

pladis No Deforestation, no Peat, no Exploitation (NDPE) Policy

As a responsible company with over 300 years of combined baking and chocolate-making experience committed to doing business the right way, we have a responsibility towards our stakeholders in striving to ensure that the ingredients we use are responsibly sourced from an environmental and social perspective, and in doing so, helping us deliver our mission of “happiness with every bite”.

pladis is not an agricultural company. As a consequence, and in order to achieve our ambition, we will work in partnership with our suppliers in developing plans aimed at driving transformational change, preventing deforestation across our supply chains, and ensuring that we and our suppliers operate according to all applicable legal requirements in the no Deforestation, no Peat, no Exploitation arena.

The scope of this document covers palm oil and cocoa. Our suppliers, including third party suppliers, are required to apply the following principles across their operations and sourcing:

Forest & Biodiversity Preservation

- No deforestation and protection of forests and natural habitats through High Conservation Value (HCV)* areas and High Carbon Stock (HCS)** forests.

Reduction of Greenhouse Gases (GHG) Emissions & Soil Conservation

- No peatland destruction regardless of their depth.
- No burning to clear land for new developments or to re-plant existing developments.

Human Rights & Labour Conditions

- Compliance with pladis’ Human Rights policy.
- Internal grievance system in place, giving workers access to fair procedures and remedies.
- No Exploitation of people or communities, recognizing the rights of indigenous and local communities to give or withhold their free, prior and informed consent (FPIC) to the utilization of lands to which they hold legal, communal, or customary rights.

Traceability

- Improved supply chain traceability to assist pladis in achieving 100% traceability back to refineries, mills and cooperatives and improved year-on-year traceability rate back to plantations and farms.

*High Conservation Value (HCV) approach outlined in the HCV resource network guidelines (LINK)

**High Carbon Stock (HCS) defined in The HCS Approach Toolkit Version 2.0: Putting No Deforestation into Practice (LINK)

Transparency

- External grievance system in place, allowing stakeholders to report breaches of NDPE principles.

High Level Implementation of the Policy

- pladis will require suppliers to communicate this NDPE policy down their supply chains.
- pladis will include this document in the standard terms and conditions of doing business.
- pladis will partner with industry experts and NGOs to identify suppliers at risk, develop implementation plans and, when needed, organize capacity building sessions on NDPE principles.
- pladis will work with suppliers to address non-conformances in pladis' supply chain.
- pladis will define key performance indicators to measure performance against NDPE policy and provide periodic progress updates.
- pladis will take appropriate initiatives and potentially legal actions, if that supplier fails to comply with this policy or recommended remedial measure.
- pladis will review this policy on a periodic basis to ensure it is fit for purpose and reflects a philosophy of continuous improvement. Changes will be communicated to suppliers accordingly.

Announced on September 1, 2020

Signed by:

Salman Amin
CEO, pladis

*High Conservation Value (HCV) approach outlined in the HCV resource network guidelines (LINK)

**High Carbon Stock (HCS) defined in The HCS Approach Toolkit Version 2.0: Putting No Deforestation into Practice (LINK)