



Deforestation and Shareholder Engagement: Current State and Outlook

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Executive summary

Deforestation is a material issue for companies and investors. From 1990 to 2020, the world lost approximately 420 million hectares of forest, accounting for 10% of the planet's total forest coverage. Around 80% of global deforestation is caused by agricultural expansion. Investors are exposed to systemic, physical and reputational risks through the companies in which they invest.

This white paper aims to raise investors' awareness of these issues. It presents Æquo's approach to engaging with shareholders on the issue of deforestation, outlining our expectations and highlighting the practices observed among the companies we target.

In this document, Æquo has chosen to focus its analysis on food retailers and restaurants because of their central role in putting pressure on ecosystems. We assessed 12 companies in the food sector regarding their deforestation prevention practices. This analysis is based on seven specific objectives that guide our dialogue and encourage companies to adopt more responsible deforestation practices.

Our findings helped us determine three distinct groups of companies: leaders, those in transition and those just starting out. Key observations include the following:

- Widespread awareness of risks associated with deforestation
- Growing transparency regarding the proportion of commodities that comply with companies' commitments, though traceability remains insufficient for high-risk products
- Shortcomings in supplier monitoring and compliance management

Throughout 2025, Æquo will pursue its efforts by supporting companies in the implementation of zero-deforestation targets covering all high-risk commodities and the establishment of robust monitoring and remediation mechanisms. Our approach will be tailored to each company and group, while taking into account their specific challenges.

Introduction

This white paper aims to raise investor awareness on deforestation as a key environmental, social and financial issue. It presents the approach taken by Aequo in its engagement activities, outlining our expectations on this subject and highlighting the practices observed among targeted companies.

Deforestation: a major issue for companies and investors

Forests are home to 80% of all terrestrial animal, plant and insect species, as well as three-quarters of the world's accessible freshwater. Forests support the livelihoods of 25% of the world's population and play a crucial role in food security.¹ However, between 1990 and 2020, the world lost approximately 420 million hectares of forest, accounting for 10% of global forest cover.² The main drivers of deforestation today are agricultural expansion (which accounts for around 90% of tropical deforestation³), as well as mining, infrastructure, and urbanization.

According to a 2023 PwC study,⁴ 55% of the global GDP, equivalent to \$58 trillion, is moderately or highly dependent on nature. For comparison, the value of nature's contributions was \$44 billion in 2020. This substantial increase in a few short years indicates that nature is degrading at an accelerated rate, posing significant risks to the economy and society as a whole.

Key definitions

The Accountability Framework initiative (AFi) defines¹ a forest as an area of land spanning more than 0.5 hectares, containing trees exceeding 5 metres in height and with a canopy cover of at least 10%. Alternatively, it can be defined as an area of land containing trees that are capable of reaching these thresholds in situ. Land used mainly for agriculture or other purposes is excluded.

This definition is part of efforts to prevent the conversion and deforestation of natural forests. The AFi defines land conversion as the loss of a natural ecosystem as a result of its replacement by agricultural or other land use, or a profound and prolonged change in the species composition, structure or function of a natural ecosystem. The AFi states that deforestation is a form of conversion.

Deforestation is defined as the loss of natural forest resulting from (i) its conversion to agricultural or other non-forest use; (ii) its conversion to a tree plantation; or (iii) its severe and prolonged degradation.

¹ WWF. [Top 10 Facts about Forests](#).

² FAO. (2020). [The state of the world's forests](#).

³ SEI. (2022). [Agriculture drives more than 90% of tropical deforestation](#).

⁴ PwC. (2023). [PwC boosts global nature and biodiversity capabilities with new Centre for Nature Positive Business, as new research finds 55% of the world's GDP - equivalent to \\$58 trillion - is exposed to material nature risk without immediate action](#).

Material risks for investors

Deforestation is a material issue for companies and investors alike. Through the companies in which they invest, investors are exposed to various risks, including systemic, physical and reputational risks.

Systemic risks can lead to a system becoming destabilized, causing an irreversible tipping point such as desertification. Forests provide ecosystem services that protect society against extreme weather events and erosion of natural ecosystems. In 2024, the World Economic Forum identified the loss of biodiversity and collapse of ecosystems as the third most serious global risk over the next 10 years.⁵ This warning underlines the importance of investors considering these systemic risks as potential threats to global financial and economic stability, as well as environmental challenges.

The physical risks associated with deforestation include adverse changes to the forest biome, such as loss of forest cover. Investors may be exposed to these risks, as deforestation exacerbates climate change and biodiversity loss, resulting in more frequent and severe climate-related impacts.

Lastly, reputational risks can arise when a company's products are associated with deforestation practices. Such risks can threaten the company's image and its stakeholders' trust.

Investors may be exposed to reputational risks through portfolio companies that are potentially involved in deforestation.

Food sector at the heart of our analysis

To produce this white paper, AEquo chose to focus its analysis on food retailers and restaurants because of their central role in putting pressure on ecosystems. The agri-food system is indeed one of the main factors contributing to the decline of nature. According to the [2024 Living Planet Report](#), the agri-food system is currently responsible for 27% of greenhouse gas emissions, with agricultural expansion being the primary cause of deforestation worldwide. Food systems are also a major cause of nature loss on an international scale: over a third of the world's land surface and nearly 75% of its freshwater resources are currently used for crop and livestock production.⁶ Furthermore, at least a third of total greenhouse gas emissions can be attributed to the way we produce, process, transport and package food products.

In light of these challenges, AEquo is encouraging companies in the sector to establish sustainable supply chains and eliminate deforestation, thereby helping preserve ecosystems and boost the sector's resilience.

⁵ World Economic Forum. (2024). [Global Risks Report 2024](#).

⁶ UNEP FI. (2023). [Driving Finance for Sustainable Food Systems](#).

Analysis of companies

Company profiles

As part of this white paper, 12 companies in the food sector, including food retailers and restaurants, were evaluated in terms of their practices in the fight against deforestation. Located in North America and Europe, these companies have been engaged in deforestation dialogue for at least two years (since 2023).

Objectives guiding our deforestation dialogues

We assessed the 12 companies against seven specific objectives that guide our dialogue and encourage the adoption of more responsible deforestation practices. The objectives seek to ensure that companies disclose relevant deforestation information, establish robust processes to eliminate deforestation and publicly measure their progress. These objectives are evaluated using 11 indicators, which are scored as follows:

- 1 point for 'yes'
- 0.5 points for 'partially'
- 0 points for 'no'

Our objectives and indicators are based on the CDP Forest questionnaire, Accountability Framework initiative (AFi) recommendations and Forest 500 assessment tool.

See Appendix A table summarizing the objectives and indicators used in assessing these companies.

Objective 1: Disclose information on deforestation-related risks

Deforestation risk analysis is essential in that it enables a company to make the best decisions in terms of reducing deforestation and monitoring the company's progress toward achieving its objectives. By clearly identifying these risks, a company can better understand the impact of its activities on ecosystems, anticipate future regulations, meet stakeholder expectations and promote transparency throughout its supply

Our shareholder engagement approach

Æquo's main activity is conducting dialogues with companies in which our partners invest, encouraging them to adopt more responsible and sustainable business practices. This work is carried out on behalf of institutional investors participating in our shareholder and fiduciary engagement platform. Æquo employs a double materiality approach (financial and impact), focusing both on ESG issues that influence the financial performance of organizations and on the positive and negative impacts of their activities on the environment and people.

These dialogues aim to promote both appropriate risk management and the creation of positive outcomes in terms of sustainable development. In the long term, this contributes to the efficiency, integrity and resilience of financial markets, lowering the level of systemic risk and increasing the value of investments, to the benefit of both investors and companies. Our approach is based on active and constructive dialogues, as well as on building trust and close collaboration with companies. Our methodology allows us to develop company-specific objectives, leading us to make tailored recommendations. We adjust our approach in line with a company's size (large or small capitalization) and the level of integration of their ESG practices.

Preserving ecosystems and biodiversity is one of the key priority themes we address in our dialogues. In this context, we look at issues related to ecological impact, including deforestation. We believe that companies must promote biodiversity preservation, as its degradation can negatively affect the ecosystems in which they operate (and on which their activities depend). Companies can cause habitat destruction or fragmentation, the introduction of invasive species, overexploitation of natural resources, or air and water pollution.

chain. The company must carry out and disclose a deforestation risk assessment for all at-risk commodities if it is to fulfill this objective. Companies need to disclose details of the methodology employed. Furthermore, to assess which of its commodities are at high risk, a company must base its analysis on the definition provided by the European Union Deforestation Regulation (EUDR)⁷.

Objective 2: Disclose traceability information

In order to prevent deforestation in its supply chain, a company must know the origin of its raw materials.⁸ This requires tracking every stage of production, from the original farm or plantation to the final product. This level of traceability prevents intermediaries in the supply chain from engaging in deforestation and conversion practices. Additionally, the company must disclose the proportion of its commodities that are traceable. By providing this information, the company strengthens its credibility and demonstrates its commitment to fighting deforestation and promoting responsible sourcing practices.

Objective 3: Develop a specific policy on deforestation issues

To achieve this objective, the company's policy has to address all high-risk commodities, including the company's direct operations and supply chain, ensuring a comprehensive and consistent approach. What's more, the policy must consider social issues because deforestation significantly impacts local communities and Indigenous populations. This includes considering land rights, fair working conditions and respect for human rights.

This objective is crucial because corporate policies form the basis for actions taken to combat deforestation. Policies serve as a framework for aligning a company's internal and external practices with its environmental and social commitments. A well-defined policy also facilitates clear communication of the company's expectations to suppliers, facilitating the implementation of sustainable practices throughout the supply chain.⁹

Objective 4: Adopt a deforestation elimination target

To reach this goal, the company must strive to eliminate deforestation and conversion by 2025 compared to 2020.¹⁰ This goal should also encompass all commodities as defined by the EUDR. Adopting targets to eliminate deforestation from operations and supply chains is particularly important because it concretely combats the destruction of ecosystems while demonstrating credibility to stakeholders (e.g., customers and investors).

Objective 5: Implement a supplier management and monitoring process

For this objective to be met, the process must cover all commodities at risk and extend beyond certification. This aspect is important, as a supplier monitoring and control system enables companies to track their supply chains' performance, ultimately leading to improvements in their processes.¹¹ We note that certifications are essential tools for establishing responsible supply chains. However, given the limitations of certain certifications, companies must complement these mechanisms with additional verification systems to ensure that

⁷ According to the EUDR, high-risk commodities include palm oil, livestock, soy, coffee, cocoa, timber and rubber, as well as by-products (such as beef, furniture and chocolate).

⁸ Accountability Framework Initiative. [Traceability](#).

⁹ Accountability Framework Initiative. (2024). [Start your responsible supply chain journey right with robust policies](#).

¹⁰ Accountability Framework initiative. (2022). [The AFI recommends a target date no later than 2025 to eliminate deforestation and conversion in supply chains](#).

¹¹ Accountability Framework initiative. (2023). [Monitoring and verification](#).

their suppliers comply with anti-deforestation policies.¹²

Objective 6: Implement a supplier non-conformity remediation process

To meet this objective, the company must disclose information on deforestation-related complaints and controversies within its operations and supply chain. It also needs to detail the actions it has taken to remedy these issues. As for potential supplier non-compliance, companies must address this by putting in place clear policies and procedures. For instance, these policies and procedures should outline the process for addressing non-compliance with suppliers and explain how such non-compliance will be considered in future purchasing decisions.¹² We also encourage companies to disclose how they have dealt with deforestation-related complaints and controversies.

The importance of this objective lies in the fact that a well-defined remediation process helps

establish clear accountability within the supply chain. By disclosing complaints and controversies, as well as the remedial measures implemented, companies demonstrate their commitment to combating deforestation and reacting to non-compliance.

Objective 7: Disclose the proportion of commodities that comply with the company's zero-deforestation and zero-conversion policy

Measuring a company's performance against its targets enables investors to assess the progress made and effectiveness of measures taken. To achieve this target, the company must disclose the proportion of commodities it considers as not contributing to deforestation (in line with its related policy) by commodity type. The percentage of certified products is also deemed acceptable if the company's policy requires its suppliers to certify their products. To simplify the analysis, the accepted certification level is not included here.

¹² CDP. (2024). [Time for transparency. Deforestation and conversion-free supply chains.](#)

Summary table of results

The table below summarizes the results of an analysis of 12 food companies, including retailers and restaurants. A table describing the sector, geography and company size can be found in Appendix B. For this analysis, the

companies were anonymized since they were not consulted during the analysis of their disclosures. The primary aim of this analysis is to illustrate sectoral issues and general trends.

| OBJECTIVES | COMPANIES | | | | | | | | | | | |
|--|------------|----------|------------|---------------|------------|------------|-------------|------------|------------|----------|----------|------------|
| | Leaders | | | Transitioning | | | Early-stage | | | | | |
| | A | B | C | D | E | F | G | H | I | J | K | L |
| Disclose information on risk management processes related to deforestation (scored out of 1) | 1 | 1 | 1 | 1 | 0.5 | 0.5 | 0 | 0.5 | 1 | 0 | 0 | 0 |
| Disclose information on traceability (scored out of 2) | 2 | 1.5 | 1 | 0 | 1 | 1 | 0 | 1 | 0.5 | 0 | 0.5 | 0 |
| Develop a specific policy addressing deforestation-related issues (scored out of 3) | 2.5 | 3 | 3 | 2.5 | 1.5 | 2 | 1.5 | 0 | 0 | 1 | 0 | 0 |
| Adopt a zero deforestation and conversion target (scored out of 1) | 1 | 0.5 | 1 | 1 | 0.5 | 0 | 0 | 0.5 | 0 | 0 | 0 | 0 |
| Implement a supplier management and monitoring process (scored out of 1) | 1 | 1 | 1 | 0 | 0.5 | 0.5 | 0 | 0 | 0.5 | 0.5 | 1 | 0.5 |
| Implement a process to address supplier non-compliance (scored out of 1) | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Disclose the proportion of commodities compliant with the zero deforestation and conversion policy (scored out of 1) | 1 | 1 | 0.5 | 1 | 0.5 | 0.5 | 1 | 0.5 | 0.5 | 0.5 | 0.5 | 0 |
| TOTAL SCORE: 10 POINTS | 9.5 | 8 | 7.5 | 5.5 | 4.5 | 4.5 | 2.5 | 2.5 | 2.5 | 2 | 2 | 0.5 |

Analysis of results: how are companies performing on deforestation?

Three corporate profiles on deforestation

This analysis allowed us to identify three groups of companies. The first group consists of the most advanced companies in deforestation management and scores between 9.5 and 7.5. The second group, with scores between 5.5 and 4.5, demonstrates good practices and has the

potential to improve their companies' processes if they are extended to all high-risk commodities. The third group, with scores between 3 and 0.5, consists of companies in the early stages of their approach.

1. Leaders (scoring between 9.5 and 7.5)

This first group of companies demonstrates robust risk disclosure and traceability, clear

deforestation and conversion policies, and ambitious, measurable targets. They also publish their progress regarding commodity compliance with these policies. This group's policies generally include references to social issues, such as respect for human rights and the rights of local and Indigenous communities.

In 2024, we engaged with these companies to review the progress they had made toward their 2025 targets and their preparedness for compliance with the European Union Deforestation Regulation (EUDR), which was set to take effect on December 31, 2024. However, we recognize that achieving full supply chain traceability remains challenging due to the difficulty of obtaining or verifying data.

2. Transitioning companies (scoring between 5.5 and 4.5)

Some companies perform a risk analysis for only a few raw materials, while others do not conduct any such analyses. Nonetheless, this analysis is an essential first step toward understanding deforestation risks within their supply chains. These companies are characterized by the absence or inadequacy of deforestation-related policies, lack of supplier management and monitoring processes, absence of non-conformity remediation, absence or inadequacy of targets, and low traceability level. During our dialogues, they emphasized the difficulties of data collection and intelligibility when it came to corporate decision-making and supplier engagement.

3. Early-stage companies (scoring between 3 and 0.5)

Some companies perform a risk analysis for only a few raw materials, while others do not conduct any such analyses. Nonetheless, this analysis is an essential first step toward understanding deforestation risks within their supply chains. These companies are characterized by the absence or inadequacy of deforestation-related policies, lack of supplier management and monitoring processes, absence of non-

conformity remediation, absence or inadequacy of targets, and low traceability level.

During our dialogues, they emphasized the difficulties of data collection and intelligibility when it came to corporate decision-making and supplier engagement.

Summary of key findings

Our analysis highlights several important trends in deforestation management:

Risk recognition

Many companies disclose information on deforestation risk management processes, demonstrating that most companies view this issue as a material risk and are establishing processes to better identify these risks in their supply chains. However, companies in the early stages of the process only analyze risk for certain commodities, or not at all. This suggests that they have not yet developed a precise understanding of the risks involved. Overall, while some companies have adopted policies to combat deforestation, others still need to top up their efforts.

Transparency

Many companies publish information on the proportion of their commodities that comply with their zero-deforestation and zero-conversion policies. While this reveals an effort to increase transparency, traceability remains insufficient for high-risk products (e.g., palm oil, soy and beef). In addition, various companies have yet to incorporate social issues into their anti-deforestation policies.

Supplier monitoring and non-compliance management

Non-conformity management is a key area in need of improvement. Few companies have systematic processes in place to address policy violations. Moreover, supplier monitoring is generally inadequate. Many companies have yet to implement robust, consistent mechanisms, beyond certifications, to track and monitor practices across their supply chains.

Outlook on deforestation-related engagement activities for 2025

This year, Aequo will continue discussing deforestation with companies in the food sector, including retailers and restaurants. During these dialogues, Aequo adapts the commitment objectives to each company.

1. Leader group (scoring between 9.5 and 7.5)

We will continue working with the most advanced companies to address deforestation-related targets. These companies have been encouraged to adopt zero-deforestation and zero-conversion targets, which they are expected to reach by 2025 through standards and best practices. In so doing, Aequo will continue to support companies that are making progress toward their goals.

Our priority objectives for this group of companies are the following:

- Achieving the 2025 targets and outlining the next steps to maintain deforestation-free supply chains
- Adopting a supplier monitoring and management process
- Establishing a process to address supplier non-compliance

2. Transitioning companies group (scoring between 5.5 and 4.5)

For these companies, we will focus our engagement efforts on the inclusion of all high-risk commodities for deforestation in their processes. In addition, as with the previous group, we will address the supplier management and monitoring issue, as well as non-compliance remediation.

Our priority objectives for this group of companies are the following:

- Disclosing information on deforestation-related risks
- Adopting a supplier monitoring and management process
- Establishing a supplier non-compliance remediation process

- Disclosing the proportion of commodities that comply with the company's zero-deforestation and zero-conversion policy

3. Early-stage companies (scoring between 3 and 0.5)

We will continue encouraging companies in this group to conduct a comprehensive deforestation risk analysis, set zero-deforestation and zero-conversion targets as early as possible (using 2020 as a baseline) and put in place clear and robust policies.

Our priority objectives for this group of companies are the following:

- Disclosing information on deforestation risk management processes
- Adopting a zero-deforestation and zero-conversion target

Conclusion

Our analysis of corporate deforestation practices revealed three groups, each at a different stage of progress. The first group consists of the most advanced companies that are implementing robust, transparent practices to combat deforestation. However, even these leaders must increase their further efforts to maintain full traceability and strengthen risk management in their supply chains. They can particularly improve their processes for managing and monitoring suppliers and remedying non-conformities. The second group has adopted some good practices, but these companies need to extend their commitments to all high-risk commodities and put in place more robust monitoring processes. As for the third group of companies—those just beginning this journey— they are urged to establish robust processes, starting with the completion of a risk analysis for all commodities and adoption of policies and targets.

Despite these differences, it is clear that most companies recognize deforestation as a material issue and are beginning to structure

their actions in response to it. Still, further efforts are required to ensure an effective transition to truly sustainable, deforestation-free supply chains, notably through the implementation of mechanisms to monitor suppliers and remediate non-compliance.

In 2025, Aequo will continue its engagement activities by supporting companies in their implementation of zero-deforestation targets covering all commodities at risk, and their establishment of robust monitoring and remediation mechanisms. Our approach will be tailored to each company and group's specificities, including their respective challenges.

By engaging with companies and investors, we aim to accelerate the transformation of food sector practices. This dynamic will contribute not only to eliminating deforestation but also to preserving forest ecosystems, which are vital for biodiversity and climate resilience.

THE EUROPEAN REGULATION ON DEFORESTATION AND FOREST DEGRADATION

To combat global deforestation, the European Union (EU) developed the Regulation on Deforestation-Free Products (EUDR), initially proposed by the European Commission in November 2021. This regulation is a world first in the fight against deforestation and forest degradation caused by the production and consumption of certain products in Europe, including palm oil, soy, beef, wood, coffee, cocoa, rubber and their derivatives such as leather, chocolate, tires and furniture.

The objective of the EUDR is to ban products linked to deforestation from the EU market and establish compliance requirements for companies that supply or use products identified as high-risk for deforestation. This regulation is a cornerstone of the EU's environmental ambition, introducing stricter due diligence obligations and moving beyond the voluntary disclosure practices that had prevailed until now. Certifications alone are not sufficient to comply with the EUDR, which requires full traceability. Under this regulation, companies must conduct due diligence to ensure that products covered by the regulation, whether placed on the market or exported from the EU, are deforestation-free.

The regulation was initially set to take effect at the end of December 2024 for large companies and in June 2025 for micro and small enterprises. However, at the end of 2024, the European Commission, European Parliament, and European Council approved a one-year postponement of its application. The EUDR will now come into force on December 31, 2025, for large companies and June 30, 2026, for micro and small enterprises. It is worth noting that some companies had already taken the necessary steps to prepare for compliance by the end of 2024. While the European Commission is expected to provide further guidance, we believe that this delay penalizes companies and producers who have invested significant effort to comply with the law. Some of them may even face financial losses due to the postponement.

Although it is encouraging that some companies are ready for the regulation's coming into force, we will continue to engage with those that are in the process of implementing the necessary measures, and we encourage them to maintain their efforts, particularly by involving their stakeholders.

References

Detailed sources are cited in footnotes throughout the document. Below are the main references that guided our analysis.

- Accountability Framework Initiative. (2024). [Accountability Framework](#).
- Ceres. (2023). Deforestation scorecard. Assessing corporate action on deforestation amid growing regulatory risk.
- Forest 500 and Global Canopy. (2024). [Company Assessment methodology 2024](#).
- ISS. (2025). [The Root Cause of Nature Loss: Forests, Why They Matter, and How to Assess Deforestation Risk in Investment Portfolios through Nature-Related Data](#).
- PRI. (2022). [Investor initiative for sustainable forests](#).

Appendix A – Objectives and Indicators

| OBJECTIVES | INDICATORS | | |
|--|---|--|---|
| | Yes | Partial | No |
| 1. Disclose information on risks related to deforestation | A deforestation risk assessment is carried out for all high-risk commodities. | The company has carried out a risk assessment for certain commodities only. | The company has no risk assessment process. |
| 2. Disclose traceability information | The company monitors and traces products back to the farm or plantation of origin, and discloses the proportion of traceable commodities. | The company lacks visibility into the origin (farm or plantation level) of at least one high-risk commodity, for each of the high-risk commodities. | The company does not disclose the level of traceability for each high-risk commodity, nor the proportion of traceable commodities. |
| 3. Develop a specific policy on deforestation issues | The policy covers all high-risk commodities; covers operations and the entire supply chain; and integrates social issues. | One of the following elements is not included in the company's policy: coverage of all high-risk commodities; coverage of operations and the entire supply chain; or integration of social issues. | The company does not have a policy related to deforestation issues. |
| 4. Adopt a target to eliminate deforestation | The company has a target to eliminate deforestation by 2025, using 2020 as a baseline, and the target covers all high-risk commodities. | The company's target is to be reached after 2025, lacks a reference year, or does not cover all high-risk commodities. | The company has no target. |
| 5. Implement a supplier management and monitoring process | The company has a supplier management and monitoring process that goes beyond the use of certifications and covers all commodities. | The company relies solely on certifications to verify supplier compliance, or the process does not cover all commodities. | The company does not have a supplier management and monitoring process. |
| 6. Implement a process to remedy supplier non-conformities | The company discloses information on complaints and controversies related to deforestation in its operations and supply chain and discloses information on actions taken to address them. | The company meets only one of the following two criteria: it discloses information on complaints and controversies related to deforestation in its operations and supply chain, or discloses information on actions taken to address them. | The company does not have a process to address supplier non-compliance. |
| 7. Disclose the proportion of commodities that comply with its zero deforestation and conversion policy | The company discloses the proportion of commodities that are compliant with its zero deforestation and conversion policy. | The company discloses this information for only some high-risk commodities. | The company does not disclose any information on the proportion of commodities compliant with its zero deforestation and conversion policy. |

Appendix B — Company Categorization

| Name | Sector | Geography | Market Capitalization |
|------|---------------|---------------|-----------------------|
| A | Food Retailer | Europe | Large Cap |
| B | Restaurant | United States | Large Cap |
| C | Food Retailer | United States | Large Cap |
| D | Food Retailer | Europe | Large Cap |
| E | Food Retailer | Canada | Large Cap |
| F | Food Retailer | United States | Large Cap |
| G | Food Retailer | United States | Large Cap |
| H | Restaurant | United States | Large Cap |
| I | Food Retailer | Canada | Large Cap |
| J | Food Retailer | Canada | Large Cap |
| K | Restaurant | Canada | Large Cap |
| L | Restaurant | Canada | Small Cap |