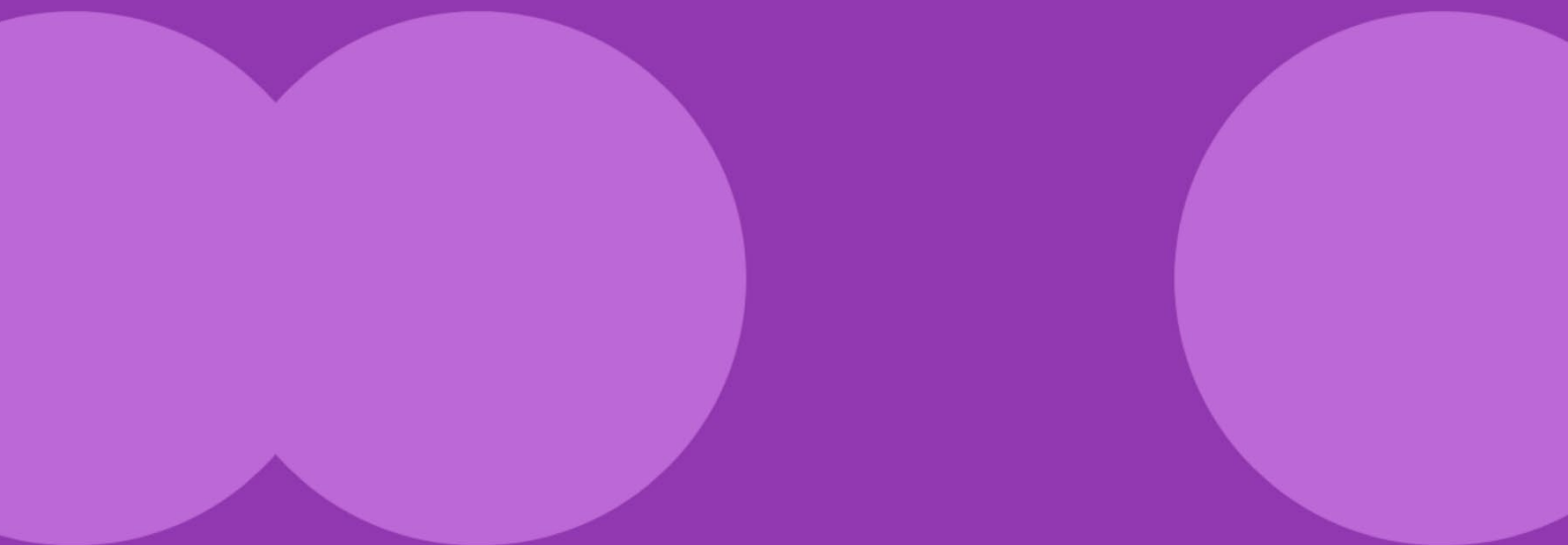


Position Statement

Protecting Forests & Land based Natural Ecosystems

Owner: Chief Sustainability Officer

Effective date: February 2, 2024





1. Background

Forests cover 31% of the land area on our planet and they are home to more than 75% of the world's plant and animal species. Over 1 billion people around the world rely on forests for shelter, livelihoods, water, fuel, and food. They help people thrive and survive by purifying water, improving the oxygen content in the air, and sequestering carbon dioxide. Forests help mitigate climate change by soaking up carbon dioxide that would otherwise be free in the atmosphere.¹

In addition to our own actions, we believe that collaboration between different actors along the value chain is crucial to protect our forests and land based natural ecosystems.

The below approach is based on the UN Sustainable Development Goals (UN SDGs) notably #15 Life on land; the UN Convention on Biological Diversity (UN CBD) Global Biodiversity Framework to live in harmony with Nature by 2050, and the Accountability Framework's definitions². It will also contribute to explaining our work towards complying with the EU Deforestation regulation (EU DFR 2023/1115).

2. Our Position

We aim to only source commodities which are not linked to deforestation or land based natural ecosystem degradation³. Commoditized products derived from palm oil, soybean, corn, sugarcane, wood, cocoa, coffee or rubber must be grown sustainably, and should not contribute to forests or land based natural ecosystems' degradation.

We encourage any approach to protect forests, safeguard land based natural ecosystems, and avoid deforestation.

By taking concrete actions within and across our value chain, disclosing our progress and encouraging others to do so, we seek to contribute to protecting forests and land based natural ecosystems.

¹ WWF reports – 2019: <https://www.worldwildlife.org/threats/deforestation-and-forest-degradation>

² <https://accountability-framework.org/>

³ Conversion of intact ecosystems – See UEFT guidance and Accountability Framework

<https://static1.squarespace.com/static/58bfcaf22994ca36885f063e/t/6400a1d2bc70e27d2cea3107/1677763026994/Guidelines+for+actions+on+biodiversity+conservation.pdf>

https://accountability-framework.org/fileadmin/uploads/afi/Documents/Definitions_doc/Definitions-2020-5.pdf



3. Our Approach

We aim to focus our efforts in protecting forests and land based natural ecosystems and other related sustainability areas (e.g. climate action, human rights) on:

- Sustainable sourcing of raw materials derived from specific commodities that typically have a high risk of being linked to deforestation and/or land based natural ecosystems degradation, such as the products listed under the EU Deforestation Regulation Annex 1: cocoa, coffee, palm oil, soya, rubber, wood, derived products from cattle (EUDFR 2023/1115) as well as corn and sugar cane;
- Applying the absolute international cut-off date for deforestation and land conversion of December 31, 2020, unless a national law (e.g., Brazil Forest Code) or sector agreement (e.g., Amazon Soy Moratorium) require an earlier date;
- Implementing a supply chain due diligence approach for specific commoditized raw materials, assessing country's risk level, and leveraging credible sustainability certifications across our value chain, as well as using other recognized due diligence systems and/or documented EU Due Diligence statements, where applicable;
- Disclosing, where relevant, and report our progress accordingly.