

May 28, 2020

Glenn Hurowitz Chief Executive Officer

Dear Grocery Store Executive,

Recently, your company demonstrated the power that the private sector can deploy to protect the environment and human rights. Your open letter to the Brazilian Congress warned that a proposed law to open up the Amazon rainforest to further destruction would "put at risk the ability of organisations such as ours to continue sourcing from Brazil in the future," citing the Amazon's wildlife and its crucial role in the climate and water cycles necessary for planetary health. Upon receiving the letter, the Brazilian government almost immediately delayed voting on the bill.

This kind of explicit statement of the commercial consequences of rolling back environmental and human rights laws is welcome, but more is urgently needed. With or without this new law, deforestation in South America has surged over the last year, in large measure because a small number of critical companies that supply soy and meat continue to drive massive deforestation and human rights abuses. **We are** therefore calling on you to adopt a no-deforestation policy with a clear non-compliance protocol that results in suspended or cancelled contracts with violating suppliers such as Cargill, Bunge, and JBS.

Deforestation is on the rise across Latin America, driven primarily by a handful of meat and animal feed suppliers whose activities are financed and legitimized by their customers. According to the latest numbers from the Brazilian national space research institute, forest loss in the Brazilian Amazon has climbed for 13 straight months and stands at 9,320 square kilometers for the year ending in April - the highest in a decade. In Bolivia, approximately 50,000 square kilometers of forest burned in just a few months, incinerating millions of animals and causing the worst environmental disaster in Bolivia's history.

The meat and feed suppliers responsible are not only destroying the Amazon rainforest, but also the Brazilian Cerrado, Bolivian forests, and the Gran Chaco of Argentina and Paraguay. Scientists are anxious that unless these companies immediately change, this year's fire season could be even worse than 2019, and the haze from these fires will cause communities to suffer from acute respiratory problems that could exacerbate the severity of the coronavirus pandemic.

Investigations into this deforestation consistently find the same meat and soy companies responsible. Analysis after analysis of fires and deforestation more broadly have identified Cargill, Bunge, and JBS as the leading culprits driving this devastation. Most recently, Chain Reaction Research (echoing the findings of our own mapping analysis from 2019) found that in the feed sector in Brazil alone, "Fires in Bunge and Cargill vicinity areas were higher than all of the other main soy traders combined."

Similarly, in cattle, JBS alone had 317,096 fires inside its buying area, triple what the next largest fire-linked company had. In Bolivia, Cargill is the leading international soy trader, and has been tied to repeated deforestation, with similar results for Cargill and Bunge in Argentina and Paraguay. Unsurprisingly, Cargill, Bunge and JBS have displayed reckless and callous behavior across their operations, keeping workers sick with coronavirus operating in close proximity as they process meat for your customers, leading to multiple deaths and outbreak clusters.

These companies have refused repeated entreaties to stop driving deforestation and fires, and continue to receive funding and market access as companies like yours turn a blind eye and source from them. There is no more time for polite requests and endless engagement. Unless you take action to cease sourcing from the companies driving this destruction, not only will you be complicit, but you will have also squandered an opportunity to act for over a year since the crisis first hit the headlines.

We are hereby calling on you to immediately begin suspending contracts with these suppliers. Please let us know what your availability is for a call to discuss what steps you will take to cease purchases from these companies.

Sincerely,

Glenn Hurowitz

Chief Executive Officer

Mighty Earth