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<http://www.carrefour.com/content/protecting-biodiversity>

## CARREFOUR'S INDIVIDUAL COMMITMENTS IN *act4nature*

Protecting biodiversity is vital for feeding the world of tomorrow: we need thousands of species and varieties in order to maintain a safe and diverse diet. More broadly, thanks to the benefits it provides, biodiversity is a prerequisite for social development. In the UN Sustainable Development Goals, biodiversity loss is singled out as one of the major challenges facing humanity, along with climate change. Carrefour depends on biodiversity to offer all consumers a healthy, high-quality and varied diet. And consumers today, along with our partners in the agricultural industry and the community at large, expect us to protect biodiversity. Carrefour has set a goal of becoming the leader of the food transition for everyone. Protecting biodiversity is essential to achieving that ambition, and we want to take action in any way we can in order to play a positive role. Species decline, resistance to antibiotics, growth in genetically modified organisms, quality organic production, efforts to stop deforestation: these issues – all interconnected – are at the heart of our concerns.

In order to fulfil our ambition, Carrefour has defined four priorities for action within its business operations: developing sustainable agriculture, protecting marine resources, preserving forests and safeguarding day-to-day biodiversity. Carrefour will be helping to meet those collective challenges in collaboration with its partners and stakeholders.

### ■ Developing agroecology and organic farming (Common Commitment #1)

Through the more than 2,000 organic food products and 464 Carrefour Quality Lines products on its store shelves, Carrefour is helping the farming industry move towards practices that are positive for biodiversity, animal well-being and consumer health.

The group's sales of organic products have already doubled in just three years, totalling €1.3 billion in 2017.

Carrefour and its partner producers are using the agroecology model to innovate with Carrefour Quality Lines, by drawing on the services provided by nature to enhance production. In 2016 Carrefour introduced the first strawberries grown without synthetic pesticides after flowering. There have been numerous additional innovations since that time, including the first potatoes grown without synthetic pesticides after the initial sprouts, Spanish oranges grown without chemical pesticides after flowering and herbicide-free broccoli and cauliflower.

#### Objective 1:

Make organic food accessible to a wider consumer base, increase sales of organic products to €5 billion by 2022

(compared to €1.3 billion in 2017), and provide support to producers converting to organic farming in collaboration with WWF France.

(Common Commitments #4, 6 and 9)

#### Objective 2:

Introduce an agroecology plan in 2018 and source 20% of products through Carrefour supply chains by 2020 in France. This plan will be developed in collaboration with our suppliers and other stakeholders, who came together previously for our forum on agroecology solutions in 2017. Its main components will be the introduction of mandatory quality requirements (no chemical treatments after harvesting, etc.), progress plans developed with our suppliers and contract terms and conditions that acknowledge innovations by producers (long-term contracts and terms governing pricing and volumes). To hasten the transition, the plan will eventually include new training programmes, pilot testing in the field, opportunities for producers to share practices and new ideas to boost innovation, product lines developed jointly with our customers and innovative new financing solutions.

(Common Commitments #2, 4, 6 and 8)

### ■ Offer seafood products that preserve our marine resources

(Common Commitments #1, 2, 3, 4 and 5)

Carrefour sells seafood products through its traditional fresh fish counters (850 in France), and offers Carrefour-brand canned, frozen and fresh seafood. To ensure its seafood offerings are sustainable, in 2016 Carrefour developed a responsible fishing policy with its stakeholders.

This policy consists of:

- Giving preference to:
  - abundant species based on lists provided by our partners (WWF and Ethic Ocean),
  - sustainable fishing products that are MSC-certified or for which certification is in-progress (third-party verified fishery improvement projects), along with fishing methods that have less of an impact on the environment, such as pole-and-line fishing;
- Suspending the sale of endangered species;
- Expanding responsible aquaculture:
  - selecting fish farms that have adopted best practices: non-GMO feed (traceable FCQ product lines) and/or farms that are antibiotic-free,
  - giving preference to ASC-certified responsible aquaculture products;

- Supporting sustainable local fishing through partnerships with local organisations;
- Showcasing the diversity of seafood products;
- Promoting initiatives to combat illegal fishing.

### Objective 3:

Ensure that half of all fish sold at Carrefour seafood counters and in its own-brand frozen fish products is responsibly sourced by 2020, and offer the widest selection of sustainably fished seafood products.

The products resulting from our responsible fishing initiative have been developed jointly with our dedicated group of stakeholders (four NGOs and three suppliers). They include products bearing labels recognised by Carrefour (such as MSC certification) or fished using lower-impact fishing techniques, traceable Carrefour Quality Lines products and products from species selected jointly with NGOs.

### Enlist the support of our customers and protect day-to-day biodiversity

(Common Commitments #1, 3, 8 and 9)

Bees are an iconic example of day-to-day biodiversity and its essential role in a diverse food supply. Carrefour is conducting a campaign to install rooftop-beehives at stores to get customers involved in preserving ecosystems as well as to incorporate biodiversity into its sites. Nearly 210 beehives have been established at Carrefour stores, warehouses and corporate offices across Belgium, France and Poland.

The group is supporting the growth of apiculture by promoting the sale of local and domestic honeys in its stores. In addition, Carrefour Quality Lines producers set aside specific areas for apiculture and ban certain pesticides from their farm operations.

### Objective 4:

Follow up on the launch of the first pollinator plan in France in 2017 by continuing to establish pollinator plans in all group countries by 2020. The pollinator plans will be developed in partnership with the environmental organisation Noé Conservation. They include support for local beekeeping industries (aid to help young beekeepers get started, sale of local honeys in stores, development of suburban apiculture) and pollinator protection requirements for producers who supply Carrefour Quality Lines plant and animal products.

### Protect forests through more sustainable farm production

(Common Commitments #1, 2, 3, 4, 5 and 7)

Carrefour is pledging to combat deforestation by offering its customers forest-friendly products and solutions by 2020. Numerous products are connected with forest health, including paper and wood products but also products that are part of our daily diet and even personal care products whose ingredients may contribute to deforestation. Carrefour purchases four raw materials – beef, soya, wood and paper products and palm oil – that are associated with deforestation and is targeting those products for priority action as part of its desire to help preserve our forests.

### Objective 5:

Reach 100% compliance with our sustainable forests policy by 2020 with regard to 10 priority categories of products made from wood and paper (initiative launched in 2017).

### Objective 6:

Ensure that 100% of fresh Brazilian beef sold in Carrefour stores in Brazil is georeferenced beginning in 2018, to reduce the risk of deforestation tied to beef production (initiative launched in 2016).

### Objective 7:

Ensure that 100% of the palm oil used in Carrefour-brand products complies with RSPO principles and criteria and additional criteria by 2020, and expand product lines with physical traceability (initiative launched in 2010).

### Objective 8:

Draw on a range of solutions to reduce the adverse impact of soya production on ecosystems within our purchasing supply chain by 2020 (initiative launched in 2017).

Those solutions include ensuring the physical and geographical traceability of the products we purchase, developing regional strategies and local alternatives, establishing certification programmes and signing collective agreements, such as the one imposing a moratorium on soya farming.

### Collaboration and performance tracking and evaluation:

In accordance with Common Commitments #2 and 9, all of Carrefour's biodiversity objectives are being established in cooperation with the group's partners and stakeholders, through panels tasked with addressing specific topics. Carrefour has hosted forums that include customers, suppliers, NGOs, industry experts and government representatives to discuss topics such as biodiversity (2014), sustainable fishing (2015), apiculture (2016), agroecology (2016 and 2017) and animal well-being (2017).

In some cases, working groups are appointed to monitor the progress of action plans and collectively identify new solutions.

In accordance with Common Commitments #3 and 10, those objectives are monitored and evaluated using key performance indicators that are published in our annual non-financial report. A CSR index summarising those objectives has been established to oversee their implementation.