

Group Zero Deforestation Policy

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Owner(s):	Group Procurement and Market Heads
Approved by:	ESG Committee
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1. Overview

We recognise that forests serve as important carbon sinks, and deforestation causes detrimental impact on global warming. Forests also preserve biodiversity, provide habitats for plant and animal species, contribute to local climate stability and maintain livelihoods for people in rural communities.

We are committed to deforestation-free operations and supply chain, developing and implementing measures in line with global agricultural and forestry best practices.

This Policy forms an essential and integral element in complementing our Group Responsible Procurement Policy, Suppliers Responsibility Principles, Group Climate Change Policy and Sustainable Farming Guidelines. The commitments in this Policy contribute to the United Nations Sustainable Development Goals (UN SDGs) regarding Goal 13 Climate Action and Goal 15 Life on Land.

2. Scope

This Policy applies to all our agricultural and forest-based raw materials sourced from the value chain, with prioritised focus on high spending key commodities that are of highest potential risk in deforestation, such as pulp and paper, and soy.

This Policy applies to all operations that are under our direct management control. Where there are differences or conflicts between this document and local laws, the higher standard would prevail. We will also work with our joint venture partners and relevant stakeholders along the value chain to encourage the adoption of the same principles. While we recognise that there are different laws, cultures, norms among suppliers in different locations globally, we will work with relevant stakeholders in the value chain to deliver effective implementation.

3. Principles and Commitments

We strive to achieve the following while taking into consideration the stage of development of our business, capability and resourcing, and the availability of relevant supplies in the markets:

- No deforestation and no illegal development in forested areas, areas of high conservation value (HCV), and peatlands
- No clearance of land and forested land by any means such as burning or logging for new developments or production
- Not knowingly purchase from any suppliers the commodities which directly contribute to deforestation nor from those plantations/farms that have been deforested after the cut-off dates specified by relevant schemes established by credible organisations (e.g. Forest Stewardship Council (FSC), for conversion of forests and HCV areas. For commodities with no recognised

schemes or deforestation cut-off dates, we will work with subject matter experts to determine the dates.

- Work in partnership with farmers and direct suppliers to comply with this Policy
- Where relevant, work with credible organisations and our value chain partners to support enhanced agroforestry, biodiversity, reforestation, or restoration of natural ecosystems

4. Implementation

Responsibility for implementing this policy lies with the Procurement Department and Market Heads, and the team works closely with related functions including Group Sustainability, local operations, and other stakeholders along the value chain as needed to ensure implementation of this policy.

- Purchase from producers / suppliers that demonstrate legal compliance and supply all raw materials from legal and responsible sources
- Communicate our Policy regularly and expect our direct suppliers to communicate their compliance with this Policy upon our request
- Encourage our suppliers to engage their upstream supply chain to manage and mitigate corresponding forests-related risks
- Give purchasing preference to raw materials from agricultural suppliers in compliance with Vitasoy's Sustainable Farming Guidelines and/or commodities certified with relevant credible certification schemes (e.g. Forest Stewardship Council (FSC))
- Conduct forestry-related risk assessment to identify deforestation risk of raw materials we purchase, and understand the impact to ensure we remain focused on the materials and regions requiring prioritised actions
- Set targets and integrate into the sourcing practices to ensure progress on implementation
- Monitor our progress and report transparently with updates at least annually

5. Review of the Policy

The ESG Committee will conduct a periodic review of this Policy every three years and whenever deemed necessary.

- End -