm Foundation (formerly The Forest Trust - TFT).

The Group's commitment is supported by its Executive Committee as well as its Purchasing, Quality and CSR teams.



• Supporting supply chain transparency

Casino Group considers that certification can help to ensure that a raw material (depending on its type) is not linked to a risk of deforestation. Nevertheless, while certification may be necessary, it is not always sufficient. Casino Group is therefore committed to improving the traceability of high-risk raw materials and using technological tools to control the origin and potential risks.

For example, Casino Group is committed to RSPO certification in France and identifies refiners which supply its own providers. It also supports the Palm Oil Transparency Coalition, the Soy Transparency Coalition and the cattle-breeding working group of the Consumer Good Forum's Forest Positive Coalition.

• Raising awareness

Casino Group has produced a guide with the Earthworm Foundation to raise awareness among purchasing and quality teams about the challenges related to raw materials.

In addition, the Group has designed and implemented a supplier assessment tool that takes into account raw materials in calls for tender. This «Responsible Together» tool, used in France since 2019, enables the environmental and societal performance of every product recipe to be evaluated.

When participating in a call for tender, the supplier answers a questionnaire on the raw material characteristics of the proposed recipe, the manufacturing process and the product packaging. An environmental and societal performance rating is determined for each product, based on all of the responses provided.

Training and awareness-raising initiatives are implemented by the Group's entities in Brazil and Colombia according to the issues at stake.



3 CASINO GROUP'S COMMITMENTS

Casino Group has reaffirmed its commitment to promoting responsible trade within its supply chain through the nine commitments set out in the Group Ethical Charter* and by signing the United Nations Global Compact in 2009.

• Ethical Charter & International commitments

The Group Ethical Charter reaffirms the commitments of Casino Group.



Specifically, the Group pledges to:

- comply with national and international laws, principles, standards and regulations;
- support the inalienable rights expressed in the International Bill of Human Rights (including the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights), as well as in the eight ILO fundamental conventions;
- support the principles of the UN Global Compact for eliminating forced labour and child labour, both in the Group's own business and among contractual suppliers;
- fight any form of discrimination, for any reason;
- preserve biodiversity by offering product lines that respect people and the environment.

* ↗ Learn more:

https://www.groupe-casino.fr/wp-content/uploads/2018/04/Ethical_Charter.pdf

Casino Group has adhered to the:

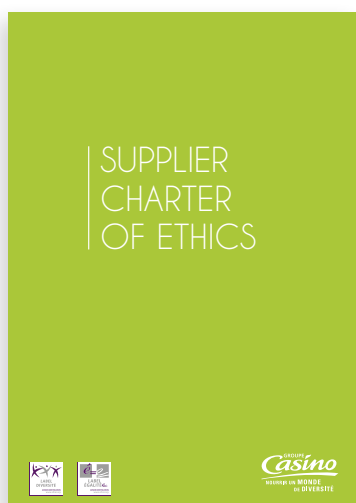
- United Nations Global Compact since 2009;
- UN Women Empowerment Principles since 2016;
- ILO Business and Disability Charter.

Casino Group supports the:

- 17 UN Sustainable Development Goals (SDGs);
- UN Declaration on the Rights of Indigenous Peoples;
- UN Guiding Principles on Business and Human Rights;
- fundamental human rights described in the UN International Human Rights Charter (which consists of the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, and the International Covenant on Economic, Social and Cultural Rights);
- eight Fundamental Conventions of the International Labour Organization (ILO);
- declaration of Fundamental Principles and Rights at Work by the International Labour Organization (ILO).

• **Supplier Charter of Ethics**

All suppliers must adhere to the Supplier Charter of Ethics* and its principles. Suppliers are required to comply with all applicable local and international laws, principles, standards and regulations in force in their countries of business and ensure that their own suppliers and sub-contractors comply with them as well. The Charter clearly prohibits child labour, forced labour, discrimination and harsh treatment, and supports freedom of association, safe and healthy workplaces, legal and decent working hours, and environmental and forest protection.



* [Learn more:](#)

<https://www.groupe-casino.fr/en/commitments/policy-and-csr-procedure/>

• Casino Group Forest Policy

This policy supplements the commitments that have already been undertaken by Casino Group to uphold international workers' rights, as set forth by the Supplier Charter of Ethics.

The Group policy is based on 3 pillars:

- support and participation in multi-stakeholder initiatives and agreements, cooperative action to eliminate deforestation;
- certification: RSPO, FSC, PEFC, Rainforest Alliance are the main certifications supported by the Group;
- transparency and monitoring of its supply chain.

Exposure to the risk of deforestation

The Casino Group is present in France and in South America, mainly in Brazil and Colombia. It proposes a large range of products. Taking into account its local presence and the origin of raw materials, and with a large offering of private-label products, the main deforestation risks for the Group are linked to raw materials used in its supply chain, mainly palm oil, beef sold in South American stores (private labels and national brand), cocoa and soy.

In order to implement the most relevant and efficient initiatives and as Casino Group is mainly present in two geographical areas - France and South America - and does not buy these raw materials directly from the farmers/producers, its approach and policy are adjusted to reflect:

- the raw materials present in the Group's private-label products;
- the countries of origin/production of these raw materials;
- the location of the banners which purchase the products: France and South America.

Eliminating deforestation in agricultural production remains a challenge as supply chains are complex, and progress depends on government willingness and the efforts of countries which produce these raw materials.

Commitments

Casino Group endorses the **New York Declaration on Forests** and its aim to end global deforestation by 2030, and is concerned about providing food security for all its customers. Casino Group and its subsidiaries are committed to ensuring that their supply chains are deforestation-free, through prioritised supply chain policies and time-specific action plans.

Casino Group and its subsidiaries are committed to:

- fighting and eliminating deforestation and the conversion of native vegetation into pastures in its supply chains, promoting the long-term protection of native biomes and especially Brazil's cultural heritage;
- respecting and promoting the International Declaration of Human Rights;
- respecting and promoting the rights and way of life of indigenous peoples, traditional/native and local communities and workers.

Casino Group also adheres to the **Statement of Support (SOS) for the Cerrado Manifesto** and the **French Manifesto against imported deforestation in France linked to soybean**.

In Colombia, it supports the **Tropical Forest Alliance 2030 (TFA)** as a member through its subsidiary **Grupo Éxito** and, in Brazil, the **Cattle Agreement (TAC)** and **Brazil's Soy Moratorium** through its subsidiary **GPA**.

Cut-off dates for deforestation & conversion

The Casino Group is committed to use the cut-off dates widely agreed upon. Cut-off dates usually apply for a particular commodity in a particular geographic area as defined by law or by consensus by the relevant stakeholders.

They depend on the commodities and the country of origin.

Clearance of natural forest after the cut-off date renders the affected area or production unit, and the commodity produced there, non-compliant with no-deforestation commitments. Clearance of any natural ecosystems after the cut-off date renders the affected area or production unit, and the commodity produced there, non-compliant with no-conversion commitments.

The cut-off dates used by the Group are detailed in the second part of the present document.

4 GRIEVANCES & NON-COMPLIANCE

Collaboration in the grievance process is key to meeting the challenges of eliminating deforestation and supporting indigenous rights.

As part of its ethical commitments and the French Law of 27th March 2017 on the duty of care (devoir de vigilance) of parent companies and principals, Casino Group has implemented a warning and whistleblowing system to address potential risks of serious harm to human rights and fundamental freedoms, human health and safety and the environment arising from its activities and those of the companies it controls, as well as the activities of its contracting companies and subcontractors.

Any report relating to the law mentioned above must be made to Casino Group using the following email address: contact75vgl@deontologue.com

GPA and Éxito Whistleblowing email addresses, which are open to their employees, suppliers, service providers, customers, social institutions, partners and defenders of the environment and human rights are also available.

Alleged breaches are investigated in a confidential manner, while respecting the anonymity of whistleblowers.

Whistleblowing numbers and addresses in Brazil

GPA: 08000 55 57 11	Internet: https://www.gpabr.com/pt/ouvidoria/ Email: ouvidoria@gpabr.com
Assaí: 0800 777 3377	Internet: https://www.assai.com.br/ouvidoria Email: ouvidoria@assai.com.br

Whistleblowing numbers and addresses in Colombia

Éxito: 018000-522526	Email: etica@grupo-exito.com
Internet: https://lineatransparencia.com/exito/reportesembedded?form#/www.grupoexito.com.co	

5 ADVOCACY & REPORTING

Casino Group supports constructive dialogue with all relevant stakeholders in order to identify large-scale solutions to monitor and improve supply chain practices to eliminate deforestation and the conversion of native vegetation.

It participates in many working groups, including the working group on beef of the Consumer Goods Forum's Forest Positive Coalition and the Cerrado Manifesto SOS working groups, the RSPO, the POTC (Palm Oil Transparency Coalition), the RCC (Retailer Cocoa Collaboration) and the STC (Soy Transparency Coalition).

In South America, its subsidiary GPA takes part in the following working groups:

- the Working Group on Indirect Suppliers (GTFI), a platform for discussing the challenges posed by the indirect beef production chain;
- the annual process for monitoring the commitments of the National Pact for the Eradication of Forced Labor (InPACTO), of which GPA has been a signatory since 2005;
- the «Beef on track» programme led by the NGO Imafloira;
- Visipec led by the National Wildlife Federation (NWF);
- the Brazilian Roundtable on Sustainable Livestock (GTPS);
- the Brazilian Coalition on Climate, Forest and Agriculture;
- and, through Éxito, the Tropical Forest Alliance (TFA).

Éxito takes part in the TFA 2030 and engages in open dialogue with different stakeholders including WWF, Ganso and Animal Bank.

Casino Group reports on its performance and action plans every year in its annual report and in the GPA & Éxito annual reports.





PALM OIL

CHALLENGES

The three main palm oil producing countries are Indonesia, Malaysia and Thailand, which together account for more than 60 million tons per year. Colombia is the fourth largest producer with about 1.2 million tons. Palm oil is regularly blamed for having a negative impact on forests, biodiversity and working conditions in Asia.

Palm oil is the most consumed vegetable oil in the world. Mainly used in food products, cosmetics and fuels, its global consumption has doubled over the past twelve years.

HISTORY OF GROUP COMMITMENTS

As early as **2010**, Casino Group eliminated palm oil from many products in order to limit its negative impact on the environment.

In **2011**, the Group joined the RSPO to promote and use RSPO palm oil in products that still contain palm oil, with an emphasis on the «Segregated» level.

In **2015**, with the Earthworm Foundation, Casino Group set up a complementary traceability system to identify the refiners present in its supply chain.

In **2018**, Casino Group joined the POTC to assess the impact of major palm oil refiners on deforestation and to act collectively with other members.

COMMITMENTS

- **High carbon stock & High conservation value and no deforestation, no peat, no exploitation (NDPE) policy**

Casino Group's commitment is to ensure that the palm oil used in its private-label products does not contribute to deforestation and meets Zero Deforestation criteria according to the HCS (High Carbon Stock) and HCV (High Conservation Value) approaches and - Zero Exploitation.

It also prohibits conversion of peat, regardless of depth, burning, e.g. no burning in the preparation of new plantings or re-planting.

It applies to all our private label suppliers and their own-operations.

• **Transparency and traceability**

The Group is committed to identify every year the refiners and initial importers present in the supply chain of its private labels products to analyse and verify with the POTC their Zero-Deforestation - Zero-Exploitation commitments, and then takes collective action to encourage these indirect suppliers to improve their policies for controlling the mills and plantations with which they work.

• **Supporting RSPO certified palm Oil**

The Group is committed to use RSPO palm oil for its private labels (see below).

↗ **The latest POTC report:**

https://www.palmoiltransparency.org/wp-content/uploads/2022/01/POTC_2021-Report_public.pdf

• **Commitments for private labels in France**

The palm oil used by the Group's private-label suppliers comes mainly from importers who source palm oil from Asia, where the risk of deforestation is recognised.

Since 2020, 100% of the palm oil used in private-label products is RSPO certified.

Since 2021, 100% of the RSPO certified palm oil is at the "Segregated" and "Identity Preserved" levels.

• **Commitments for private labels in South America**

Palm oil comes mainly from the countries where the Group's entities are located and where the risks of deforestation related to this raw material are lower.

Grupo Éxito, member of the TFA 2030, has joined the zero-deforestation agreement for palm oil promoted by the Colombian Ministry of the Environment and, in the same way, has committed to both identifying the palm oil present in its private-label products and using certified palm oil in such products. Grupo Éxito works together with allies and their suppliers to develop sustainable supply chains associated with edible palm oil in its own brands.



↗ **More information:** <https://www.grupoexito.com.co/es/Environmental2020>

GPA has conducted several studies to identify the origin of the palm oil used in its private-label products and to ensure that it does not come from regions at risk of deforestation.

The main requirements for private-label suppliers are:

- Adherence to the GPA palm oil policy
- Transparency on the presence of palm oil
- Traceability to the origin
- Monitoring the social and environmental criteria for palm oil

Every supplier is expected to search for information on the origin of its palm oil and inform GPA whether the palm oil used in private-label products is of domestic or foreign origin. If a private-label product supplier purchases palm oil of foreign origin, it must ensure that the entire volume of palm oil used in private-label products is certified by RSPO to the Mass Balance, Segregated or Preserved Identity level (CSPO certification).

➤ **GPA's palm oil policy is available here:**

<https://www.gpabr.com/wp-content/uploads/2021/01/Social-and-Environmental-Policy-for-Purchasing-Palm-Oil-Products.pdf>

FOCUS

RSPO certification represents 21% of the world's palm oil production. It remains, to date, the only palm oil certification system recognised worldwide.

There are four certification schemes within the RSPO:

1

BOOK & CLAIM

The sources of palm oil in the supply chain are not monitored. Producers and distributors can purchase credits from RSPO certified growers, mills and plantations.

2

MASS BALANCE

In the supply chain, palm oil from certified sources is blended with regular palm oil.

3

SEGREGATED

Palm oil from various certification sources remains separate from regular palm oil throughout the supply chain.

4

IDENTITY PRESERVED

The various sources of sustainable palm oil, identified by single source, are kept separate from ordinary palm oil.



CATTLE BREEDING IN SOUTH AMERICA

CHALLENGES

Every year, more than 60 million tons of beef are produced worldwide, mainly in the United States (approximately 12 million), Brazil (9 million) and the European Union.

Extensive cattle ranching in Brazil presents a risk of deforestation in the Amazon and other biomes as private land can be deforested illegally by some farmers to raise cattle and/or public lands or lands belonging to indigenous and traditional peoples living in the region can be taken over by farmers for illegal conversion into pasture. Three main food companies account for more than 50% of Brazil's total meat production, corresponding to over 220 million cattle raised on Brazilian land. The supply chain is relatively complex, with several intermediaries between the Group's suppliers and producers.

COMMITMENTS

To preserve biodiversity, protect traditional populations and fight climate change, Casino Group is committed to combating and removing deforestation linked to cattle farming in Brazil and Colombia, taking into account the complexity of supply chains.

Casino Group, through GPA and Assaí, its subsidiaries in Brazil, and Grupo Éxito in Colombia, deploys a systematic policy of controlling the origin of beef delivered by its suppliers and marketed in its local stores.

This policy is adapted to the issues at stake in each country.

CUT-OFF DATES FOR DEFORESTATION & CONVERSION

The cut-off dates applied by Casino Group and its subsidiaries in their supply chains are 1st August 2008 for illegal deforestation and 5th October 2009 for legal deforestation in Amazon for all Brazilian suppliers, 2011 for Colombia.

• Brazil

GPA/Assaí's responsible beef purchasing policy is based on a process of referencing and strictly controlling beef suppliers. GPA/Assaí's policy for responsible cattle breeding to fight deforestation in Brazil was updated in July and published in September 2020. This policy applies to all Brazilian suppliers of fresh and frozen meat from the Legal Amazon delivered to the Group's brands in Brazil, including both national brands and private labels.

The update integrates the protocol produced by Brazilian Federal Prosecutor and coordinated by Imaflora, and applicable to all meatpackers, for monitoring cattle breeding suppliers in the Brazilian Amazon biome. Published on the 2nd of July 2020, this monitoring protocol, which aims to meet the demand for greater transparency expressed by stakeholders, is the result of a very significant amount of work carried out over several months with the active involvement of GPA teams.

➤ For further information, please take a look at GPA's policy:

<https://www.gpabr.com/wp-content/uploads/2021/04/Social-and-Environmental-Beef-Purchasing-Policy.pdf>
https://www.beefontrack.org/public/media/arquivos/1599054238-monitoring_protocol_cattle_suppliers_amazon.pdf

Implementation

This process aims at identifying the direct origin of products and ensuring that the following social and environmental criteria are met:

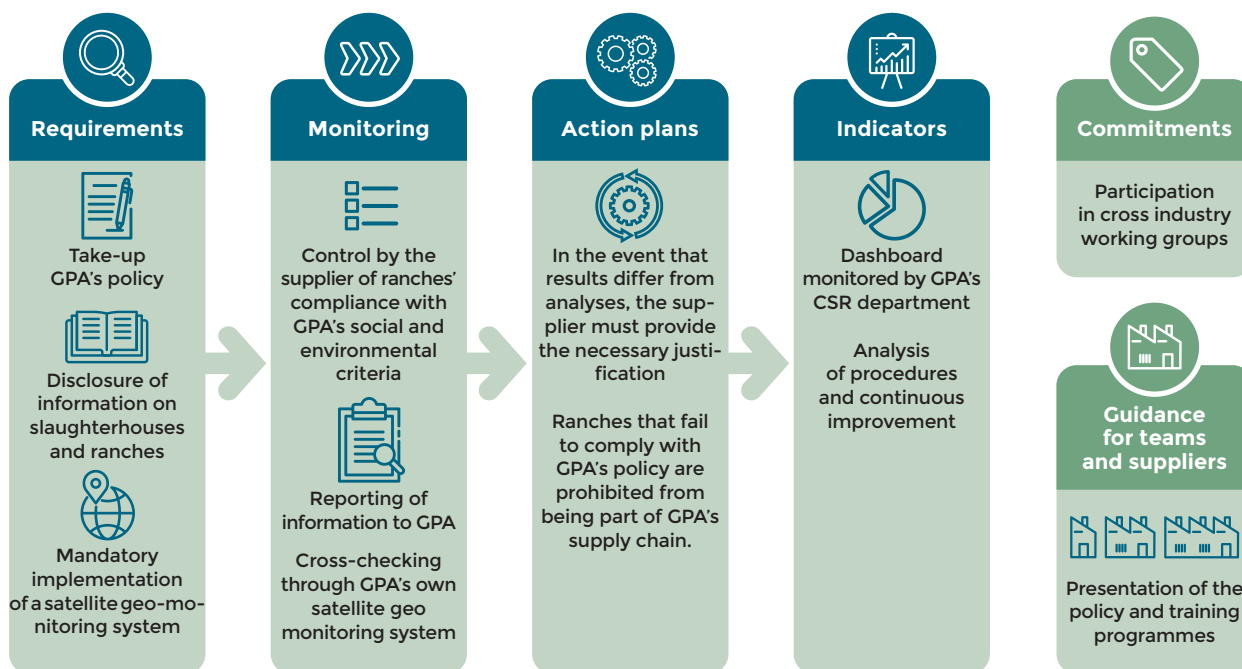
- livestock farming is not linked to the deforestation of the Amazon biome;
- is not associated with forced labour practices;
- is not under embargo by the Ministry of the Environment due to deforestation breach;
- does not invade indigenous lands and/or conservation areas.

For farms located in the Amazon biome, GPA/Assaí suppliers must guarantee that beef comes from farms that are not linked to the deforestation of the Amazon biome (after 1st August 2008 for illegal deforestation and 5th October 2009 for legal deforestation in Amazon) and have a Rural Environmental Registry (CAR) number or environmental license when applicable.

The process is based on the implementation of:

- a process of traceability and transparency: an homologation process that includes signature of the policy, TAC agreement, declaration of SIF and use of a geomonitoring system. All suppliers must declare the production unit which slaughters the cattle and also the origin and the CAR of the farms which supplied them;
- a supplier geo-monitoring process: check farms which supplied the meatpackers via a geo-monitoring system to verify their compliance with the monitoring protocol set up by Federal Prosecutor and Imaflora, which defines the rules applicable to suppliers in the Brazilian Amazon biome;
- GPA/Assaí geomonitoring analyses: a process for monitoring the proper implementation of this policy and this monitoring protocol via, in particular, a control procedure carried out by GPA/Assaí using its own geo-monitoring tool, making an audit on the geomonitoring supplier analyses.
- KPI and action plan.

Regarding indirect (Tier 3) farms, whereas GPA/Assaí recognises the complexity of this work for suppliers and farmers, it supports their initiatives to identify and control indirect farms. Therefore, GPA/Assaí supports their need to implement tools to control indirect farms on a large scale and the Visipec project led by the National Wildlife Federation (NWF) in order to move up the supply chain and strengthen procedures to control indirect farms. GPA/Assaí supports the transmission by indirect farms to direct farms and slaughterhouses of the Animal Transit Guide (Guia de Trânsito Animal - GTA) to reinforce the level of controls. To fight the illegal practice of cattle laundering, the productivity index included in the monitoring protocol is mandatory for all suppliers.



Control policy for GPA/Assaí's beef suppliers

Sanctions and remediation

Suppliers that do not adhere to the policy will have their contracts suspended until they are compliant and demonstrate that they are effectively applying the policy.

If an inconsistency is found during the control process, the farm is blocked and no longer has the right to market its products at GPA/Assaí until they can be reintegrated into the supply chain, according to the monitoring protocol.

From the implementation of the policy until the end of 2019, a total of 23 suppliers were excluded.



➤ For more information, please visit the GPA/Assaí website:

https://www.assai.com.br/sites/default/files/politica_carne_-_assai_eng.pdf

<https://www.gpabr.com/en/commitments/>

• Colombia

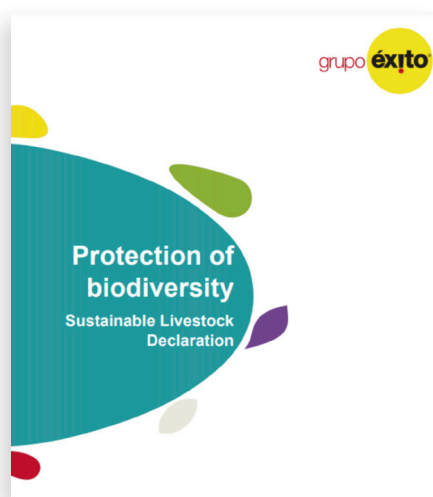
Grupo Éxito is an active member of the Tropical Forest Alliance 2030, which aims at ensuring that the products sold are not linked to deforestation in Colombia, and supports the New York Declaration on Forests.

In **2017**, Grupo Éxito helped develop the first Rainforest Alliance Certified beef product offering.

In **2019**, as part of an alliance between the International Center for Tropical Agriculture, SEAT, Solidaridad, Climate Focus, and through the «Global Forest Watch» tool, Grupo Éxito committed to monitoring 100% of the operations of its direct beef suppliers by 2021, according to Zero Deforestation criteria, with the deployment of audits that may result in corrective action plans as defined in the document available on Grupo Éxito's website.

In **2020**, Grupo Éxito controlled 100% of its suppliers using a geo-monitoring tool and set up partnerships with the main players in forest conservation: Ganso, Climate Focus, Solidaridad Colombia as well as WWF Colombia and Animal Bank.

➤ For more information, please visit the Grupo Éxito website:
<https://www.grupoexito.com.co/es/estrategia-sostenibilidad>





SOY

CHALLENGES

The world's three main soybean producing countries are the United States, Brazil and Argentina, which account for more than 80% of world production. Of the 336 million tons produced in 2017, China was the main importing country with more than 90 million tons. France imports just over 3 million tons of soybeans per year, or about 1% of global production. In animal feed, the supply chain is particularly complex: the number of intermediaries between the soybean producer and the supplier the Group works with is at least seven. Soy is used both as an ingredient in human food (tofu, desserts, soy beverages, etc.) and for animal feed (75% of total consumption).

COMMITMENTS

Casino Group has signed the Cerrado Manifesto SOS and supports the roadmap of the French National Strategy to Combat Imported Deforestation (SNDI) which recommends «developing initiatives to combat imported deforestation within the framework of international cooperation to promote sustainable supply» (orientation 2) and to «develop dialogue and cooperation between producer and consumer countries» (objective 2).

Given the complexity of the supply chain and the number of players involved (distributors, retailers, processors, breeders, manufacturers, traders, cooperatives and producers) Casino Group considers that it is essential to act collectively with traders to ensure that the soybeans they buy and supply to French animal feed companies are not linked to deforestation.

Casino Group also:

- supports the sector's collective initiatives;
- supports, with its subsidiaries GPA/Assaí, the Soy Moratorium set up in 2006;
- is a signatory of the Cerrado Manifesto SOS and advocates a common cut-off date for all companies in the Cerrado, as defined by the Manifesto;
- has signed the **Manifesto «For engagement by French companies to fight against imported deforestation linked to soybeans»**;
- has joined Duralim (www.duralim.com), a French collaborative platform for sustainable farm animal feed, to participate in France's collective campaign for zero-deforestation soybeans;
- and the Soy Transparency Coalition.

In France, the Group is committed to tracing the origin of soybeans as a characteristic ingredient in its private-label products and since 2021, **100% of the soy as a characteristic ingredient is coming from production areas with a very low risk of deforestation**. It is also prioritising the use of 100% French origin soybeans for Monoprix-branded products with soy as a characteristic ingredient.



Regarding soybeans present in animal feed, Casino Group has signed the Manifesto «For engagement by French companies to fight against imported deforestation linked to soybeans» which:

- supports the rapid implementation of a common cut-off date on 1st January 2020 to ban all soybeans from an area of the Cerrado that has been deforested/converted after this date;
- involves its private-label suppliers from January 2021, to include a contractual clause of no-conversion/deforestation, taking into account the cut-off date in the specifications;
- asks its suppliers to adhere to the risk management framework according to the terms of articles 3.2 - 3.3. of the report of France's Scientific and Technical Committee on Forestry (Comité Scientifique et Technique Forêt);
- guarantees, that by 2025 at the latest, the soybeans present in France's animal feed supply chain are not linked to a risk of deforestation in Brazil, with a cut-off date of 1st January 2020.

➤ **More information:** www.earthworm.org/fr/pages/manifeste-de-soja



COCOA

CHALLENGES

More than 70% of the world's cocoa is supplied by four African countries, namely, Côte d'Ivoire, Ghana, Nigeria and Cameroon. Cocoa farming has had a major impact on the forests of these African countries: cocoa production doubled between 1987 and 2007, leading to deforestation, loss of biodiversity and greenhouse gas emissions. Cocoa-related deforestation has tended to intensify in West Africa due to growing global demand for chocolate and a decline in cocoa yields due to aging trees.

On average, the French consume 7 kg of chocolate per person per year and 4 million bars are consumed every day in France. This chocolate is made from the 4.5 million tons of cocoa beans produced globally each year from more than 8 million hectares of cocoa plantations operated by 5 million small producers.

Although the world chocolate market is concentrated around a few large national brands, the cocoa industry is complex. Indeed, from the cocoa pod to the cocoa planter to the processor, many intermediaries (cooperatives, traders, roasters, etc.) come into play.

COMMITMENTS

In order to provide more guarantees on the origin of the cocoa used in its private-label products in France, Casino Group has committed to using certified chocolate that meets environmental and societal standards which guarantee more sustainable cocoa production.

Thus, 100% of the Group's private-label products in France containing more than 20% cocoa will be certified as sustainable (Rainforest Alliance-UTZ/ Fairtrade) by 2022.

Since 2019, all Monoprix private-label chocolate bars have been Fairtrade certified. This represents approximately 250 tons of cocoa beans that are sourced each year from Max Havelaar labelled producers.

These certifications allow sustainable cocoa producers to improve their farming practices, work under better conditions, benefit from higher incomes and reduce their impact on the environment.



The Rainforest - UTZ programme prohibits deforestation by applying strict rules:

- to be certified, crops must be grown on land classified as agricultural or approved for agricultural use;
- additional requirements prohibit production in or within 2 km of protected areas, such as national parks, unless a specific management plan is in place for the area.

At the same time, these certifications train growers in the implementation of good agricultural practices, enabling them to increase their yields.

In addition, since 2021, Casino has joined the **Retailer Cocoa Collaboration**. The aim of this coalition is to facilitate the exchange between retailers and cocoa traders in order to improve transparency, social and environmental conditions within the cocoa supply chain.

The Group has signed also the **French Initiative for a Sustainable Cocoa**. The aim of this initiative is to cease, with all stakeholders, by 2025 at the latest, the supply of French cocoa industry and its partners from at risk deforested areas after the 1st January 2020 (cut-off date), to fight against forest degradation, and to preserve the remaining forest massifs and areas of high environmental value.

➤ For more information:

<https://retailercocoacollaboration.com/>

<https://www.worldcocoaoundation.org/initiative/cocoa-forests-initiative/>

https://www.ecologie.gouv.fr/sites/default/files/2021.10.05_BA_DP_Cacao.pdf



CHARCOAL, WOOD/TIMBER AND PAPER

CHALLENGES

Forests are exploited worldwide to provide wood that is used for renewable energy (6% of the world's primary energy supply), lumber (furniture, joinery, construction, packaging, etc.) or industrial wood (paper mill, etc.).

Wood is also used to make charcoal, a fuel obtained by carbonising wood in a pyrolysis-controlled atmosphere. Out of the 52 million tons of charcoal produced in 2015, more than 60% was produced in Africa, where it is widely used as an energy source. Indeed, more than three-quarters of charcoal production is used for this purpose, while barbecue use accounts for less than 4% of global charcoal consumption. Charcoal production is responsible for the degradation, and sometimes deforestation, of certain forest ecosystems: primary and secondary forests, wooded savannahs and areas of high conservation value.

COMMITMENTS

Casino Group supports Forest Stewardship Council (FSC) certification and Programme for the Endorsement of Forest Certification (PEFC) for its private labels (paper, timber and charcoal) and the integration of recycled material in packaging when it is possible. More than 300 products with certification are sold in its stores.

CHARCOAL

100% of Casino Group's private-label charcoal sold in France is FSC/PEFC-certified and/or of French origin.

WOOD GARDEN FURNITURE & CO

100% of the tropical wood garden furniture (teak and eucalyptus) sold under Casino Group's private labels is made from FSC-certified wood.

100% of the Casino SINCERE disposable tableware range is FSC Mixed certified, which guarantees that the products are made from wood fibres from FSC-certified forests, recycled materials and/or FSC-controlled wood. The packaging paper/cardboard for the SINCERE range of products is also FSC Mixed certified.

PAPER & CO

The specifications for the products in the Stationery range are designed to encourage the Group's suppliers to prefer sources made of recycled or certified sustainable (FSC, PEFC, etc.) paper/cardboard.

100% of the printing paper used by the business units in France is FSC or PEFC certified or contain recycled material.
90% of the cardboard used by our subsidiary Cdiscount is made from recycled material and FSC certified.



DEFINITIONS

Natural forest:

A forest which is a natural ecosystem. A natural ecosystem is an ecosystem that substantially resembles – in terms of species composition, structure, and ecological function – one that is or would be found in a given area in the absence of major human impacts. This includes largely “pristine” natural ecosystems; regenerated natural ecosystems; managed natural ecosystems; and natural ecosystems that have been partially degraded.

Conversion:

Change of a natural ecosystem to another land use or profound change in natural ecosystem’s species composition, structure, or function.

Deforestation/conversion of native vegetation:

Loss of natural forest as a result of : i) conversion to agriculture or other non-forest land use; ii) conversion to a tree plantation; or iii) severe and sustained degradation.

Legal deforestation:

Vegetation suppression in rural properties with the consent of a public agency and formalised through the Consent for Suppression of Native Vegetation or other equivalent documentation.

Illegal deforestation:

Vegetation suppression on rural properties without the legally-required prior consent of the relevant public agency or carried out in areas that could not have been deforested.

No-deforestation:

Livestock production that does not cause or contribute to deforestation.

Cut-off date or deadline for no-deforestation and no-conversion commitments undertaken:

Date after which deforestation or conversion makes a given area or production unit non-compliant with no-deforestation or no-conversion commitments, respectively.

Amazon biome:

Forest formation that encompasses several countries in South America (Brazil, Peru, Colombia, Bolivia, Guyana, etc.). In Brazil, the Amazon covers 40% of the country's total surface area, spreading across several states in the Legal Amazon, which is close to the equator. It is considered the world's most biodiverse biome.

Legal Amazon:

Administrative geographical definition composed of the Brazilian states of Acre, Amapá, Amazonas, Mato Grosso, Pará, Rondônia, Roraima and Tocantins, in addition to parts of the State of Maranhão. It encompasses not only the Amazon biome but also parts of the so-called "Cerrado" savannah (open pasture with patches of damaged vegetation), in addition to parts of the Pantanal wetlands of Brazil (the richest biodiversity biome in South America).

Cerrado biome:

Composed especially of savannah (open pasture with patches of damaged vegetation), the Cerrado biome represents the second largest vegetation formation in Brazil, covering 22% of the country's surface area. It covers the Brazilian states of Goiás, Tocantins, Mato Grosso, Mato Grosso do Sul, Minas Gerais, Bahia, Maranhão, Piauí, Rondônia, Paraná, Sao Paulo, and the Federal District, as well as enclaves in the states of Amapá, Roraima, and Amazonas. The Cerrado's vegetation does not have a single defining characteristic, as several phytophysionomies (specific features of the vegetation in a region) can be found across the biome.

Cerrado Manifesto:

A letter signed by 40 environmental organisations which blew the whistle on the destruction of the Cerrado biome in areas transformed into agricultural areas. This initiative was supported through the Statement of Support (SOS) for the Cerrado Manifesto by Brazilian and international companies, such as Casino Group and GPA.

Traceability:

Ability to track the production path of a product or its components, from the origin of the raw material to the final product, using information collected on production, processing, manufacturing and distribution.

Brazilian Forest Code (Código Florestal):

A law that provides for the protection of native vegetation within Brazil. It specifies the areas that must be preserved and which regions are allowed to host different types of rural production. It sets forth the rules to be followed by rural properties for coexistence with natural resources. In particular, it defines the Legal Reserve, a mandatory portion of rural property that must be maintained with native vegetation. The area allocated to such Legal Reserve depends on the geographical location of the property and the biome existing therein. The revised Code was approved in May 2012.


High Conservation Value (HCV):


HCVs are biological, ecological, social or cultural values of outstanding significance at the national, regional or global level or of critical importance at the local level. All natural habitats possess inherent conservation values, including the presence of rare or endemic species, provision of ecosystem services, sacred sites, or resources harvested by local residents. There are six categories of HCVs.

High Carbon Stock (HCS) Approach:

Methodology that distinguishes forest areas for protection from degraded lands with low carbon and biodiversity values that may be developed.

COMMITMENTS

	COMMITMENTS	TARGET	PERIMETER
PALM OIL	100% of private-label products containing palm oil RSPO certified	2020 Achieved	FRANCE
	100% of private-label products containing palm oil RSPO certified Segregated or Identity Preserved	2021 Achieved	FRANCE
	100% of foreign palm oil used as ingredient in private-label products RSPO certified	2022	BRAZIL
	100% of private-label cooking palm oil RSPO certified (Mass Balance)	2019 Achieved	COLOMBIA
	Participate in the Palm Oil Transparency Coalition and share the POTC assessment with the suppliers	Every year	GROUP

	COMMITMENTS	TARGET	PERIMETER
CATTLE	100% of suppliers subscribing to the new beef policy	Every year	BRAZIL
	100% of suppliers using satellite geo-monitoring system	Every year	BRAZIL
	100% of suppliers direct farms analysed and monitored by the satellite geo-monitoring system	Every year	BRAZIL
	100% of direct farms analysed and monitored by the satellite geo-monitoring system, followed by supplier cross-checks using GPA's geo-monitoring system	Every year	BRAZIL
	100% of Exito's suppliers farms audited by satellite observation system	2021 Achieved	COLOMBIA
	Participate in the working groups for cattle products: Beef working group of the Forest Positive Coalition, GTPS, GTFI, Brazilian coalition for climate and forest, TFA, Sustainable Cattle Agreement in Colombia	Every year	GROUP

COMMITMENTS



SOY

COMMITMENTS	TARGET	PERIMETER
100% of private-label products containing soy as a characteristic ingredient from an area at low deforestation risk	2021 Achieved	FRANCE
Calculate the Group's Soy footprint due to animal feed	2021 Achieved	GROUP
Implement the French manifesto to fight imported deforestation linked to soybean	2025	FRANCE
Participate in the Soy Transparency Coalition and Earthworm soy working group	Every year	GROUP



WOOD & PAPER

COMMITMENTS	TARGET	PERIMETER
100% of private-label charcoal FSC certified	Achieved	FRANCE
100% of private-label tropical wood garden furniture FSC certified	Achieved	FRANCE
100% of commercial publications using paper made from recycled fibers or FSC/PEFC certified	2022	FRANCE
100% of office paper made from recycled fibers or FSC/PEFC certified	Achieved	FRANCE



COCOA

COMMITMENTS	TARGET	PERIMETER
100% of private-label products containing at least 20% of cocoa (including chocolate bars) UTZ-Rainforest, Fairtrade or organic certified	2022	FRANCE
100% of private-label chocolate bars UTZ-Rainforest or Fairtrade certified	2021 Achieved	FRANCE
Participate in the Retailer Cocoa Collaboration	Every year	GROUP
Implement the French Initiative for a Sustainable Cocoa	2025	FRANCE