![Accountability Framework | Delivering on ethical supply chain commitments](logo)

CSI Platform META meeting

Overview of the Accountability Framework

November 19, 2020

Outline

1 About the Accountability Framework initiative (AFi)

2 Using the Framework to drive progress

3 Getting started with the Framework

4 Questions and answers

1

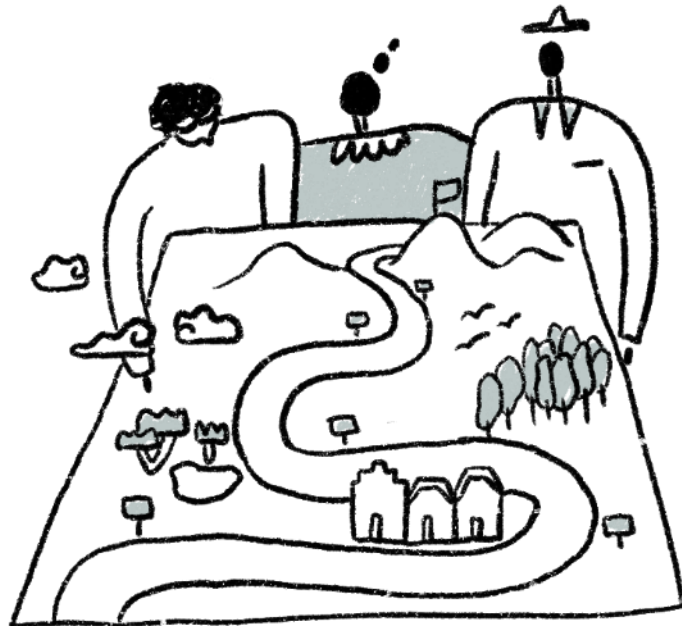# About the Accountability Framework initiative (AFi)

Accountability Framework

Delivering on ethical supply chain commitments

A collaborative effort to accelerate progress and improve accountability for ethical supply chains in agriculture and forestry

The Framework:
A common roadmap

The AFi Coalition

A unique coalition to support progress at scale

Steering Group:

National Wildlife Federation · The Nature Conservancy · proforest · World Resources Institute · Rainforest Alliance

RESOURCETRUST · SAI Social Accountability International · VERITÉ Fair Labor. Worldwide. · WWF

Plus independent experts:
Gita Syahrani - Indonesia
Silas Siakor - Liberia

Backbone Team:

Meridian Institute · Rainforest Alliance

Supporting Partners:

CDP Disclosure Insight Action · Ceres Sustainability is the bottom line. · Forest Peoples Programme · global canopy · imaflora ·

NEPCon Preferred by Nature · New York Declaration on Forests GLOBAL PLATFORM · LTKL Lingkar Temu Kabupaten Lestari · RIGHTS + RESOURCES · efeca · SUPPLY CHANGE Commitments that Count

Regional Teams: SE Asia; West & Central Africa; Colombia; Brazil/Paraguay/Argentina

Consensus

Capacity

Coordination

Scope of the Accountability Framework

Topical scope

Halt deforestation

Protect other natural ecosystems

Respect human rights

Support producer and community livelihoods

Supply Chains

Palm Oil

Soy

Cattle

Pulp/paper/timber

Cocoa

Rubber

Other commodities (coffee, etc.)

Geographies

South America

Southeast Asia

West/Central Africa

Other producing regions

Contents of the Accountability Framework

Set and strengthen goals · Implement ethical supply chains · Report progress

1 Protection of forests and other natural ecosystems

2 Respect for human rights

3 Specification of commitments

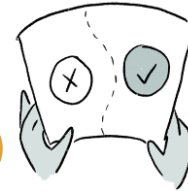**4** Company systems and processes to drive effective implementation

5 Supply chain assessment and traceability

6 Managing for supply chain compliance

7 Land acquisition, land use planning, and site development

8 Land management and long-term protection

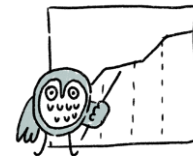**9** Access to remedy and environmental restoration

10 Collaboration for landscape and sectoral sustainability

11 Monitoring and verification

12 Reporting, disclosure, and claims

www.accountability-framework.org

Accountability Framework guidance for soy (& beef) in South America

- The Accountability Framework is fully aligned with – and will be incorporating – additional specific guidance for soy production and sourcing from the Amazon, Cerrado, and Chaco biomes.

- This material was developed through the Collaboration for Forests and Agriculture and includes specific definitions and guidance on monitoring systems.

AREAS COVERED BY CFA

BRAZILIAN AMAZON

CERRADO

CHACO

2

Using the Framework to drive progress

How is the Accountability Framework helping companies progress on ethical supply chains?

- ✓ Providing clear expectations and best practices on what companies need to include in policy-setting, implementation and reporting practices for non-certified supply.

- ✓ Clarification on what metrics to measure and report on, for companies and investors alike.

- ✓ Fostering greater consistency between reporting platforms, scorecards and data tools to avoid confusion.

- ✓ Guidance on how to incorporate human rights – including workers' rights – into supply chain efforts around forest and conversion-risk commodities.

- ✓ Supporting alignment of policies and regulations governing production and trade of forest and conversion-risk commodities.

Company experiences:

> " The Accountability Framework can help everyone to **speak the same language**, making it faster and easier for all of us to deliver on commitments.
>
> **Michel Santos**
> Director, Global Sustainability
> Bunge

> " As companies, **we all want rules of the game**. We all want to know what we can report against transparently to demonstrate to stakeholders that we're really making these efforts in our supply chains. The Accountability Framework allows us to do that in a really clear and detailed way.
>
> **Rachael Sherman**
> Director Global Sustainability
> McDonald's Corporation

Industry groups and sector initiatives supporting the AFi

AFi supports industry groups, associations and other sectoral initiatives to align their efforts with the best practices in the Accountability Framework. Some examples include:

- Consumer Goods Forum – aligning commodity roadmaps with the Framework

- UK Roundtable on Sustainable Soya – providing common definitions to guide members on policy development

- Aquaculture Stewardship Council – new fish feed standard aligns with the Framework for requirements on plant-based ingredients

- FEFAC – coordinating with AFi to pursue alignment for the upcoming new Soy Sourcing Guidelines

Examples of aligned initiatives

Responsible investment

Ceres PRI

Certification

iseal alliance FSC

Rainforest Alliance RSPO asc

Other implementation protocols

HCV RESOURCE NETWORK HCSA HIGH CARBON STOCK APPROACH

Reporting, monitoring and assessment

SPOTT FOREST 500 proforest Implementation Reporting Framework

CDP GLOBAL FOREST WATCH FOREST TRENDS SUPPLY CHANGE An Initiative of Forest Trends

trase

Industry and sectoral initiatives

New York Declaration on Forests GLOBAL PLATFORM UNITED NATIONS HUMAN RIGHTS

The Consumer Goods FORUM Cocoa & Forests Initiative GPSNR

www.accountability-framework.org

3

Tools and resources to get started with the Framework

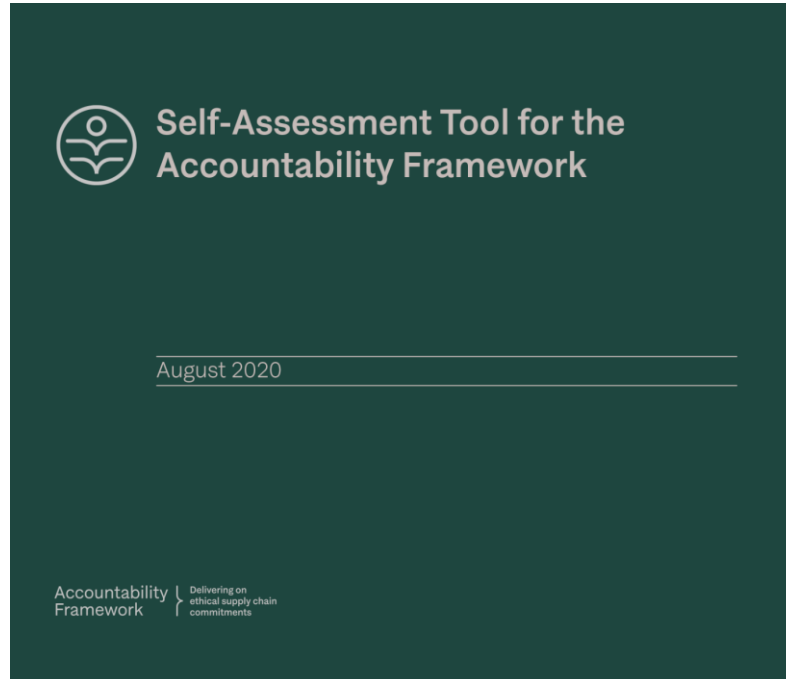# What tools and resources are available for companies?

✓ The AFi self-assessment tool helps companies to benchmark policies, implementation systems, and reporting against the global best practice and NGO expectations in the Framework.

✓ The AFi's guide on How to write a strong ethical supply chain policy supports development robust policies by companies.

✓ Resources and guidance to understand how to manage supplier non-compliance and credible options for addressing traceability.

✓ Guidance on best practices in monitoring, disclosure and reporting that is aligned with sustainability reporting and/or scoring frameworks.

AFi Self-Assessment Tool

Self-Assessment Tool for the Accountability Framework

August 2020

Accountability Framework | Delivering on ethical supply chain commitments

1. Tool for Assessing Company Commitments and Policies

The Accountability Framework's Core Principles 1-3 define the elements of strong company policies to address deforestation, conversion of other natural ecosystems, and human rights abuses in agricultural and forestry supply chains. This section itemizes the elements of these Core Principles to help companies assess the alignment of their policies with the Framework. It can also be used as a reference to guide the establishment of new policies. Assessment should follow the three steps below:

Step 1: Define the assessment scope

To ensure clarity in how the assessment is conducted and interpreted, the assessment scope should be clearly defined at the outset. It is helpful to specify both the scope of any existing company commitments/policies and the scope of the assessment, if different.[1] All elements in the assessment should then be evaluated with respect to the assessment scope specified here.

Aspect of scope	Scope of company commitment(s)	Scope of this assessment
Commodities included		
Company activities included (e.g., production, sourcing, and/or financing – state "all" or specify which are covered vs. excluded)		
Locations of production, sourcing, or financing included (e.g., countries of origin – state "all" or specify which are covered vs. excluded)		
Types of suppliers included (e.g., own production, direct suppliers, indirect suppliers, smallholder suppliers – state "all" or specify which are covered vs. excluded)		
Business units or affiliates (state "all" or specify which are covered vs. excluded)		
Please specify any other exclusions:		

User guide: How to write a strong policy

Annex 1:
Sample company-wide "umbrella" policy

This annex provides a sample of a company-wide policy on deforestation, conversion, and human rights that aligns with the Accountability Framework and is based on the policy-setting process outlined in this guide. The sample policy itself is in the left column while the right column contains explanatory notes.

AmazingCompany's Ethical Supply Chain Policy

Protection of forests and other natural ecosystems is critical for maintaining biodiversity, combating climate change, and sustaining livelihoods. The raw materials that AmazingCompany sources – including palm oil, soy, and cocoa – can pose risks for deforestation and human rights violations. As part of our overall sustainability goals, AmazingCompany is committed to eliminating deforestation and ecosystem conversion from our supply chains and to safeguarding human rights across all our operations and suppliers. This policy outlines our commitment to achieve ethical supply chains across all our production and sourcing.

This introduction frames the policy in its context according to Step 2.

This policy aligns with the principles and guidelines laid out in the UN Global Compact, the UN Guiding Principles for Business and Human Rights, the International Bill on Human Rights, and the ILO fundamental conventions. The policy also follows the Accountability Framework and incorporates many of its terms and definitions to help clarify the intentions of these commitments and promote alignment in sustainability practices across the sectors where we operate.

This paragraph cites the key external norms that the policy aligns with or incorporates.

Scope

The provisions in this policy apply to:

- all commodities that AmazingCompany produces or sources that pose a material risk for deforestation, conversion, or human rights violations, namely palm oil, soy, and cocoa
- all AmazingCompany operations globally, including those of our subsidiaries, mills, and plantations we own or manage

This section specifies the scope of the policy according to Step 3. Since AmazingCompany has also developed specific policies for each of its commodities and for workers' rights, this

11

17

User guides: Essential components of reporting

Using Existing Reporting Systems to Report on Commitments

June 2019

Minor revision: December 2019

HOW TO

Use the Accountability Framework to guide reporting on agricultural and forestry supply chains
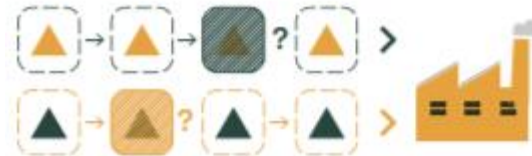
1. Company **exposure** to environmental and social risks.

2. **Management systems** and activities related to the implementation of commitments.

3. Degree of **traceability** and/or control in the company's supply chain.

4. **Performance relative to company commitments and targets**, including:
   a) progress towards or fulfilment of the commitment or target;
   b) associated on-the-ground outcomes for land use, deforestation/conversion, and human rights

Join the AFi webinar series!

Company Training and Learning
Webinar Series

September 30th	Overview of the Accountability Framework
October 21st	Improve your company's sustainability ratings
November 17th	Reporting on forest-risk commodities
December 9th	Using the Framework in tandem with certification and other tools
January (date tba)	Responsible supply chain management

Accountability
Framework

FOR MORE INFORMATION VISIT:
ACCOUNTABILITY-FRAMEWORK.ORG/EVENTS

Get Started

www.accountability-framework.org

Thank you and please reach out for more information!
astork@ra.org

Learn about the AFi and the Framework
Learn More ›

See how the Framework is relevant to your organization
Learn More ›

Apply the Framework
Learn More ›

Access the full Framework
Learn More ›

Learn about key topics addressed in the Framework
Learn More ›

www.accountability-framework.org

accountability-framework.org