



Royal Cosun Deforestation and conversion-free supply chains policy

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Deforestation and conversion free supply chains policy

At Royal Cosun, we focus on securing a plant-based future in which do not deplete our natural resources. Natural forests are crucial in our ecosystem's functioning. Forests store carbon, provide habitats for countless species and sustain the livelihoods of millions. Yet, widespread deforestation is driving biodiversity loss and accelerating climate change. In 2025, our SBTi commitment was validated, cementing our sustainability ambitions. With this policy, we restate our ambition to ensure we have a futureproof, sustainable chain, free of all types of deforestation or conversion of natural ecosystems.

This Code is applied throughout all business groups of Cosun, namely Aviko, Cosun Beet Company, Cosun Protein, Duynie, and Sensus. In the case of an acquisition, we aim to have the Code implemented within two years (24 months) after the acquisition. The Code is applied to our suppliers and business partners.

Our commitment

Cosun commits to no-deforestation and conversion across our primary deforestation-linked commodities, namely palm oil, cane sugar, beef and paper/board, with a target date of 31st of December 2025. Beyond this, we are committed to working within our own operations and with our suppliers and business partners to achieve deforestation and conversion-free operations, supply chains and financial investments. This commitment covers all types of deforestation and conversion, regardless of local legality of the practice.

Our policy and approach are guided by the Accountability Framework Initiative (AFI) and the Science Based Target Initiative (SBTi), as well as other relevant legislation as the European Deforestation Regulation (EUDR). For specific commodities, we may choose to follow sectorial initiatives, such as RSPO guidelines for our palm oil supply chains.

We work together across our company and with our suppliers and business partners to implement this policy and ensure compliance.

Goals

Our commitment is captured in the following goals:

1. By the 31st of December 2025, no palm oil, cane sugar, beef and paper/board products (our primary deforestation-linked commodities) sourced by Cosun come from land that has been converted from a natural ecosystem into agricultural land. Cosun follows sectorial cutoff dates when available. In other cases, a cutoff date of the 31st of December 2020 applies.
2. By 2030, no products sourced by Cosun come from land that has been converted from a natural ecosystem into agricultural land. Cosun follows sectorial cutoff dates when available. In other cases, a cutoff date of the 31st of December 2020 applies.
3. We commit to ensure that our activities do not enable new deforestation or conversion to be offset by restoration, credits, or other mechanisms.

Implementation Mechanism

To implement and demonstrate progress toward our goals in this area, Cosun further commits to:

1. Conducting a due diligence assessment of all procurement activities on human rights, labour rights and environmental impact in 2025. This includes deforestation and land conversion risks. The assessment focuses on mapping our supply chains to understand the supplier base, including production origin. This will pinpoint priority deforestation risk areas and will help to prioritise categories and actions.
2. Developing a roadmap and a time-bound plan for each priority category with Key Performance Indicators (KPIs) in 2025. No-deforestation roadmaps will be developed for any remaining commodities to reach our ambition of deforestation-free procurement before 31st of December 2030. Roadmaps will focus on commodity specific and timeline bound policy implementation, as well as further execution, monitoring and reporting of the policies.
3. For any non-deforestation and conversion free (DCF) volumes, engaging suppliers and business partners to endorse the deforestation-free supply chain commitment and work together to address identified issues within their operations. Take appropriate remediation measures when needed and for all suppliers that do not meet our requirements of the DCF-free supply chain commitment, and
4. Being transparent in our progress. Cosun will monitor the implementation of this policy and publicly report on KPIs, progress and challenges, at least annually in our annual report, which is available on our corporate website.

Identified priority commodities & cutoff dates

Upon the due diligence assessment, Cosun has identified the following DCF high-risk commodities: palm oil, paper/board, beef and cane sugar. This prioritization will be reviewed on a regular basis, and additional commodities may be prioritized when needed. Our sourcing will be reviewed and monitored to ensure current remediation actions will remain in effect. We have three routes to ensuring purchases of our priority commodities are not linked to deforestation: sourcing from locations in which there is a negligible risk of deforestation, sourcing from certified partners, and third-party verification. These routes are not mutually exclusive and may all be used to ensure compliance with this Policy. Our suppliers are asked to sign the [Royal Cosun Code of Conduct](#) as well. All high-risk commodities have been reviewed and actions taken fall under these categories.

Palm oil

For our palm oil procurement, Cosun aims to ensure our supply chains are 100% free of deforestation and conversion by 2025. This includes all sources of palm oil, sourced both directly and indirectly and for all our production locations globally. Cosun will also ensure EUDR compliance. Cosun works with trusted suppliers and certification schemes to ensure adherence to this policy. For our European production, RSPO segregated is the current standard. This standard is expanded to include all production by the end of 2025. For indirectly sourced palm oil, namely in product blends as creamers, Cosun recognises the challenge of ensuring DCF supply chains. We work with our supply chain partners to address the gaps in a phased approach.

Cutoff dates of November 2005 and November 2018 are followed for primary forests and for secondary forests respectively, in line with RSPO guidelines.

Paper/board

For the paper and board purchased, Cosun is committed to working towards 100% deforestation-free procurement. A due diligence analysis performed in 2025 showed that all paper and board purchased within Cosun was sourced with suppliers in the European Union. All paper and board purchased would thus be compliant with the EUDR. With the then assumed implementation date of the EUDR of the 30th of December of 2025, this was deemed an appropriate measure to ensure our procurement would be deforestation free. However, the EUDR was postponed to the 30th of December 2026. This means that the current method of achieving DCF supply chains for paper and board is insufficient. Over the course of 2026, Cosun will investigate other remediation measures to implement to reach the objective. These include but are not limited to certification and verification programmes, working with trusted suppliers and purchasing recycled materials.

A cutoff date of the 31st of December 2020 is followed for paper and board.

Beef

The due diligence analysis conducted in 2025 showed that all beef was purchased from producers within the European Union and from low-risk countries¹. Similar to paper and board, this would have meant that under the EUDR, all procured beef would have been fully compliant and therefore aligned with our ambition for deforestation- and conversion-free (DCF) supply chains. However, due to the postponed implementation of the EUDR, this remediation measure can no longer be relied upon.

As stated before, the beef purchased originates from low-risk countries. Cosun will ensure sound procurement strategies and close collaboration with supply chain partners to ensure this risk remains mitigated.

A cutoff date of the 31st of December 2020 is followed for the beef purchased within Cosun.

Cane sugar

Cosun is committed to working towards ensuring 100% of the cane sugar it directly sources is Deforestation-Free by 2025 and Conversion-Free by 2030. During the Due diligence assessment performed in 2025, the mitigation measures implemented for cane sugar procurement were deemed sufficient to ensure DCF supply chains. These measures include:

- Traceability to Mill/Plantation by 2025
- 3rd party verification/certification by 2027
- Low carbon supply by 2029

Traceability is already established and a risk-based monitoring and engagement strategy is in place.

For cane sugar, a cutoff date of the 31st of December 2020 is followed.

Governance

The Cosun deforestation free supply chains policy and all statements herein have been, and any future changes and updates must be, approved by the relevant members of the Cosun Management Team who are responsible for oversight of the development, adoption, and implementation of this policy.

Momentarily, the procurement and sustainability departments monitor compliance with this policy and developments within the industry. These departments are also responsible for day-to-day monitoring, supervising, administration and updating of this policy. The senior

¹ Low-risk countries were determined by the Country Classification List of the European Commission: [Country Classification List - Green Forum - European Commission](#)

procurement and sustainability managers have performance indicators linked to successful implementation and governance of this policy.

Reporting (suspected) violations – Cosun SpeakUp

Cosun encourages its supply chain partners and their employees who have reasonable grounds to suspect misconduct within Cosun to report it, including (suspected) violations of this Code. To facilitate this, Cosun has implemented (anonymous) reporting policies and procedures for whistleblowers.

In the event of any (suspected) misconduct, our partners or others are encouraged to communicate with our management. If that is not suitable, the supplier can reach out to [Cosun SpeakUp](#).

Cosun wants to make it clear to whistleblowers that they will not be subjected to unfair treatment or measures against them if they report (suspected) misconduct, or suspected misconduct in good faith.

For further information; [Regulation on reporting \(suspected\) misconduct](#).

Glossary

Conversion of land: natural ecosystems across all biomes and ecoregions, including non-forest natural ecosystems such as grasslands, savannas, and wetlands, as applicable.

Cutoff date: A cutoff date is the date after which deforestation or conversion renders a given area or production unit non-compliant with no-deforestation or no-conversion goals, commitments, targets, or other obligations

Deforestation: loss of natural forest as a result of conversion to agriculture or other non-forest land use; conversion to a tree plantation; or severe and sustained degradation.

Natural ecosystem: an ecosystem that substantially resembles – in terms of species composition, structure, and ecological function – one that is or would be found in a given area in the absence of major human impacts. This includes human-managed ecosystems where much of the natural species composition, structure, and ecological function are present

Suppliers: refers to any direct or indirect entity that provides products and/or services to the company, including producers, processors, traders, contractors, and subcontractors across the supply chain.

Third-party verification: refers to verification conducted by an independent entity that does not provide other services to the company. Third-party verification may be conducted either through or outside of a certification programme.