

Media Inquiries:

Sabine Ritter

Tel: +49 170 435 2605

**CONSUMER GOODS INDUSTRY ANNOUNCES INITIATIVES ON
CLIMATE PROTECTION**

Retailers and manufacturers to halt deforestation practices and phase out climate-damaging refrigerants

PARIS, November 29, 2010 – On the first day of the Cancun Climate Summit, the Consumer Goods Forum announced two major initiatives on climate change: to work toward ending deforestation, and to phase out the use of refrigerant gases with high global warming potential.

The Forum, formed in 2009, is a CEO-level organization of 400 global consumer goods manufacturers and retailers with combined revenue in excess of \$2.8 trillion USD (2,1 trillion Euros). The initiatives were announced by the Board of Directors, comprised of 50 CEOs and co-chaired by Muhtar Kent of The Coca-Cola Company and Lars Olofsson of Carrefour.

“On behalf of my co-chair Lars Olofsson and the Board of Directors of The Consumer Goods Forum, we are in Cancun to lend our support to this monumental but essential task of creating solutions that lead to a low-carbon world,” said Muhtar Kent. “The initiatives that our industry announced today are good examples of the kind of bold and positive action that will be needed to move the needle in combating climate change.”

On deforestation, The Consumer Goods Forum pledged to mobilise their collective resources to help achieve zero net deforestation by 2020.

Deforestation is one of the principal drivers of climate change, accounting for 17% of greenhouse gases today. The consumer goods industry, through its growing use of soya, palm oil, beef, paper and board, creates many of the economic incentives which drive deforestation.

Sir Terry Leahy of Tesco and Paul Polman of Unilever, who lead the Forum’s sustainability programme, stated: “We believe that our industry has a responsibility to purchase these commodities in a way which encourages producers not to expand into forested areas. Our task is to develop specific action plans for the different challenges of sourcing commodities like soya, palm oil, beef, paper and board sustainably.”

Both CEOs were confident that this commitment would not result in additional cost to consumers. They emphasised that if the crops were grown sustainably, yields would rise and input costs fall, thus resulting in a “win” for both the farmer and the consumer.

Jason Clay, senior vice president of Markets with World Wildlife Fund (WWF), said “We welcome this initiative. The scale, geographical presence and purchasing power of the CGF companies could transform these commodity markets and help put an end to tropical deforestation in countries like Brazil and Indonesia. WWF looks forward to working with the entire CGF membership to help them achieve their goals”.

On refrigeration, the Forum agreed to begin phasing-out hydrofluorocarbon (HFC) refrigerants as of 2015 and replace them with non-HFC refrigerants.

Refrigeration plays a vital role in the retail and consumer goods industry, delivering high quality products to consumers every day, but is also a significant and growing source of greenhouse gases. HFCs are powerful greenhouse gases that are thousands of times as potent as carbon dioxide. While they currently have a relatively small aggregate impact on global warming, HFC emissions are projected to represent 9-19% of projected greenhouse gas emissions in 2050.

Some Consumer Goods Forum companies already have well-established time-bound programs to cease the purchase of HFCs. Others are beginning to take action to phase-out HFC refrigerants as of 2015 and replace them with natural refrigerants, where these are permitted based on country-level regulations.

Muhtar Kent of The Coca-Cola Company and Lars Olofsson of Carrefour noted, “This is the first time that the entire sector has aligned around the importance of taking action to accelerate the move to climate-friendly refrigeration. The technologies exist today for our sector to significantly reduce the direct and indirect emissions of the refrigeration equipment we use. This initiative by The Consumer Goods Forum demonstrates our commitment to action.”

Amy Larkin, Director of Solutions at Greenpeace, welcomed the announcement, noting: “The Consumer Goods Forum commitment to eliminate these potent greenhouse gases shows what corporations can do when they band together for the benefit of the global environment. Now it is time for national and international policy makers to match these corporations’ ambition by outlawing HFCs and making the transition to a climate friendly alternative both cheap and easy.”

The team of Forum member companies charged with delivering the deforestation and refrigeration pledges is co-chaired by Unilever and Tesco and includes Ahold, Barilla, Carrefour, Coca-Cola, Delhaize, General Mills, Henkel, Johnson & Johnson, Kellogg, Kraft, Kroger, L’Oréal, Metro, Nestlé, Pepsi Co, Procter & Gamble, Sara Lee, S.C. Johnson, Sobeys, Tesco, Unilever and Walmart,

Both initiatives focus on key aspects of the consumer goods sector with the greatest impact and opportunity to drive effective climate solutions. The Forum will work to achieve both goals by a combination of individual company initiatives and by working together in partnership with NGOs.

Notes for editors:

The US government has targeted HFC reduction as a priority climate action under the Montreal Protocol, and garnered support from 91 nations at last month's Montreal Protocol conference in Bangkok.

For a full text of The Consumer Goods Forum statement and initiatives, visit XXX

The Consumer Goods Forum

The Consumer Goods Forum (CGF) is a global, parity-based industry network, driven by its members. It brings together the CEOs and senior management of over 650 retailers, manufacturers, service providers and other stakeholders across 70 countries and reflects the diversity of the industry in geography, size, product category and format. Forum member companies have combined sales of EUR 2.1 trillion.

The Forum was created in June 2009 by the merger of CIES - The Food Business Forum, the Global Commerce Initiative (GCI) and the Global CEO Forum. The Consumer Goods Forum is governed by its Board of Directors, which includes 50 manufacturer and retailer CEOs and Chairmen.

The Forum provides a unique global platform for knowledge exchange and initiatives around five strategic priorities – Emerging Trends, Sustainability, Safety & Health, Operational Excellence and Knowledge Sharing & People Development – which are central to the advancement of today's consumer goods industry.

The Forum's vision is: "Better lives through better business". To fulfil this, its members have given the Forum a mandate to develop common positions on key strategic and operational issues affecting the consumer goods business, with a strong focus on non-competitive process improvement. The Forum's success is driven by the active participation of the key players in the sector, who together develop and lead the implementation of best practices along the value chain.

With its headquarters in Paris and its regional offices in Washington, D.C., and Tokyo, the CGF serves its members throughout the world. Further information is available via the Forum's website: www.theconsumergoodsforum.com
