



FARM 2 FORK

ASSESSING PROGRESS, ENVISIONING TOMORROW

BRUSSELS - EUROPEAN PARLIAMENT, 10 APRIL 2024



FARM 2 FORK STRATEGY - UNPRECEDENTED AMBITION

The most impactful plan in Europe since 'Marshall Plan'...

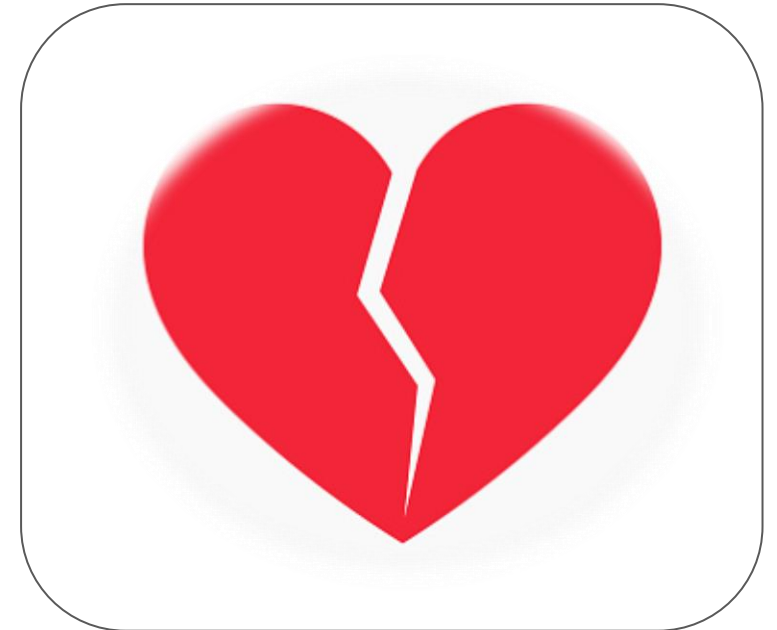
2 GEN's CHALLENGE



PARADIGM SHIFT



DISCONTINUITY



FARM 2 FORK STRATEGY - THE 'COLLATERAL EFFECTS'

MAIN FOCUS...

ENVIRONMENTAL
POLICY



HEALTH
POLICY



...BUT HUGE SIDE IMPACT!

ECONOMIC
POLICY



CONSUMPTION
POLICY



MODUS OPERANDI - A ROADMAP OR A DIKTAT?



6 SISTEMIC TARGETS

-50%
CHEMICAL
PESTICIDES
by 2030

-50%
DANGEROUS
PESTICIDES
by 2030

-50%
AGRICULTURE
NUTRIENTS
by 2030

-50%
FERTILIZERS
by 2030

-50%
LIVESTOCK
ANTIMICROBIALS
by 2030

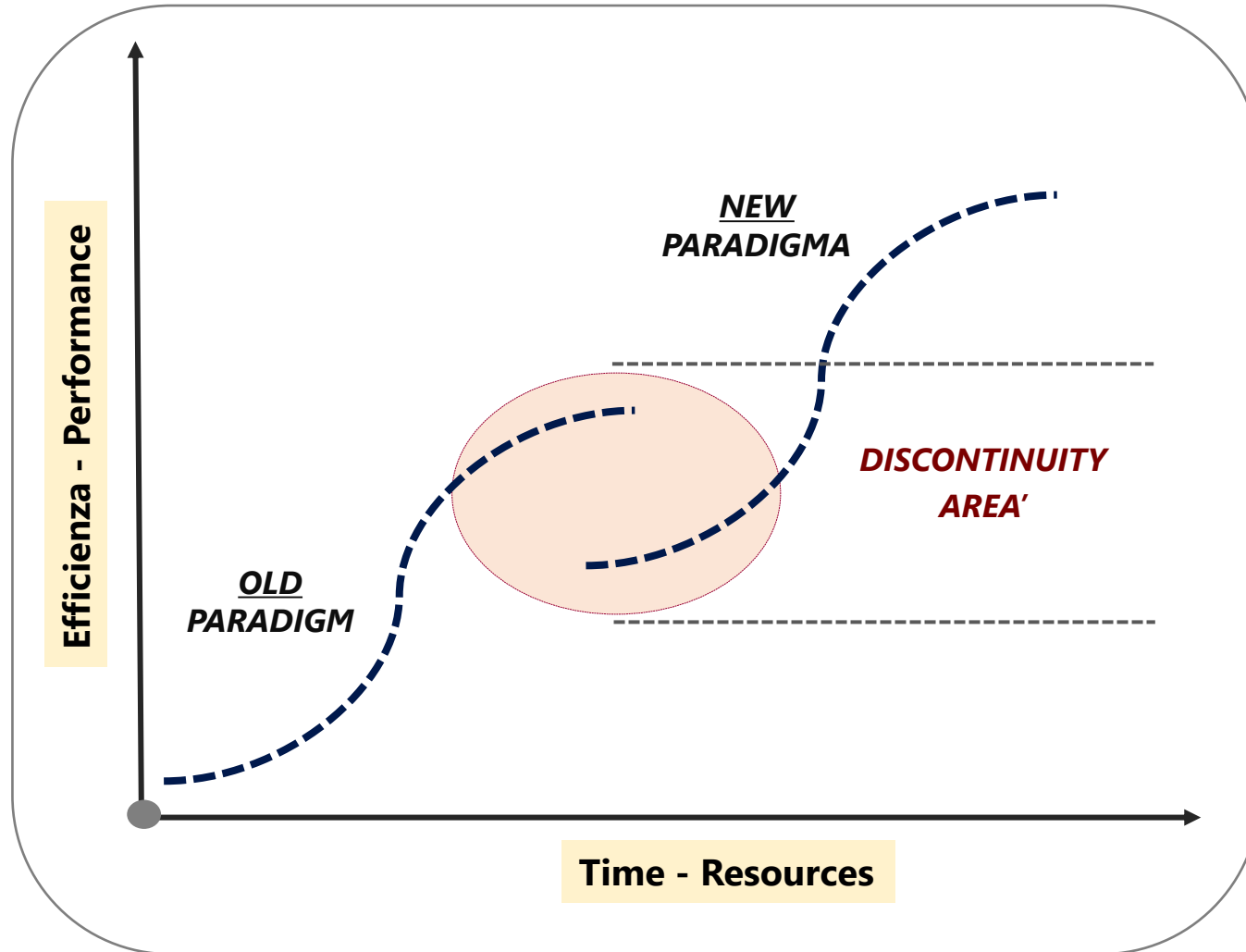
25%
BIOLOGICAL
AGRICULTURE
by 2030

27 KEY OBJECTIVES



- 1 - Lack of **'Discontinuity Cost'** assessment
- 2 - No **Risk Impact and Contingency Plan**
- 3 - Lack of **alternative Business Models**

GREEN TRANSITION - MANAGING THE 'DISCONTINUITY'



A PARADIGM CHANGE IS
A 'QUANTIC' MOVE



THE TRANSITION FROM OLD TO NEW
PROVOKES A 'DISCONTINUITY' PHASE



IT CAN BE OVERCOME ONLY BY:
- **DOING NEW THINGS**
- **DOING THINGS DIFFERENTLY**

GREEN TRANSITION - THE SRI LANKA CASE



SWITCH TO ORGANIC FARMING WITHOUT 'DISCONTINUITY' MANAGEMENT LED TO DISASTER

2019 - DECISION

*Ban of chemical fertilizers
and agrochemicals*



**Become the 1st global
'ORGANIC ONLY'
agriculture country**

2020/2021 - IMPACT

- 2x commodities price surging
- Hyperinflation at +30% bps/month
- Stock out of Oil, Gas, Kerosene
- Huge drop of crops productivity:
Tea -50% |Cinnamon -40%



- 1. Organic farming -25% yield**
- 2. Higher capital/labour intensity**
- 3. Marketing cost due to 10x price**

END 2021 - DEFAULT

EMERGENCY STATE



Soaring **food inflation**
Currency devaluation
Forex reserves crisis
Farmers bankrupt
Value chain disruption

GREEN TRANSITION - THE UNILEVER CASE



IN 2010 UNILEVER LAUNCHED THE 'COMPASS STRATEGY'

2x TURNOVER | -50% ENVIRONMENTAL IMPACT | 100% SUSTAINABLE SOURCING

2010/2020 - WOW

2010 - DECISION



- *3 management levels empowered*
- *Target aligned across Company ('3+1')*
- *Functional endorsement /eg: Supply Chain*
- *'Non-Innovation-Led' source of business*
- *'Sea Star' management approach*
- *New business benchmarks /eg: ESG KPI's*
- *End2End business partners involvement*

2022 - ACHIEVED

