CGF Forest Positive Coalition of Action

Stakeholder Engagement Workshop

10th October 2024





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2.Agenda

- 1. Welcome and Opening Remarks
- 2. Overview of the Coalition's strategy
- 3. Breakout Sessions
 - Session 1: Reviewing the Coalition's progress and potential gaps
 - Session 2: Leveraging partnerships to accelerate action in supply chains
 - Session 3: Scaling impact for Forest Positive landscapes
 - Session 4: Improving on reporting and transparency
- 4. Key insights and next steps
- 5. Closing Remarks



1. Participants

Stakeholders

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FPC Members and Project team

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Didier Bergeret CGF Ruth Nussbaum Proforest Emily Kunen Pepsico Silvia Castro Torres Proforest

Helene Dieck Neste

3.Introduction

The antitrust caution was presented, which meeting participants acknowledged at the beginning of the session. This is the first in-person srakeholder engagement workshop organised by the Forest Positive Coalition. The Coalition hopes to organise more such events to engage more closely with stakeholders as a way to strengthen collaboration and the Coalition's work. The objectives of the workshop were to:

- Engage stakeholders in dialogue about the CGF FPC's progress, strategy, and future direction.
- Gather input on the Coalition's three strategic pillars: Deforestation and Conversion Free (DCF) Supply, DCF Suppliers, and Forest Positive Landscapes.
- Understand stakeholder expectations and explore opportunities for alignment and collaboration

4. Overview of the Coalition

The Forest Positive Coalition was formed in 2020 by The Consumer Goods Forum and brings together 21 of the world's largest retailers and manufacturers, with a combined market value of around US \$2 trillion, to take collective action to remove deforestation, forest conversion and degradation from key commodity supply chains (palm oil, soy, beef, and paper, pulp and fibre-based packaging). This commitment is structured around a comprehensive theory of change with three main components: Deforestation and Conversion Free (DCF) Supply, DCF Suppliers, and Forest Positive Landscapes. The DCF Supply component focuses on ensuring that the Coalition's own supply chains are free from deforestation and conversion. The DCF Suppliers component involves working closely with suppliers to extend these practices throughout the entire supply chain. Lastly, the Forest Positive Landscapes component emphasizes the importance of preserving critical landscapes through collaborative efforts.



The Coalition is supported by the Tropical Forest Alliance (TFA) and Proforest, both of which provide strategic and technical support.

During the meting the Coalition reiterated the value of ongoing dialogue and thanked stakeholders for their continued engagement. Transparency is at the core of the Coalition's strategy, and it is therefore important to continue connecting with the wider stakeholder community to share our progress, strategies, and actions. Future opportunities for stakeholder engagement will include both in-person meetings and online discussions, aimed at fostering collaboration, sharing best practices, and addressing challenges collectively.

5. Stakeholder feedback

5.1. Session 1: Reviewing the Coalition's Progress and Potential Gaps

- While attendees acknowledged the Coalition's progress, stakeholders emphasised the need for urgent acceleration of efforts as deforestation persists in members' supply chains Further, they would like to see more reported on collective progress against the key ambitions.
- The current focus is heavily skewed towards tropical areas, there may be a need for the Coalition to expand its efforts and include other types of landscapes.
- While the Coalition focuses only on four specific commodities, there is potential for crosspollination with other commodities and the sharing of learnings and best practices across different commodity sectors. The Coalition should also consider increasing focus on complex supply chains (e.g. embedded soy, indirect cattle supply, embedded palm oil, etc).
- Integrating the rights of indigenous peoples and local communities (IP/LC), human rights defendees and broader human rights considerations into the Forest Positive approach is essential, particularly within the Landscapes pillar.
- The Coalition should expand its supplier strategies to align with emerging best practices on corporate group wide and cross-commodity enforcement of No Deforestation, No Conversion/Degradation of natural ecosystems and No Exploitation (NDPE) policies.
- The Coalition needs to find the optimal balance in meeting stakeholder expectations to ensure broad support and engagement while maintaining its core objectives.
- The CGF must undertake additional consultation and improve the DCF methodologies.

5.2. Session 2: Leveraging Partnerships to Accelerate Action in Supply Chains

- Stakeholders recommended the Coalition amplify the industry's voice and perspective with key
 actors in the countries responsible for growing and producing the commodities the Coalition
 focuses on.
- There is a clear opportunity for the Forest Positive Coalition to collaborate with the Human Rights
 Coalition to bridge this gap and connect environmental and human rights agendas. This
 collaboration should include engaging with Human Rights Defenders, cvil society organisations (e.g.
 through the Zero Tolerance Initiative), and the UN on Indigenous people's rights and HRDs.
- The Coalition can leverage its existing partnerships, particularly those with supply chain partners who support other initiatives, to engage a broader range of industry groups and stakeholders. This includes meaningful engagement with CSOs and other stakeholders in production regions.
- The Coalition must ensure existing methodologies that have been reviewed by stakeholders and refer to existing best practices and credible frameworks (e.g. AFi, HCV, HCS, etc).



• Engaging with governments and the finance sector is crucial for driving progress and scaling the impact of forest-positive initiatives.

5.3. Session 3: Scaling Impact for Forest Positive Landscapes

- Scaling the impact of landscape initiatives requires leveraging diverse funding sources, including governments, donors, and other private sector investment.
- Successful landscape initiatives rely heavily on local champions who possess a deep understanding
 of the specific context and can drive action on the ground. These champions can come from
 various sectors, including companies, governments, and NGOs, highlighting the need for crosssectoral collaboration.
- Recognizing the interconnectedness of supply chains and landscapes is crucial. The Coalition needs
 to ensure that its efforts connect company policies and goals with tangible landscape initiatives on
 the ground.
- The Coalition should have a clear roadmap for scaling up funding and investments in landscapes, especially programs that address ongoing deforestation in supply chains, and those that integrate human rights issues (smallholder inclusion, land rights, etc).
- To ensure the long-term sustainability of landscape initiatives, the Coalition needs to develop a life cycle plan that includes an exit strategy and promotes local ownership.
- Mapping priority areas and aligning them with sourcing regions is recommended for maximizing the impact of interventions and ensuring that efforts are focused on the most critical areas.
- Engaging corporate boards and investors is crucial for securing stable, long-term support for funding in landscape initiatives and integrating them into broader corporate sustainability strategies.
- Regulations can pose potential barriers or opportunities for scaling the impact of landscape initiatives, highlighting the need for the Coalition to proactively engage with policymakers and advocate for supportive regulatory environments.
- Joining forces across different commodities in landscapes offers valuable opportunities for scaling impact by sharing knowledge, leveraging resources, and creating synergies between initiatives.

5.4. Session 4: Improving Reporting and Transparency

- Stakeholders provided feedback on the website's navigation and usability, suggesting that improvements are needed to make it easier for users to find the information they need.
- There is a need for clearer communication of the Coalition's collective impact and progress against its key performance indicators (KPIs). Stakeholders want to understand the overall progress made, not just the individual actions of members.
- Stakeholders expressed a desire for more information on the challenges the Coalition faces and the overarching KPIs that guide its work.
- Reporting should focus on the Coalition's overall performance and demonstrate how its activities
 contribute to achieving its objectives, rather than simply reporting on the extent of reporting and
 progress against transparency goals.
- The Coalition must ensure that members' reporting is accurate and verifiable, and that references in annual reports are factually correct and relevant to the indicators.
- The Communications and Engagement Working Group should be revived to develop and implement a wider communication strategy that effectively reaches a wider group of stakeholders.



6. Next steps

- The Coalition team will share a summary of the workshop outcomes with all participants and relevant stakeholders after the workshop.
- The Coalition values stakeholder input and will share key takeaways from the workshop with the
 Steering Committee and Working Groups for their consideration in ongoing and future work. The
 Coalition will provide and promote further opportunities for stakeholders to engage, both in person and
 online, fostering continued collaboration and dialogue.
- Recognizing the value of diverse perspectives, the Coalition invites stakeholders to act as connectors, leveraging their own networks to help the Coalition engage with other relevant organisations and stakeholders.
- The Coalition encourages stakeholders to provide ongoing feedback and recommendations via the Forest Positive Coalition team (forestpositive@theconsumergoodsforum.com).
- Stakeholders will have the opportunity to review an embargoed version of the FPC Annual Report



Annex 1 - Antitrust Caution

Introduction

Set out below is a proposed caution. The aim of this is to serve as a reminder to all participants of the antitrust law requirements.

Anti-trust caution

As representatives of Association members, it is our shared responsibility to ensure that this meeting is conducted in accordance with the Statutes of the Association which state:

"The association shall not enter into any discussion, activity or conduct that may infringe, on its part or on the part of its members, any applicable competition law. By way of example, members shall not discuss, communicate or exchange, any commercially sensitive information, including information relating to prices, marketing and advertising strategy, costs and revenues, trading terms and conditions with third parties, including purchasing strategy, terms of supply, trade programs, or distribution strategy"

Even though you will all have had antitrust training in your respective companies and been in situations like this many times before, we would nonetheless remind you that aside from the obvious violations, you should at all times refrain from discussing any company-specific information which is confidential and that you should not agree anything that limits the ability of companies to compete independently in the market place. You are best placed to judge what is and what is not commercially sensitive or confidential, and what are the relevant parameters of competing. Remember that these parameters may include the Sustainability strategy of your company, and you should not disclose confidential information relating to it.

Please also remember that failure to comply with antitrust laws may lead to serious consequences for you as an individual, for your companies and for TCGF itself. Such consequences include severe fines, private actions for damages and the imposition of criminal penalties, including imprisonment, under national laws.

With this brief antitrust admonition, we look forward to a successful meeting.