



RESPONSIBLE SOURCING OF SOY POLICY

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Introduction & Purpose

Soy is one of the most important crops in the world, being a great source of protein for both humans and animals. Soy is an inexpensive and versatile source of protein and vegetable oils. However, soy production has been directly linked to global deforestation.

Approximately 75% of all soy produced is used for animal feed. For context, a person consumes an average of 61kg of soy per year - almost all is embedded in animal products (poultry, beef, pork, eggs, and dairy) that we consume daily.

An increasing demand for meat and other animal proteins such as seafood, dairy ingredients and eggs has put a strain on ecosystems, forests and biodiversity in the regions' soy is sourced from, making soy production the second biggest agricultural driver of deforestation.

Greencore aims to perform its business activities in the most responsible and sustainable manner for the benefit of our people, customers, suppliers, shareholders, communities, and the environment, which we regard collectively as our stakeholders. Therefore, we have introduced our 'Better Future Plan' in which we set some ambitious goals to be accomplished by 2030, including the achievement of zero net deforestation.

As part of our Deforestation and Conversion Free (DCF) commitment, the soy used in animal feed in Greencore's supply chain of protein ingredients must be sustainably sourced to the criteria established in this document within the timeframe established. This is part of our commitment to zero net deforestation.

The purpose of our policy is to set out what constitutes responsible soy and how this must be demonstrated.

Our policy helps us support our vision for Sourcing with Integrity and the United Nations Sustainable Development Goals below:



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Our Commitment

Greencore is fully committed to the responsible sourcing of soy in our supply chain (directly or embedded within supply chains as animal feed), with a public target to source 100% deforestation free and conversion free (encompassing both legal and illegal deforestation / conversion) physical soy in our supply chain by 2025 at the latest, with a cut-off date of January 2020 or earlier.

The commitment above comes from the UK Soy Manifesto which we are signatories of. The UK Soy Manifesto is a collective industry commitment to work together to ensure all physical shipments of soy to the UK are deforestation and conversion free by 2025. Other signatories include some of our customers (Aldi, Coop, Lidl, M&S, Morrisons, Nando's, Sainsbury's).

Who does the Policy apply to?

This policy applies to all soy supplied to Greencore (both direct and embedded) from both UK and non-UK direct suppliers of soy (or products containing soy or embedded soy) as listed below.

- Soy used as direct ingredient for human consumption as protein alternative or products where soy is the primary ingredient (edamame, tofu, soy milk, soy sauce)
- Soy used as animal feed in the production of meat, poultry and fish used as ingredient in our products
- Soy used as animal feed in the production of dairy products (e.g.: cheese, butter, etc.) and eggs used as ingredient in our products.

Soy by-products are not currently in scope of this policy as it does not represent material impact.

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Transition Plan

Greencore's supply chain is largely global and complex. Therefore, in order to achieve the commitment set in this policy we have broken down the commitment into realistic target phases. Using our soy footprint calculations, we will start taking actions in the food categories where our soy footprint is largest.

Phase	Protein Category	Target	Timeframe
1	All	Map the supply chain of direct suppliers and complete soy footprint calculation	March 2023
2	Poultry, Eggs	Supplier data gathering (certified status gap analysis) Engage with suppliers and agree on transition plans	March 2023
3	Pork	Supplier data gathering (certified status gap analysis) Engage with suppliers and agree on transition plans	Jul 2023
4	Dairy	Supplier data gathering (certified status gap analysis) Engage with suppliers and agree on transition plans	Dec 2023
5	Beef	Supplier data gathering (certified status gap analysis) Engage with suppliers and agree on transition plans	Jul 2024
6	Fish, Soy (direct), Vegan	Supplier data gathering (certified status gap analysis) Engage with suppliers and agree on transition plans	Sep 2024
7	All	All soy (direct and embedded) to be physically certified (SG, MB) or otherwise verified as DCF.	Dec 2024
8	All	Certified status gap analysis and closing of any gaps	Jul 2025
9	All	All soy (direct and embedded) to be physically certified (SG)	Dec 2025

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Supplier Requirements

Our ambition is that all soy used in our global supply chain is sourced from areas which are verified as zero deforestation.

To achieve this, where soy is present in supply chains (directly or embedded within supply chains as animal feed) we expect suppliers to:

- Have a publicly available deforestation and conversion-free commitment¹ (encompassing both legal and illegal deforestation / conversion) with a cut-off date of January 2020.
- Have a detailed Soy Transition Plan, agreed between Greencore and each individual supplier to demonstrate action for full implementation of the commitment by 2025.
 - We expect the suppliers' 'Transition Plan' to be structured as SMART* milestones. (*specific, measurable, attainable, relevant & time bound.)
- Have a monitoring, reporting and verification system (MRV system) to track own progress and that of your supply chain
- Cascade the commitment and asks of this policy to their suppliers.
- Provide data annually to enable monitoring of progress.

Data request will be done annually. Data requested is subject to change, but will include asks on:

- Policy and transition plans
- Volumes
- Product information
- Certification scheme(s) and supply chain model(s)
- Certificate number
- GM status
- Feed supplier
- Soy Content ratios
- Country of origin
- Region and/or sub-region (at national level)

If soy is verified to be sourced from areas considered at low risk of deforestation or conversion, then we would ask for evidence of low-risk production area (E.g., bills of landing between production area and crushers).

If otherwise, soy is identified to be sourced from countries/areas considered at high risk of deforestation and conversion or sourcing information is unknown, requirements are set below.

¹ The commitment must be aligned with the principles, operational guidance and definitions set out in the [Accountability Framework](#).

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Suppliers can demonstrate risk has been mitigated and soy is verified deforestation and conversion free through direct monitoring or through certification. Specific details are given for each option below.

Direct Monitoring

If a supplier can identify the regions of sourcing, they might be able to demonstrate soy is deforestation-free if soy is from a landscape/jurisdiction covered by credible programmes such as The Soy Moratorium. If a company buys from a trader who is a signatory of the moratorium and whose third-party audits assure compliance with it, there is a good level of assurance the volumes coming from the Amazon from that supplier are deforestation-free.

Certification Standards

There are a number of certification standards associated with responsible soy production. Greencore accepts any schemes² benchmarked by ITC (International Trade Centre) against the FEFAC Soy Sourcing Guidelines (2021) with desired criterion 34 (which covers the conversion of natural vegetation with fixed cut-off date of 2020).

Chain of Custody Supply Chain Model

There are four supply chain certification models that support the production of certified soy. These are: (definitions for the below can be found in the end of this document).

- Segregated (SG)
- Mass Balance (MB)
- Area Mass Balance (AMB)
- Book & Claim (credits)

Only Segregated (SG) supply chain model can demonstrate deforestation and conversion free. Mass Balance (MB), Area Mass Balance (AMB) and Book & Claim credits will only be accepted as a transitional mechanism when physically certified soy (MB and SG) is not yet available.

We encourage suppliers to use credits (Book & Claim) as part of their transition plan to physically verified deforestation and conversion free soy.

² A full list can be found in the ITC Standards Map [website](#). The list is subject to change.

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How will the policy be monitored?

To ensure that we are moving towards the commitment made in this policy, it is essential to monitor and report on progress, both internally and externally.

We have established a 'Responsible Soy Working Group' comprising of leaders from across the business that has overall responsibility for the delivery of our 'Soy Transition Plan'. The working group will meet at least four times a year to review the Implementation of our Responsible Sourcing of Soy Policy.

Our data is collected, reviewed and verified by a 3rd party company. This ensures we have an accurate picture of our progress. Greencore will report on progress annually through our sustainability report, the UK Soy Manifesto, CDP (Carbon Disclosure Project) Forests questionnaire and through 3keel (on behalf of retailers).

Greencore reserves the right to conduct traceability exercises to review suppliers' soy sourcing compliance as part of routine food manufacturing audits.

Non-Compliance

Any products that do not meet this policy must be escalated to the 'Responsible Sourcing Working Group' for discussion.

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Roles and Responsibilities

NPD & Buyers

NPD teams and buyers within the categories implicated by this policy will use the policy to make decisions on new product development and sourcing of associated ingredients, both to ensure that new products are not introduced that do not meet the policy and to drive projects to improve our soy position.

SMEs

SMEs for the categories implicated by this policy will be part of the 'Responsible Soy Working Group' to share knowledge and support transition plans (with suppliers) and decision making.

Sustainable Sourcing Advisor

The Sustainable Sourcing Advisor will support technical and buying teams in implementation of the requirements set in this policy and ensure suppliers comply to its provisions.

Responsible Soy Working Group

The delivery of this policy will involve multifunctional departments. The 'Responsible Soy Working Group' is responsible for:

- Reviewing this policy annually to ensure the requirements here within are in line with customers' requirements.
- Facilitating and overseeing suppliers' transition plans.
- Tracking key performance indicators.
- Dealing with non-conformances

Supporting and Engaging in the Sustainable Soy Agenda

Greencore supports industry wide transformation. We are signatories of the UK Soy Manifesto and work closely with our stakeholders (customers and suppliers) to ensure a smooth transition to responsible soy.

The Manifesto is a collective industry commitment to work together to ensure all physical shipments of soy to the UK are deforestation and conversion-free. We encourage our suppliers (and their suppliers) to join the UK Soy Manifesto as we believe this will facilitate transition.

Related documents I may need to know?

- Greencore Supplier Responsible Sourcing Code of Conduct.

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Definitions

Accountability Framework – a practical consensus-based guide for achieving and monitoring deforestation, conversion and human rights abuse-free supply chains.

Area Mass Balance (AMB) – a supply chain model that combines Mass Balance and the Book & Claim system. The certificates from the purchase area are linked to the delivery of physical material from that area through a mass balance model.

Book and Claim / Credits – a supply chain model that enables the trade of Book & Claim credits through an online trading platform. The certificates are separated from the physical material.

Cargill Triple S - Triple S refers to 'sustainably sourced and supplied', a standard developed by feed trader Cargill.

Cefetra CRS - CRS is 'Certified Responsible Soy' is a standard developed by Cefetra, a raw material supplier to food and feed industries.

Conversion - is the change of a 'non forest' natural ecosystem (grasslands, woodlands, savannahs, wetlands, and peatlands) to another land use (as described above), or a profound change in the natural ecosystem's species composition, structure, or function

Danube Soya - The Donau Soja Association is an international, non-profit organization whose goal is to promote the development of a sustainable protein supply. It operates the Donau Soja Standard.

Deforestation – is the loss of natural forest as a result of three types of activities:

- Agriculture
- Tree plantation (lacking key elements of natural forests native to the area, such as species composition and structural diversity)
- Degraded land

FEFAC FEFAC is the European Feed Manufacturers' Federation.

ISCC - ISCC (International Sustainability and Carbon Certification) is a certification system that provides for the implementation and certification of sustainable, deforestation-free and traceable supply chains.

ITC database - The database used by the International Trade Center to benchmark soy schemes against the FEFAC Guidelines.

Mass Balance – a supply chain model in which certified and conventional non-certified materials are mixed in the supply chain (e.g., during storage or transport). Output of certified soymeal supplied to customers does not exceed the input of certified soymeal received.

Physical – schemes that connect physical flows of certified soy from farm to its use as soymeal.

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ProTerra - The ProTerra Foundation is a not-for-profit organisation that operates the ProTerra Certification Scheme, a sustainability standard which is non-GMO (Genetically Modified).

RTRS - The Round Table on Responsible Soy is a civil organization that promotes responsible production, processing, and trading of soy.

Segregated – A supply chain model that ensures certified soymeal is kept segregated from non-certified sources through each stage of the supply chain.

Soy by-products – Soy used to produce soy derivatives used as an ingredient such as lecithin, methyl soyate etc.

Target date (2025) – indicates that by 2025 Greencore commits to have fully achieved its commitment (to have no soy volume in supply chain that was produced on land subject to deforestation or conversion free since 2020).

Verified – verification from direct monitoring or certification approaches

2020 cut-off date –indicates that the soy covered by the commitment may not be produced on land that has been subject to deforestation or conversion since 2020.

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Appendix I

If you are initiating your soy journey, an excellent resource is the EFECA's [Soy Toolkit](#). You will be able to access 'Introduction to Sustainable Soy' [here](#) 3and below and extract from the document which we find useful and relevant.



Rapid assessment of soy in supply chain

- Estimate the soy footprint of your products
- Prioritise products for action considering their soy footprint and transformation chain



Plan implementation by defining

WHAT activities will be done for priority products - e.g. purchase of credits initially, traceability, risk assessment, supplier engagement, purchase control systems, monitoring and reporting



WHO will do them: assign responsibilities and build internal support



WHEN these activities will be done: develop a timeframe with internal and external time-bound targets and long-term goals.



Understanding supply chains of priority products

- Map your soy supply chain and categorise volumes (known/unknown origin). Traceability is an ongoing process requiring collaboration and monitoring.
- Assess geographical risk and classify all soy sourced based on risk level
- Assess and rank suppliers' performance based on compliance with your policy commitments
- Prioritise suppliers and/or sourcing areas for engagement. High risk areas and suppliers have the biggest potential for positive change



Engage with suppliers

- Determine at what level to engage (directly or indirectly) depending of your position in the supply chain
- Complete a gap and risk assessment of suppliers to prioritise engagement
- Design and implement a time-bound action plan to address identified gaps, following guidelines on good practices for supplier engagement systems
- To increase scale and impact, get involved in collaborative initiatives such as sectorial and landscape or jurisdictional approaches



Monitor and report on progress

- Monitoring design and implement a monitoring system with clear KPIs
- Reporting, develop a plan for internal and external reporting on progress and performance
- Review implementation periodically and consider incorporating new activities to build up on the progress achieved.

³ Efeca & Proforest, 2020. Introduction to Sustainable Soy 2. https://www.efeca.com/wp-content/uploads/2020/11/DP2-introduction-to-sustainable-soy_Final_2.pdf

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1	November 2022	Sulamita Baeta (Sustainable Sourcing Advisor)	Responsible Sourcing SBMG (Soy Working Group) Andy Wright (Head of Sustainability)	New policy

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