



## Consumer Goods Forum Forest Positive Coalition – Reporting KPI’s METRO for Palm Oil

*June 2022*

### **Introduction**

The Consumer Goods Forum (CGF) has created the Forest Positive Coalition of Action (FPC), led by 21 companies, to leverage collective action and accelerate systemic efforts to remove deforestation, forest degradation and conversion from key commodity supply chains (palm oil, soy, paper & wood, beef), while supporting sustainable forest management, conservation, and restoration.

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

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

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

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

### **Element 1 – Own Supply Chain**

Policy commitments to the Forest Positive Coalition (or NDPE) goals:

As a member of both the CGF Forest Positive Coalition and the RSPO, METRO commits to the Coalition goals in line with the NDPE (No Deforestation, No Peat, and No Exploitation) criteria of the RSPO.

Timebound action plan summary

Our [METRO Palm Oil Procurement Policy](#) states the target year of 2023 to reach 100% sustainable palm oil on RSPO level Segregated or Identity Preserved in Own Brand products. The corresponding Action Plan in the policy document also outlines the roadmap to achieve this target.

Percentage physically certified (MB/SG)

An overview of the current uptake of RSPO certified palm oil at METRO can be found on the company’s [website](#).



The reporting is in line with the official and public reporting within the ACOP (Annual Communication of Progress) process being a member of the RSPO.

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

### Percentage of direct suppliers engaged and informed of the 'Forest Positive Suppliers Commitment' and Forest Positive Asks

As part of the implementation of the [METRO Palm Oil Procurement Policy](#), we are in ongoing discussions with our suppliers to work together on sustainable palm oil in our supply chains. The focus is on own brand suppliers, with the priority to engage with those that are not supplying certified products.

### Upstream suppliers/traders prioritised, engaged (directly or via a collective approach) and informed of the Forest Positive Asks and Performance of upstream suppliers/traders against the elements of the Forest Positive Asks and changes over time including progress on delivery across entire palm oil business

METRO has been a member of the [Palm Oil Transparency Coalition POTC](#) since 2018. Together with other members, manufacturing and retail companies, the coalition engages annually with the most important palm oil importers on zero deforestation and exploitation-free palm oil supply chains. This includes criteria such as traceable palm products, human rights (eg. FPIC criteria), sustainable forest criteria (eg. HCS). The coalition aims to increase transparency and encourage progress beyond certification.

## **Element 4 – Landscape Engagement**

### Summary of landscape initiative engagement

METRO has engaged in a landscape initiative with Rainforest Alliance in West Kalimantan, Indonesia.

Since 2019, Rainforest Alliance has engaged in Sintang with the District Sustainable Oil Palm Platform, Lingkar Temu Kabupaten Lestari (LTKL- Sustainable Districts Platform), and smallholders to address issues of deforestation, smallholder livelihoods, and land use.

The goals of the initiative are:

1. A functional governance structure, bringing together all land users (producers, companies, communities, local governments, and NGOs) for joint decision-making and collective action on land use to conserve biodiversity and delineate go and no-go areas.
2. Strengthened smallholder livelihoods, linking them to global markets through supply chain mapping, and strengthening their capacities in enterprise and sustainable agricultural practices, in return for their agreement not to clear more land.
3. Increased sustainability awareness of the mills operating in the landscape through engagement with the Accountability Framework and linking them to global markets through the Palm Industry Platform.
4. Achievement of national and district governments' commitments to market-driven goals for smallholders and private companies in the landscape, through working collaboratively with stakeholders within the framework of LTKL, to promote a green development pathway.



For METRO as a wholesale specialist, the task to identify the exact production geographies for palm oil in our products is very complex. Hence, with the we identified an important linked to our own brands. Next to halting deforestation and overall environmental KPIs, one important selection criteria to support the Rainforest Alliance project was to improve the livelihood of smallholders in the area.