

No Deforestation Policy

Scope : This policy applies to all the business divisions within the AG Barr Group & direct suppliers of the primary commodities listed below

1. PURPOSE

As a multi-beverage business, we understand our impact on global supply chains and the link between ingredient sourcing and deforestation. As such, deforestation is a key topic for our sustainability goals, which is also driven by relevant regulations in the EU and GB.

The purpose of this policy is to provide clear guidelines for how our no-deforestation target will be monitored and implemented across our supply chain. These processes will ensure our own operations and our supply chain are aligned with relevant regulations in order to ensure compliance.

We are committed to no-deforestation across our primary commodities, with a target date of no later than December 31, 2025.

2. SCOPE

a. Commodities

All commodities in scope of the EU and GB regulations and other relevant primary commodities for our business because of the high volumes, value or prevalence in our recipes.

This includes¹:

- Timber-based packaging procured
 - to make and transport our finished products
 - by our 3rd-party manufacturers to make and transport our finished products
 - For transit packaging from our direct suppliers
- Paper/board-based materials (including marketing material) procured internally from indirect suppliers
- Coffee (incl. natural caffeine), cocoa and sugar sourced either by ourselves or our 3rd-party manufacturers to make our products
- Palm oil derivatives sourced by our direct suppliers to make the ingredients that go into our products

¹ Out of Scope Commodities include Timber-based transit packaging from our indirect suppliers (impractical to control and monitor) and Coffee/sugar procured from indirect suppliers for office consumption (extremely small volumes by spend)

b. Manufacturers

Manufacturers in-scope of this policy and our no-deforestation commitment include

- AG Barr manufacturing facilities
- Direct suppliers
- Co-manufacturers

3. POLICY STATEMENT

Compliance from the end of December 2025 shall be shown through a valid and accredited third party certification that certifies that there has been no deforestation before and throughout the life cycle of the product. These certifications will use traceability tools including geolocation and will have taken into consideration information from detailed supply chain data.

4. PROCEDURE

a. Initial Approval

New suppliers must demonstrate compliance either through:

- Approved external certification listed below in this policy; or
- Cover statements of internal policies with supporting evidence that could include:
 - Traceability Information: Robust datasets and monitoring procedures that show evidence of traceability data and how it is collected.
 - Land Use Records: Evidence showing no deforestation has occurred on the land since December 31st 2020. These records should be supported by further data such as satellite imagery.
 - Risk Assessments: Documentation of deforestation risk assessments for their operations and sourcing regions.

This will ensure suppliers comply with requirements of deforestation regulations as a prerequisite and condition of supply for onboarding verified by a multidisciplinary material approval process.

b. Maintenance & Monitoring

Gap analysis to ensure existing suppliers provide evidence of the certification as well as cover statements to comply with requirements of deforestation regulations as part of annual contract negotiations. These can be verified as part of ongoing material review.

On a risk basis, the Procurement team will monitor the validity of certificates through supplier audits.

In the event a non-compliance is identified, the business will collaborate with the supplier(s) to ensure appropriate remedial action is taken. Incidents of continued non-compliance could result in the termination of the supplier contract and the suspension from future tenders until such times as the non-compliance is fully addressed.

c. Post Production

Business and suppliers will be required to maintain and hold evidence of this certification for the shelflife of the products produced.

d. Progress Reporting

The business will report progress on an annual basis in our Responsibility Report. This will include:

- Progress towards the objective
- Learnings from policy implementation
- Non-compliances identified and remedial action taken
- Any changes to this policy

Approved by ESG Committee on 22 January 2025

Appendix

Acceptable certifications

	Timber derivatives	Coffee	Sugar	Palm oil	Cocoa
Forest Stewardship Council Certification	Y				
Rainforest Alliance Certification		Y	Y		Y
Bonsucro for Cane Sugar			Y		
Roundtable on Sustainable Palm Oil (RSPO)				Y	
PEFC-programme for the endorsement of forest certification	Y				