



KFC

SUSTAINABILITY REQUIREMENTS

SOURCING SOY REPORT



Here at KFC UK&I, when it comes to sourcing, the Colonel's aim is to promote sustainable work practices that protect and preserve the environment, drive efficiency, transparency and transform our supply chains.

"We are committed to ending deforestation and ensuring that the production of protein-rich soy in our chicken feed supply chains can be grown without the further destruction of forests or to communities around the world. Whilst we don't purchase large volumes of soy directly, it is our responsibility to manage our supply chain."

Jenny Packwood - Chief Corporate Affairs & Sustainability Officer at KFC UK & Ireland

WHY IS THIS IMPORTANT?

Protecting nature and global forests are key parts of this commitment. That's why we've set out clear policies and action plans for the use of soy and palm within our supply chains.

Soy is primarily used in animal feed in meat and poultry supply chains and has been behind concerning levels of deforestation and social challenges. This is particularly true in areas where rainforests are cleared to make way for soy plantations, particularly in South America.

Like soy, palm oil has been strongly linked to deforestation, which is why KFC UK&I does not permit the use of palm oil or palm oil blends for frying. Where palm oil is used as an ingredient, we make sure it is limited in its use (needed for technical reasons) and RSPO certified.

Although we don't purchase significant quantities of soy directly, our chicken supply chain does use large volumes of soy within the chicken feed. This is reflective of the overall global picture where around 75% of global soy production is used in animal feed. That's why we place the utmost importance on ensuring it is sourced responsibly within our supply chain.

12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION





WHAT ARE WE DOING?

KFC UK&I is committed to accelerating efforts to eliminate deforestation from our supply chains, and so we have pledged to ensure all physical shipments of soy to the UK are deforestation and conversion free by 2025, by signing up to the industry leading initiative, the UK Soy Manifesto.

[CLICK HERE TO VIEW THE FULL SOY POLICY FOR KFC UK&I](#)

By 2025, we aim to source 100% of the soy in our supply chain (both embedded soy in animal feed for example, or soy used as an ingredient) from physically traceable, verified, deforestation and conversion-free sources. This commitment is also directly linked to our [Ethical Sourcing Policy](#). We want to promote the responsible production of soy, which benefits farmers and surrounding communities. As well as respecting and upholding the rights of workers, indigenous peoples, and communities.

BY SIGNING UP TO THE MANIFESTO, WE HAVE ALSO COMMITTED TO:

- ★ Encouraging our direct suppliers to set a deforestation and conversion free commitment with a cut-off date of January 2020.
- ★ Working with our suppliers to agree a transition plan to achieve our commitment by 2025.
- ★ Annually report on our progress towards the 2025 commitment.

What is UK Soy Manifesto?

This Manifesto is a collective industry commitment of **34 signatories** (representing nearly **60%** of UK's total consumption) to ensure all physical shipments of soy to the UK are deforestation and conversion free (cut-off date of January 2020 at the latest), fully implemented immediately where possible and no later than 2025.

The UK
Soy Manifesto
TO A DEFORESTATION AND CONVERSION FREE SOY SECTOR

The global supply chain is complex, with multiple interested parties, multiple jurisdictions, and differing legislation. Therefore to impart real change, we cannot work in silos.

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To achieve our goal of sourcing 100% of the soy in our supply chain from physically traceable, verified, deforestation and conversion-free sources, we are working collaboratively with external parties, including WWF, to deliver meaningful impact.
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We will do this by mapping our soy supply chain, working with partners to create greater transparency, developing key action plans with our suppliers and aiming to engage major soy traders. We feel it is crucial to work in collaboration with others on this journey, and we are working closely alongside Efeca, UK Soy Manifesto, Consumer Goods Forum and WWF.

We are committed to transparency and accountability when it comes to tracking the data on the sourcing of soy in our supply chains. After all, if you don't measure it, you can't improve it. To date, we have taken a risk-based approach in our data collection and have focused on our poultry supply chain where the largest proportion of our soy footprint lies.

Despite KFC being a relatively small part of the picture, we are aware of the platform our brand gives us and the responsibility we have. All of our suppliers have been made aware of the KFC UK&I Soy Policy and we plan to expand the data to cover other key supply chains (dairy, eggs and soy as an ingredient) by 2024.

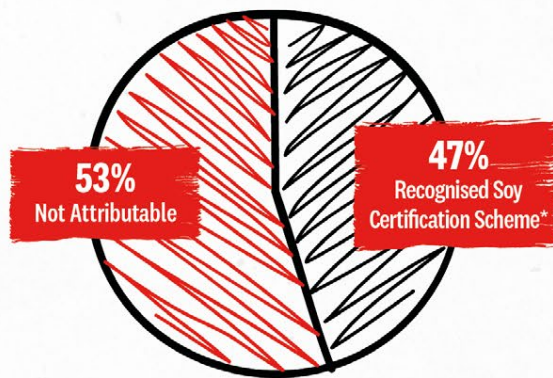




WHERE ARE WE NOW?

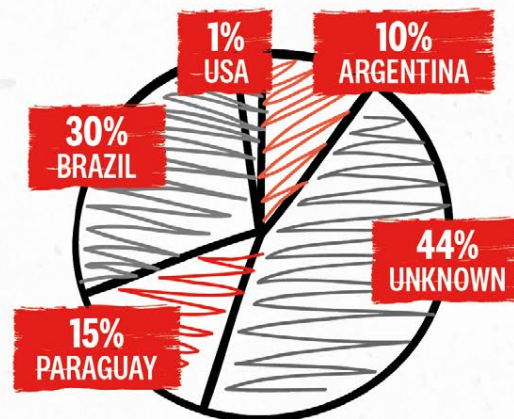
Through the work we have done to date, our annual KFC UK&I's soy footprint for our poultry supply chain is:

109,000 TONNES



CURRENT CERTIFIED SOY

*Recognised schemes include RTRS Certificate Trading, RTRS Standard for Responsible Soy production, Proterra, Cefetra Responsible Soy, Cargill Triple S, ADM Responsible Soy version 2, Donau Soja, ISCC+, Other certification (such as GMP+).



SOY SOURCING BY REGION

KFC UK&I understand deforestation-free and conversion-free soy to be soy that is: 'legal and cultivated in a way that protects against conversion of forests and valuable native vegetation'.

The data we have gathered shows that, 47% of the soy footprint is certified by a recognised scheme. 53% of the soy footprint has not been attributed to a source. This is due to the challenging nature of mapping soy back to source for animal feed.





WHAT NEXT?

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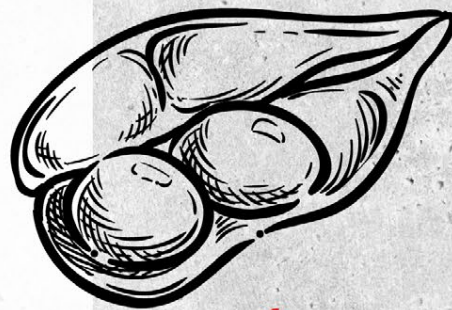
MAPPING OUR POULTRY SUPPLY CHAIN IS A SIGNIFICANT STEP FORWARD, BUT OUR ACTION WILL NOT END HERE

This mapping will serve as a foundation element of our sourcing of responsibly sourced soy, and is something we will report on annual for KFC UK&I. This will improve the transparency of soy, to increase the amount of certified and sustainable soy across our supply chain.

In the coming year, we will continue to engage with our supply chain partners to understand more about their business commitments, while collecting data on how many of these suppliers have a DCF policy of their own and encouraging progress on this journey.

Additionally, we will be engaging with working groups to discuss alternative solutions or the reduction of soy within the animal feed, for example, the use of insects, other vegetables or amino acids.

It's this type of action that will deliver alignment across the industry, and it will encourage progress and ensure accessibility to data for all.



We have welcomed the UK government and EU parliament proposals to bring forward legislation on mandatory due diligence to end deforestation.