

Our UK Commitment to Sourcing Deforestation and Conversion Free Soy

Hilton Food Group plc (Hilton) is committed to promoting environmental sustainability to address long-term critical depletion of natural resources or lasting damage to species, habitats, biodiversity and the climate, as detailed in our Supply Chain Environmental Policy. We have approved Science Based Target's (SBT's) and have signed the Business Ambition for 1.5C. As full participants of the UN Global Compact (UNGC), we are committed to supporting their 10 Principles.

We are committed to ensuring we use deforestation and conversion free soy (encompassing both legal and illegal deforestation/conversion) for all our operations, as soon as possible and no later than the end of 2025. Our target cut-off date is January 2020 (upholding pre-existing or emerging sectoral or biome-wide cut-off dates already in place e.g., the Amazon Soy Moratorium). This commitment applies to all soy used in the production of our products, whether used directly as an ingredient or indirectly in the feed of the livestock in all of the supply chains where we have responsibility for procurement and / or supply chain approval. We are encouraging our customers and our suppliers to make similar commitments.

This commitment supports our global target to eliminate deforestation from the conversion of natural forests to agriculture or livestock production, before the end of 2025.

This commitment is aligned to <u>UK Soy Manifesto</u>, of which we are founder signatories. Hilton also signed the <u>Open-letter-on-soy-and-the-Amazon.pdf</u> (fairr.org) that calls for the protection of the 'Amazon Soy Moratorium', an agreement signed in 2006 to ensure that soy production in the Amazon region only occurs on existing converted agricultural land and not through deforestation of native vegetation.

Our plan to achieve this commitment is to; -

- Ensure all of the soy we purchase directly is from areas with no inherent risk of deforestation.
- Work in collaboration with the other Soy Manifesto signatories to build sector plans for the soy used as feed for each of livestock we purchase.

The actions we are currently taking to achieve this commitment

Our efforts are focussed on building sector wide (national and regional) Deforestation and Conversion Free (DCF) sourcing strategies within collaborative round tables and platforms in cooperation with feed companies and traders. This collaborative effort by processors, farmers, feed suppliers and soy producers, requires that we jointly support the development of a "landscape approach" to only permit the conversion of land that was cleared before a prescribed cut-off date.

- We are supporting DEFRA in developing secondary regulation under the Environment Act to require due diligence against illegal deforestation. Our engagement is both directly and through the Food and Drink Federation where we are active members.
- 2. We are mapping soy usage and origin to allow us to conduct risk assessments for each of our supply chains, and to then develop appropriate deforestation due diligence.
- 3. We are engaged in collaborative action to achieve verified DCF soy supply chains to the UK, and to the livestock feed industries in the countries where we import livestock from. Collaboration is necessary due to the scale and complexity of the supply chains. Specifically, we will continue with our direct engagement as follows;-



- a. We are founder members The Soy Transparency Coalition and through this forum we co-fund the soy trader benchmarking surveys and reports.
- b. We joined the UK Roundtable on Sustainable Soya at its launch in July 2018 alongside our retail partners, where we have made a joint commitment to help protect the forests in South America from further deforestation. We are members of the physical supply chain working group that is defining the requirements for DCF soy in purchase specifications and feed/farm assurance schemes, including certification schemes benchmarked against the FEFAC 2021 Soy Sourcing Guidelines.
- c. We are signatories to the Business Statement of Support for the Cerrado Manifesto (Cerrado SoS) which calls for industry, civil society and government to work together to balance sustainable agricultural development and protection of the important natural ecosystem in Brazil, called the Cerrado the world's most biodiverse savannah (https://cerradostatement.fairr.org/signatories/)
- d. We are leading the development of a sector plan for soy fed to cattle within the UK Cattle Sustainability Platform, after having established a common position.
- e. We are active members of the WRAP Courtaulds Meat in a Net Zero World commitment, that includes sourcing raw materials for use in feed that is cultivated in a way that protects against conversion of forests and valuable native vegetation
- f. We are supporting R&D and market development for soya alternatives, such as insect meal and other novel feed proteins, as well as domestic-grown soya alternatives such as legumes. We are members of the Centre of Innovation and Excellence in Livestock.
- g. We are supporting our Irish suppliers to build an action plan for soy fed to Irish cattle.
- h. We have engaged with our New Zealand suppliers to confirm that soy is not used.
- 4. All the Soy Protein used in our salmon feed complies with this commitment. We helped negotiate with the Soy Protein Concentrate (SPC) traders a collective commitment to only source DCF soy, with robust third-party verification processes and a cut-off date of Jan 2020.
- 5. All of the soy we use as a direct ingredient comes from farms that are in regions where there is no deforestation and conversion occurring.

Our Targets and Milestones to meet our 2025 commitments

- Engage all of our key suppliers to sign up to the manifesto and as a minimum agree to adapt the commitments for all products destined for our UK operations. By end of 2023
- Improving the access to sustainable soy for farmers through the development of certification standards for Deforestation and Conservation Free soy in feed (eg. the FEMAS Responsible Sourcing Standard). By end of 2023
- Produce a sector plan for UK beef cattle through our role in leading the environmental workstreams in the UK Cattle Sustainability Platform. By end of 2023
- Engage with traders and first importers through active membership of the UK Soy Manifesto, uniting in one ask from industry that enables farmers in our supply chains to purchase Deforestation and Conservation Free soy as defined by the Accountability Framework. By end of 2024

We will report on our progress towards meeting this commitment annually.