

# CDP Reporter Services Forests: Timber Products Comparative Analysis Report



The following custom report has been prepared by CDP Reporter Services for **AstraZeneca** using the public responses of all companies from the CDP 2023 Forests disclosure request. CDP's alignment with the Accountability Framework initiative's (AFi) core principles for setting, implementing, and monitoring commitments on deforestation has informed the contents of this report. This report covers the following themes from CDP's Forests questionnaire: board oversight, policies, risk assessment, targets, traceability, compliance, control systems, certifications, engagement, and restoration.

[cdp.net/en/companies/reporter-services](https://cdp.net/en/companies/reporter-services)

## Your score

**B**

AstraZeneca

## Average performance

**B-**

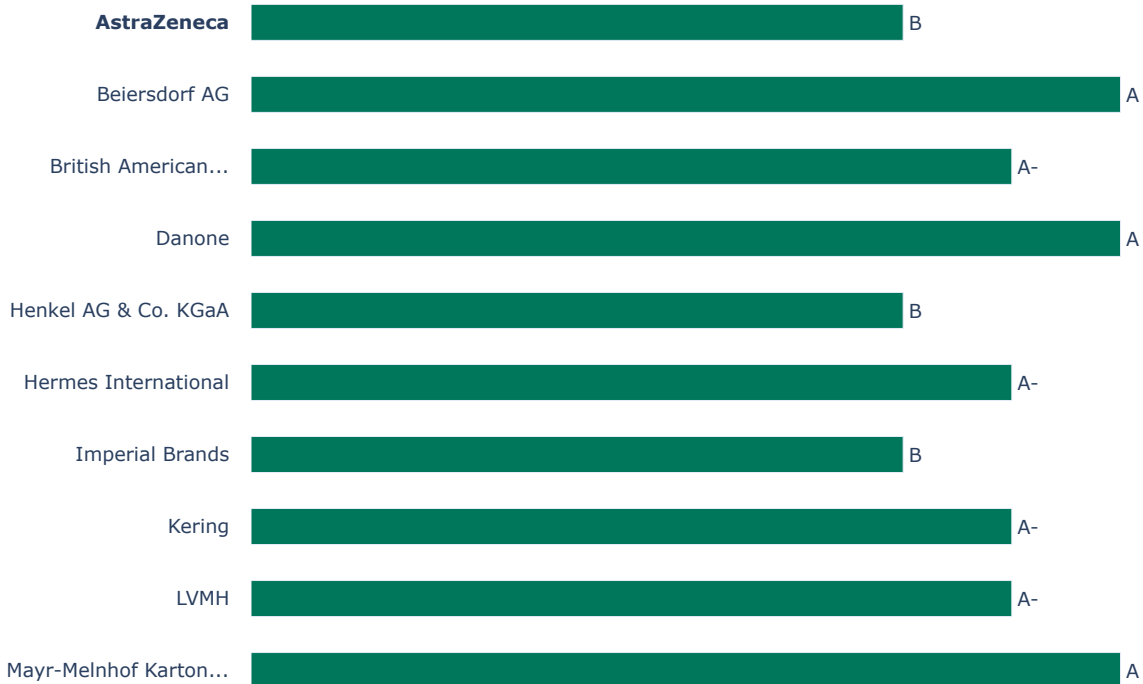
All public responders

**B-**

Biotech & pharma

**A-**

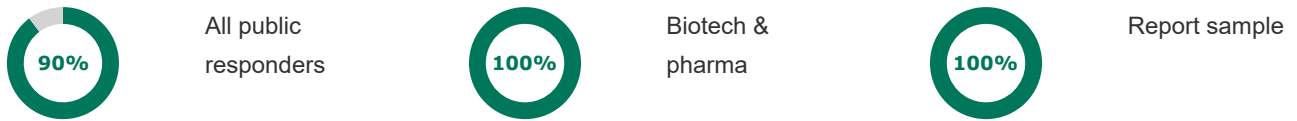
Report sample



# Governance

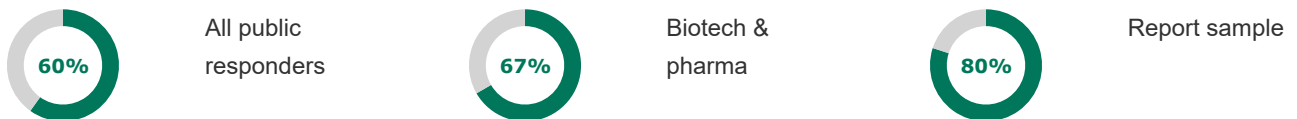
## Companies with board oversight of forests-related issues (%)

Inclusion of forests-related responsibilities at the board level indicates a company's commitment to putting deforestation risks at the forefront of their business strategy, risk management policies, budgets, and objectives.



## Companies with board competency on forests-related issues (%)

Board-level competence and expertise on forests-related issues ensures transition to a sustainable future and signals a company's commitment to understanding and responding to risks, opportunities, and impacts.

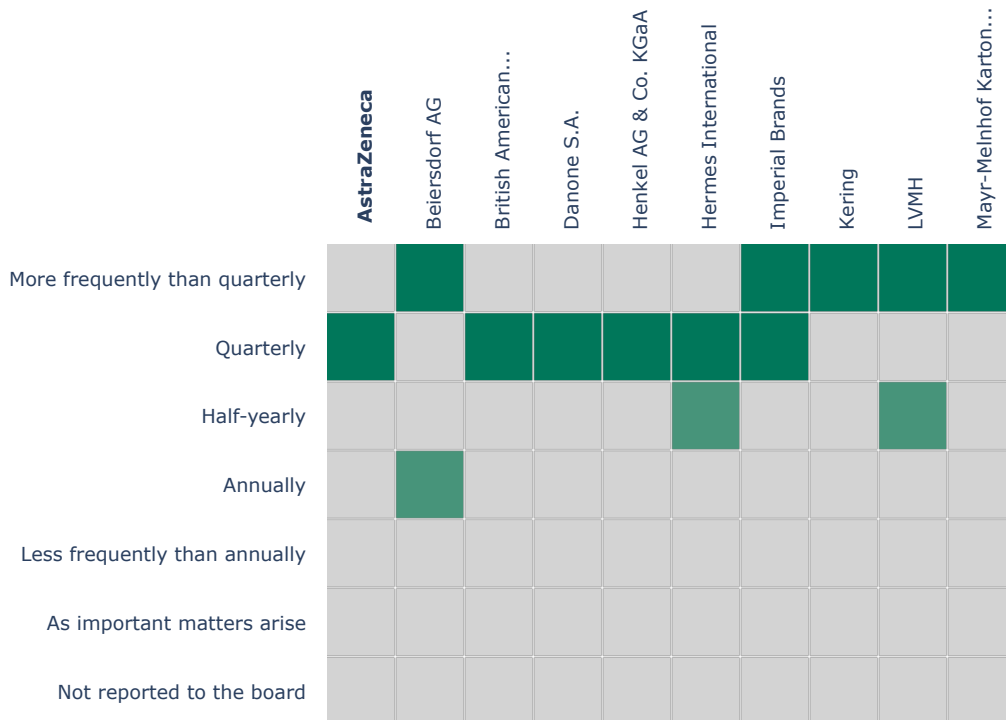


**Companies in the report sample with board-level competence on forests-related issues:** Beiersdorf AG, British American Tobacco PLC, Danone S.A., Henkel AG & Co. KGaA, Hermes International, Kering, LVMH, Mayr-Melnhof Karton Aktiengesellschaft

## Frequency of reporting to the board on forests-related issues

Assigning management-level responsibility indicates that a company is committed to implementing a forests-related strategy. CDP considers it best practice to report to the board at least quarterly.

■ C-suite reporting   
 ■ Non-C-suite reporting  
 No management level responsibility for forests-related issues / No data



# Governance

## Forests policy

CDP considers it best practice for a company to have a documented and publicly available forests policy which recognizes the importance of forests-related issues to its business and sets clear goals and guidelines for action. Setting a corporate policy for forests-related issues indicates that a company recognizes its responsibility in reducing deforestation and forest degradation in its own operations and value chain.

### Companies with a forests policy that is publicly available (%)



All public responders



Biotech & pharma



Report sample

### Companies with best practice forests policies (%)

The content of a forests policy informs stakeholders of the key principles a company has adopted to address deforestation and degradation of forests and other natural ecosystems. Company-wide commitments to **eliminate conversion of natural ecosystems, to eliminate deforestation, to no deforestation, to no planting on peatlands and to no exploitation (NDPE)**, and **commitments beyond regulatory compliance** are indicators of a robust forests policy.

#### Eliminate conversion of natural ecosystems



All public responders



Biotech & pharma



Report sample

#### Eliminate deforestation / No deforestation, no planting on peatlands and no exploitation (NDPE)



All public responders



Biotech & pharma



Report sample

#### Beyond regulatory compliance



All public responders



Biotech & pharma



Report sample

### Policies among companies in the report sample

Organization	Eliminate conversion of natural ecosystems	Eliminate deforestation  NDPE	Beyond regulatory compliance
AstraZeneca	Committed		Committed
Beiersdorf AG	Committed	Committed	Committed
British American Tobacco PLC	Committed	Committed	Committed
Danone S.A.	Committed	Committed	Committed
Henkel AG & Co. KGaA		Committed	Committed
Hermes International	Committed	Committed	Committed
Imperial Brands	Committed	Committed	Committed
Kering	Committed	Committed	Committed
LVMH	Committed	Committed	Committed

# Risk assessment

Investors and data users are interested in how a company identifies, assesses, and manages forests-related risks. This information is evaluated to determine a company's risk profile and the adequacy of its risk management strategies.

## Companies with forests-related risk assessment (%)



All public responders



Biotech & pharma



Report sample

Companies in the report sample that have thorough risk assessment in place, with **full coverage** and **defined procedures, tools, and methods**, which is **conducted at least annually**, and **considers risks more than 6 years into the future**: Beiersdorf AG, British American Tobacco PLC, Hermes International, LVMH, Mayr-Melnhof Karton Aktiengesellschaft

## Risks with potentials to have substantive impact as identified by companies in the report sample

Information on companies' substantive risk exposure is critical to stakeholders' decision making. Understanding risks identified by a company's peers can help identify gaps in its own risk identification and expose hot spots.



## Potential financial impact of forests-related risks (Average in USD)

The financial impacts a company faces can be driven by exposure to underlying forests-related risks and by how effective its risk management decisions and mitigation strategies are. The average financial impact figures (in USD) for substantive risks below are based on risks that have been reported as "Very likely" or "Virtually certain" to occur.

Group	Physical	Regulatory	Reputational and markets	Technological
Biotech & pharma	No data	No data	No data	No data
Report sample	No data	6,691,449.33	71,656,465.26	No data
<b>AstraZeneca</b>	No data	No data	No data	No data

# Targets

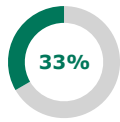
Companies benefit from target-setting by having clear indicators of their progress towards better forest stewardship. Ambitious targets reflect the urgency with which forests issues are being addressed and evaluated by companies. Information disclosed about a company's targets provides stakeholders with a way of tracking progress towards sustainability.

## Companies reporting time-bound targets (%)

Includes companies with targets for 2019-2030 with a linked commitment to no-conversion/deforestation.



All public responders



Biotech & pharma



Report sample

## Forests targets of companies in the report sample

CDP recognizes best practice as having set ambitious, time-bound and measurable targets linked to no-conversion/deforestation commitments, with clear milestones towards achieving them. Investors expect companies to demonstrate linear progress towards full compliance with targets.

## Forests targets of companies in the report sample

\*Includes time-bound targets (target year from 2025 or earlier) with a linked commitment to no-conversion/deforestation. Multiple targets per company can display.

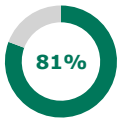
- At least 1 target on track
- New target(s) set during reporting year
- Has target(s) but none on track
- No target of this type

	AstraZeneca	Beiersdorf AG	British American...	Danone S.A.	Henkel AG & Co. KGaA	Hermes International	Imperial Brands	Kering	LVMH	Mayr-Melnhof Karton...
Traceability	□	□	■	□	□	□	□	□	■	■
Third-party certification	■	■	■	□	■	■	□	■	□	■
Engagement with smallholders	□	□	□	□	□	□	□	□	□	□
Engagement with direct suppliers	□	■	■	■	□	□	□	□	□	■
Engagement with indirect suppliers	□	□	□	□	□	□	□	□	□	□
Performance of owned or managed processing facilities	□	□	□	□	□	□	□	□	□	□
Performance of processing facilities in supply chain	□	□	□	□	□	□	□	□	□	□
Engagement in landscapes/jurisdictions	□	□	□	□	□	□	□	□	□	□
Natural ecosystem restoration and protection	□	□	□	□	□	□	□	□	□	□
Resource use and efficiency	□	□	□	□	□	□	■	□	□	□

# Traceability

It is critical for a company to have a system in place to track and monitor the origin of raw materials derived from forest risk commodities, in order to understand exposure to forests-related risks and ensure that its sourced/traded forest risk commodities meet specified sustainability requirements.

## Companies with traceability system in place (%)



All public responders



Biotech & pharma



Report sample

## Level of traceability for Timber products

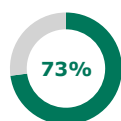
CDP recognizes best practice as having an all-encompassing traceability system which covers the majority of your total production/consumption volume, to a level where data users are able to ascertain compliance with your sourcing commitments. The table below demonstrates the % of total **Timber products** volume of companies in the report sample that is traceable at an accepted level (excludes: Country, State or equivalent, Municipality or equivalent, Not traceable)

Organization	Forest management unit	Mill	Tree plantation
AstraZeneca	0%		
Beiersdorf AG	10%		
British American Tobacco PLC		7%	20%
Danone S.A.		96%	
Imperial Brands	4%		
LVMH	22%	75%	
Mayr-Melnhof Karton Aktiengesellschaft	46%	5%	

# Certification

To demonstrate responsible business practice to stakeholders, companies should have credible third-party certification processes for all forms of their forests risk commodities, that cover at least 90% of the total production or consumption volume.

## Companies with third party certification of Timber products (%)



All public responders



Biotech & pharma



Report sample

## Third-party certification schemes of Timber products employed by companies in the report sample

Organization	% of total commodity covered	Third-party certification scheme(s) reported
AstraZeneca	97.5	FSC (any type);FSC Chain of Custody;FSC Controlled Wood;FSC Forest Management certification;FSC Recycled;PEFC (any type);PEFC Chain of Custody;SFI Fiber Sourcing certification;SFI Chain of Custody;Other scheme(s) not enumerated in the questionnaire
Beiersdorf AG	100	FSC Chain of Custody
British American Tobacco PLC	34.99	FSC Chain of Custody;PEFC Chain of Custody
Danone S.A.	92	FSC Forest Management certification;FSC Chain of Custody;FSC Controlled Wood;PEFC Sustainable Forest Management certification;SFI Fiber Sourcing certification;SFI Forest Management standard
Henkel AG & Co. KGaA	75	FSC (any type);PEFC (any type);SFI Chain of Custody
Hermes International	82.95	FSC (any type);PEFC (any type);Other scheme(s) not enumerated in the questionnaire
Imperial Brands	6.3	FSC Chain of Custody
Kering	81	FSC Chain of Custody
LVMH	82	FSC Chain of Custody;FSC Forest Management certification;FSC Recycled;PEFC Sustainable Forest Management certification
Mayr-Melnhof Karton Aktiengesellschaft	100	FSC Chain of Custody;PEFC Chain of Custody;FSC Controlled Wood

# Control systems

Companies with systems to control, monitor, or verify compliance with no conversion and/or no deforestation commitments (%)



All public responders



Biotech & pharma



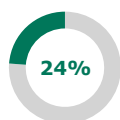
Report sample

Companies in the report sample with control systems in place: Beiersdorf AG, British American Tobacco PLC, Danone S.A., Henkel AG & Co. KGaA, Hermes International, Imperial Brands, Kering, LVMH, Mayr-Melnhof Karton Aktiengesellschaft

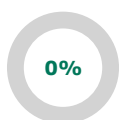
# Smallholder engagement

The production of forests risk commodities may offer an opportunity to engage with local stakeholders to drive local economic development and sustainable sourcing practices. Through engaging with smallholders, a company can increase the quantity and quality of its supply, improve its level of traceability, as well as reduce its procurement costs.

Companies engaging with smallholders (%)



All public responders



Biotech & pharma



Report sample

Smallholder engagement approaches by companies in the report sample

CDP considers it best practice to engage with smallholders, particularly through capacity-building and offering financial and commercial incentives.

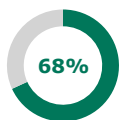
Organization	Working with smallholders	Number of smallholders engaged	Capacity building	Supply chain mapping	Financial and commercial incentives
AstraZeneca	Yes	20000	Yes		Yes
Beiersdorf AG	Yes	1000	Yes		Yes
British American Tobacco PLC	Yes	81825	Yes	Yes	Yes
Danone S.A.	Yes	29		Yes	Yes
Henkel AG & Co. KGaA	No				
Hermes International	Yes	1000000	Yes		
Imperial Brands	Yes	180000	Yes	Yes	
Kering	Yes	80			Yes
LVMH	Yes	50	Yes		Yes
Mayr-Melnhof Karton Aktiengesellschaft	Yes	350	Yes	Yes	



# Supplier engagement

Through engagement with suppliers, companies can take the first step in demonstrating commitment to deforestation-free supply chains to investors and data users. Companies can benefit from disclosing this information by understanding the immediate risks and opportunities within their supply chains.

## Companies engaging with direct suppliers (%)



All public responders



Biotech & pharma



Report sample

## Direct supplier engagement approaches by companies in the report sample

CDP considers it best practice to engage with direct suppliers, particularly through capacity-building and offering financial and commercial incentives.

*\*This question applies to companies who process, trade, manufacture and/or retail forest risk commodities (reported in question F0.4)*

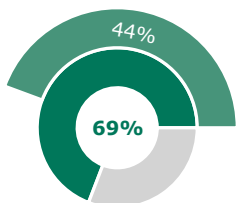
Organization	Working with direct suppliers	% of suppliers engaged	Capacity building	Supply chain mapping	Financial and commercial incentives
AstraZeneca	Yes	99.0%		Yes	
Beiersdorf AG	Yes	100.0%	Yes	Yes	Yes
British American Tobacco PLC	Yes	17.9%	Yes	Yes	
Danone S.A.	Yes	91.0%	Yes	Yes	
Henkel AG & Co. KGaA	Yes	87.0%	Yes	Yes	
Hermes International	Yes	92.0%	Yes	Yes	Yes
Imperial Brands	Yes	100.0%	Yes		
Kering	Yes	100.0%	Yes	Yes	Yes
LVMH	Yes	80.0%	Yes	Yes	Yes
Mayr-Melnhof Karton Aktiengesellschaft	Yes	100.0%	Yes	Yes	

# External engagement

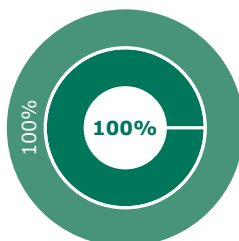
Getting involved in external activities and/or initiatives to influence the market of sustainable raw materials derived from forests risk commodities is important for driving increases in supply and demand for these materials. Similarly, engaging in multi-stakeholder initiatives and jurisdictional approaches can offer companies opportunities for collaboration to help improve their risk management strategies and production/sourcing practices.

## External engagement to promote implementation of forests-related policies and commitments (%)

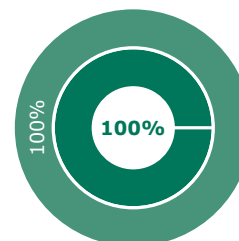
■ Participate in activities/initiatives   ■ Do not participate   ■ Multi-partnership/stakeholder initiatives



All public responders



Biotech & pharma



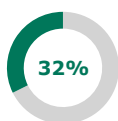
Report sample

## External engagement activities by companies in the report sample

Organization	Participate in activities/ initiatives	Multi-partnership/ stakeholder initiatives	Engaging with policymakers or governments
AstraZeneca	Yes	Yes	
Beiersdorf AG	Yes	Yes	
British American Tobacco PLC	Yes	Yes	
Danone S.A.	Yes	Yes	
Henkel AG & Co. KGaA	Yes	Yes	
Hermes International	Yes	Yes	Yes
Imperial Brands	Yes	Yes	
LVMH	Yes	Yes	Yes
Mayr-Melnhof Karton Aktiengesellschaft	Yes	Yes	
Kering	Yes	Yes	

# Landscape and jurisdictional approaches

## Companies engaging in landscape and jurisdictional approaches to progress shared sustainable land use goals (%)



All public responders



Biotech & pharma



Report sample

# Restoration

Nature-based solutions, such as ecosystem restoration, can contribute to climate change mitigation and ensure ecosystem sustainability, while simultaneously providing human well-being and biodiversity benefits. Recognizing this, companies are increasingly adopting nature-based solutions and are starting to plan and implement corrective actions within their operations to address past impact.

## Companies involved in ecosystem restoration and protection (%)



All public responders



Biotech & pharma



Report sample

## Protection projects by companies in the report sample

Project type	AstraZeneca	Beiersdorf AG	British American Tobacco PLC	Danone S.A.	Henkel AG & Co. KGaA	Hermes International	Imperial Brands	Kering	LVMH	May 1 Aktien
Afforestation									Yes	
Agroforestry					Yes				Yes	
Forest ecosystem restoration		Yes		Yes		Yes	Yes	Yes	Yes	
Mangrove protection and restoration				Yes						
Natural regeneration			Yes							
Other ecosystem restoration	Yes									
Reforestation	Yes								Yes	
Soil carbon sequestration										

If you are interested in diving deeper into the data presented in this report, please reach out to your account manager or email [reporterservices@cdp.net](mailto:reporterservices@cdp.net).