



AB Agri Deforestation Statement

There is a compelling global need to combat climate change, preserve biodiversity and protect communities that rely on forests and other valuable native habitats for their existence.

At AB Agri we are committed to playing our part in ending global deforestation. We support farming and harvesting practices that protect and preserve the environment. Where we identify potential risks to the natural world, such as deforestation, we seek to mitigate or remediate them.

Palm oil; its derivatives; and soya, have been connected to deforestation. We are committed to sourcing these, as well as other ingredients that we use, responsibly so that we meet our ethical and sustainability standards.

The role of the agricultural industry

Palm oil and its derivatives are both a nutrient-efficient and a cost-effective source of fat used in a number of different animal diets to provide energy.

Soya is a nutritionally efficient, high-performing ingredient in pig and poultry feeds. When grown on land not associated with deforestation it has a comparatively low carbon footprint. It is readily available globally and a high-quality protein source.

The significant increase in demand for palm oil and soya has resulted in the clearing of land, sometimes illegally or at the expense of local communities and precious natural ecosystems. New plantations continue to emerge, along with the expansion of existing ones, in particular across Asia and South America.

The most effective approach to mitigate this requires businesses, governments, civil society and the people who live and work in forested landscapes, to work in partnership to achieve sustainable development whilst valuing and conserving forests and other valuable native habitats. Progress to achieve this varies globally, but there are a number of standards and commitments in place focused around preventing deforestation:

- The Roundtable on Sustainable Palm (RSPO) amended its standards in November 2018, to include no deforestation. RSPO is a not-for-profit organisation working with stakeholders from across the palm oil industry. They have developed a set of environmental and social criteria which companies must comply with to produce Certified Sustainable Palm Oil.
- The Amazon Soy Moratorium agreement was established in 2006, with 85 multi-national companies as signatories. The agreement prevents soya grown on land deforested in the Amazon Biome since July 2008 from entering the supply chain.



- The New York Declaration on Forests aims to halve deforestation by 2020 and end it completely by 2030. Currently 37 governments and 53 multi-national companies are signatories to this commitment.
- The UK Soya Round Table on Sustainable Soya, formed in 2018, which has focused UK sustainability activity on eliminating deforestation from its food and feed supply chains.

In the UK, the majority of the retail sector have fully embraced the requirement to eliminate deforestation. Most have nominated only zero deforestation responsible soya schemes as eligible for their supply chains, with timelines to achieve this ranging from 2020 to 2025.

Overseas the approach and pace is different but we are actively working within our industry to drive wider participation towards zero deforestation.

AB Agri's response to deforestation

We are committed to playing our part in collaborating across our industry to enable it to achieve zero deforestation for its soya and palm usage. We will eliminate deforestation from our palm and soya supply chains by 2025. We will work across all areas of our business, within all geographies, and establish implementation plans to achieve this aspiration.

We now ensure that our own-brand feeds, Sportsman game feed, ABN Broiler, Super Layer and Delta Pig feeds, only use soya that is evidenced as zero deforestation using the 'book and claim' method.

Driving scale change across complex supply chains is not straightforward and often requires a range of initiatives. Since 2015, we have, and will continue to, source 100% of our global palm oil and palm oil derivatives sustainably using RSPO Palm Trace (book & claim) certificates, formerly Green Palm. Since 2016, a proportion of the sustainable palm oil we use is sourced via the mass balance method. We are investigating the practicalities of moving towards a more physical supply chain for palm.

We are a founding member of the European Feed Manufacturers' Federation (FEFAC) Sustainability Committee, which introduced soya sourcing guidelines in October 2015. For soya certification schemes to meet the FEFAC benchmark, soya must be grown in ways that protect the environment and preserve soil integrity. The producer must also prove that it adopted good agricultural practice – such as minimising the impact of the use of agrochemicals – and that its workers are treated and paid fairly. Within our UK feed manufacturing business, more than 70% of the total volume of soya sourced now meets the current FEFAC benchmark, which excludes illegal deforestation. We are also a signatory to the FEFAC Declaration of European Feed Compounders to source responsibly by 2025.

We have been a member of the [UK Roundtable on Sustainable Soya](#) since its launch in July 2018, and we strive to minimise the risks that our supply chain contributes to deforestation in South America. We also support the continuation of the Amazon Soy Moratorium.



We recognise that other biodiverse regions, such as parts of the Brazilian Cerrado and the Grand Chaco Forest in Argentina, currently have a less well-defined position and more progress is required to reduce the loss of forest and other valuable native habitats.

Definitions

For definitions of Forests and Deforestation AB Agri refers to the Accountability Framework Initiative.

Conversion (to ease understanding we have referred to this as native habitats within our policy)

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

- *Deforestation is one form of conversion (conversion of natural forests).*
- *Conversion includes severe degradation or the introduction of management practices that result in substantial and sustained change in the ecosystem's former species composition, structure, or function.*
- *Change to natural ecosystems that meets this definition is considered to be conversion regardless of whether or not it is legal*

Deforestation

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.

- *This definition pertains to no-deforestation supply chain commitments, which generally focus on preventing the conversion of natural forests.*
- *Severe degradation (scenario iii in the definition) constitutes deforestation even if the land is not subsequently used for a non-forest land use.*
- *Loss of natural forest that meets this definition is considered to be deforestation regardless of whether or not it is legal.*
- *The Accountability Framework's definition of deforestation signifies "gross deforestation" of natural forest where "gross" is used in the sense of "total; aggregate; without deduction for reforestation or other offset."*

Forest

Land spanning more than 0.5 hectares with trees higher than 5 meters and a canopy cover of more than 10 percent, or trees able to reach these thresholds in situ.[1] It does not include land that is predominantly under agricultural or other land use. Forest includes natural forests and tree plantations. For the purpose of implementing no-deforestation supply chain commitments, the focus is on preventing the conversion of natural forests.

[1] Source: Food and Agriculture Organisation of the United Nations (FAO), with further elaboration and clarification provided for the Accountability Framework.



- *Quantitative thresholds (e.g., for tree height or canopy cover) established in legitimate national or subnational forest definitions may take precedence over the generic thresholds in this definition.*
- *The Accountability Framework should not be interpreted as weakening or qualifying any protection or provision of national forestry laws, including when these laws apply to legally classed forests that are tree plantations or presently have little or no tree cover. As stated in Core Principle 3.4, company commitments are additional to applicable law, and when both apply to the same topic, the highest (more protective) standard prevails.*
- *The AFi advocates that natural forests be distinguished from tree plantations for the purpose of conducting forest inventories and quantifying forest loss and gain. This will facilitate comparability between government forest monitoring and the tracking of supply chain commitments focused on human-induced conversion of natural forests.*

Definitions for Mass Balance and Book & Claim are taken from the RSPO (Roundtable on Sustainable Palm Oil): <https://rspo.org/certification/supply-chains>

Mass Balance

Sustainable palm oil from certified sources is mixed with ordinary palm oil throughout supply chain.

RSPO Credits / Book & Claim

The supply chain is not monitored for the presence of sustainable palm oil. Manufacturers and retailers can buy Credits from RSPO-certified growers, crushers and independent smallholders.