

FRENCH MARKET EXPOSURE TO DEFORESTATION IN BRAZIL



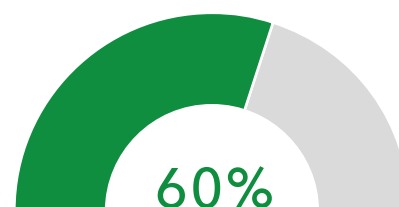
Companies and supermarkets



French imports of soy from Brazil (annual)



% of overall soy imports to France from Brazil



Exports of soy from the Cerrado and Amazon biomes to France (tonnes/% total)



Supermarket exposure to soy companies named in Mighty Earth's Soy and Cattle Deforestation Tracker



	BUNGE	Cargill	LDC Louis Dreyfus Company	ADM	AMAGGI
SOY EXPORTS BRAZIL TO FRANCE (TONNES)	612,141	207,245	132,384	46,474	40,014
MARKET SHARE	39%	13%	8%	3%	3%
OVERALL SCORE ON TRACKER (/100)	31	25	64	47	56

Note: market share, Kantar (2020). % overall soy imports, COMTRADE (2019). All other data TRASE (www.trase.earth) (2018). Analysis of data and interviews with experts suggests that export and import markets are relatively 'sticky', meaning that market shares are unlikely to shift significantly year-on-year due to fixed infrastructure. Therefore, historical trends allow a projection of current market share and exposure of supermarkets to companies in their supply chain. Overall score of companies in the Tracker assessed against total linked cases; total clearance; possible illegal clearance; responsiveness to cases; resolution of cases; and transparency. <https://www.mightyearth.org/soy-and-cattle-tracker/>

FOOD COMPANIES, FAST FOOD CHAINS AND SUPERMARKETS IN FRANCE EXPOSED TO THE POOREST PERFORMERS ON MIGHTY EARTH'S SOY AND CATTLE TRADER TRACKER

Soy is the top agricultural import in France and Brazil is its main supplier. Almost all (90%) soy consumed in France is used to feed French chickens, pigs and dairy cattle, meat and dairy products that French people buy in supermarkets and consume in restaurants and fast-food chains.

Two of the top three Brazilian soy exporters to France, Bunge and Cargill, are amongst the worst forest destroyers in the South American country, according to Mighty Earth's Soy & Cattle Deforestation Tracker. Together, America's two agricultural giants shipped more than half (54%) of all Brazilian soy imported into France in 2018, according to TRASE data.

Around two-thirds of this soy comes from the Cerrado, the world's largest tropical savanna, where deforestation is rampant.

Our analysis shows that big French food companies Danone, Lactalis, Sodial, LDC, Bigard, Groupe Avril, Bel and Cooperl, all major supermarkets Carrefour, Casino, Auchan, Leclerc, Lidl, Metro, Système U, Mousquetaires and Aldi, food catering providers Elixor, Sodexo and fast-food restaurants Burger King and Quick are exposed to soybeans from Cargill and Bunge in their supply chain.

In a request for information on their linkages to the 10 traders listed in this report all supermarkets and Elixor Groupe replied stating they didn't have a direct commercial relationship with any of the traders named in this report. However, these companies failed to confirm or deny any indirect link through their own suppliers to any of the traders.

Danone and Groupe Avril were the only two companies that disclosed their list of direct suppliers with us and stressed that the company are looking to increase the sourcing of plant-based protein produced locally. This welcome disclosure, albeit in private communication, illustrates that meat and dairy companies are able to access and share information on their supply chain linkages to traders if they wish to do so.

Danone highlighted that its risk is primarily in its indirect soy supply chain, and that regulation may be needed to provide the transparency required to effectively address it.

McDonald's acknowledged that their suppliers' source from some of the listed soy traders to feed chickens to make nuggets. The fast-food giant stated that McDonald's France and its suppliers only use Proterra certified soybeans for all soy imports from Brazil, which bans sourcing from land cleared after 2008.

Sodexo acknowledged that soy is likely used as animal feed by its suppliers or in the supply chains of its suppliers but did not confirm the names of any of its suppliers for legal and competitive reasons. The company has committed to a deforestation and conversion free supply chain globally by 2030.

Burger King, Quick, Lactalis, Sodial, LDC, Bigard, Bel and Cooperl did not respond to our request for information.

In response to the exposure to forest-destroying soy in supermarket products such as chicken, pork and milk, the eight largest retailers in France listed in this report announced in November measures to stop using soy linked to deforestation through the Soy Manifesto. This is a template that could be used by retailers in other countries.

To access Mighty Earth's Soy and Cattle Deforestation Tracker and Policy Brief, visit: <http://mightyearth.org/soy-and-cattle-tracker-briefing-note>