

Title: Global No Deforestation Sourcing Policy**1. POLICY OVERVIEW & PURPOSE**

- Policy Owner: Global Sustainability
- Approver: Global Chief Procurement & Supply Chain Officer
- Version: 2.0

This Global No Deforestation Sourcing Policy (this “Policy”) sets out Kraft Heinz’s global approach to eliminating deforestation across in-scope agricultural and forestry commodity supply chains by the end of the 2030 fiscal year. It should be read as the current governing statement of no deforestation sourcing and may be supported by commodity-specific commitments, implementation plans, and related internal or external guidance, as applicable.

Forests are critical to global environmental stability, climate regulation, biodiversity, and resilient food systems. Deforestation presents significant risks to supply chains and stakeholder trust, including regulatory exposure, climate impacts, biodiversity loss, water stress, land tenure and social conflict. By adopting this Policy, Kraft Heinz affirms its commitment to responsibly manage sourcing risk, contribute to global climate action and biodiversity preservation, and uphold ethical sourcing principles across its agricultural and forestry commodity supply chains.

This Policy outlines our company-wide commitment to sourcing key commodities in a manner that protects natural forests and respects human rights, including rights of Indigenous Peoples and local communities, in alignment with Free, Prior and Informed Consent (FPIC) principles, where applicable.

This Policy aligns with leading external frameworks, including the EU Deforestation Regulation (EUDR), the Accountability Framework Initiative (AFI), and the Science Based Targets Initiative for Forest, Land and Agriculture (SBTi FLAG). It is implemented alongside Kraft Heinz’s Supplier Guiding Principles, responsible sourcing and due diligence processes and applicable legal and regulatory requirements.

2. SCOPE & APPLICABILITY**2.1 Who this applies to**

This Policy covers both direct and indirect sourcing and applies globally to all Kraft Heinz’s:

- Operations, brands, subsidiaries and joint ventures
- Suppliers (Tier 1 and beyond¹)
- Traders, aggregators, brokers and intermediaries
- Processors, mills, contract manufacturers and licensees

All supply chain partners are expected to support the implementation of this Policy in accordance with the definitions and principles of AFI and applicable regulatory requirements and standards, including the EUDR where relevant and SBTi FLAG.

2.2 Scope of Commodities

This Policy covers forest-risk commodities prioritized based on deforestation exposure within the Kraft Heinz supply chain, including:

¹ For commodities such as palm oil and cocoa, where multi-tiered sourcing is more prevalent, Kraft Heinz expects contract manufacturers and supply chain actors beyond Tier 1 to progressively align with this Policy’s requirements.

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- Coffee
- Palm Oil
- Cocoa
- Beef
- Soy
- Pulp & Paper-Based Packaging

and applies to natural forests including primary, secondary, intact or semi-intact forest landscapes, and any naturally regenerated forest ecosystems, regardless of their management status.

The commodities below are prioritized based on deforestation exposure, sourcing volume, alignment with external frameworks, and identified using risk management principles.

Commodities & Supply Route

Commodity	Supply Route	Derivatives and Embedded Ingredients	
		In Scope	Out of Scope
Coffee	Direct	• Coffee (<i>including roasted or decaffeinated forms</i>) • Coffee-containing products (<i>including substitutes containing coffee in any proportion</i>)	• Coffee extracts • Essences • Concentrates • Coffee flavoring • Coffee oil • Coffee aroma compounds
Palm Oil	Direct & Indirect	• Embedded palm oil as an ingredient in products such as crackers and cheese • Refined palm oil, palm olein, palm stearin, mid-fraction, glycerol (E422), palmitic/stearic acids used as food-grade fatty acids	• Chemically modified derivatives
Cocoa	Direct & Indirect	• Cocoa butter • Powder • Liquor • Concentrated cocoa extract / cocoa solids extract • Embedded cocoa in products	• Cocoa flavor
Beef	Direct	• Meat of cattle • Prepared or preserved cattle meat	• Tallow • Gelatin • Stock cubes beef extract
Soy	Direct	• Soybeans • Soy flour	• Soy lecithin • Soy protein

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		• Soybean oil • Soybean stearin • Soybean olein	
Pulp & Paper-Based Packaging	Direct	• Corrugate • Paperboard • Paper labels • Paper-based primary packaging (e.g., cups, trays, paper pouches)	• Pallets

3. COMMITMENT

Kraft Heinz's approach is guided by the following principles:

- Protection of natural forests across all in-scope sourcing
- A 2020 cut-off date, or earlier where required by regulation or frameworks
- Risk-based due diligence, traceability, and verification
- Continuous improvement in supplier capability and upstream engagement
- Alignment with applicable regulatory requirements and recognized external frameworks

Commitment:

Kraft Heinz commits to achieving 100% verified deforestation-free sourcing across all in-scope commodities² by the end of fiscal year 2030, verified to the fullest extent possible. This commitment reflects our ambition to contribute meaningfully to global efforts on climate mitigation, biodiversity conservation, and responsible land use, and is grounded in evolving legal and stakeholder expectations.

To deliver this commitment, Kraft Heinz will:

- Apply a 2020 cut-off date
- Implement traceability systems to farm, plantation, or mill level where feasible
- Align with recognized no-deforestation definitions
- Comply with EUDR requirements, through information gathering, risk assessment and mitigation and due diligence statements submission where applicable
- Require suppliers to:
 - Commit to no-deforestation sourcing through declarations or equivalent policies
 - Maintain appropriate traceability systems and risk documentation
 - Provide such information to Kraft Heinz upon request
 - Participate in verification and grievance processes
- Report progress transparently through periodic ESG reports and disclosures

² This commitment applies to Kraft Heinz's direct suppliers (Tier 1). For commodities such as palm oil and cocoa, where multi-tiered sourcing is more prevalent, Kraft Heinz will progressively engage Tier 2+ suppliers, contract manufacturers, and supply chain actors to align with the Policy's requirements.

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Kraft Heinz views this commitment as a shared responsibility and engages suppliers, industry platforms, and civil society to advance implementation. This is delivered through a multi-layered approach, including sourcing, traceability, monitoring, and supplier engagement, and is supported by the integration of deforestation-free criteria into supplier contracts and procurement systems, prioritization of high-risk regions, and deployment of appropriate traceability, due diligence, and monitoring tools.

Kraft Heinz may apply a combination of approaches to achieve deforestation-free sourcing, depending on supply chain maturity, cost, and market availability. These approaches may include credible third-party certification or verification schemes, traceability to low-risk origins, and supplier due diligence processes.

The following sections outline the key practices implemented by Kraft Heinz and, where applicable, expected across its supply chain to support effective implementation of this Policy.

4.1 Supplier Engagement

- Communicating this Policy and sourcing expectations to suppliers in key local languages, where possible
- Engaging directly with suppliers, including smallholder farmers, and collaborating with industry initiatives, governments, NGOs, and third-party partners to support implementation
- Requiring suppliers to maintain robust due diligence systems to ensure their operations and supply chains are free from deforestation and associated human rights violations, in line with Kraft Heinz's Supplier Guiding Principles
- Providing training, as appropriate, to relevant functions and suppliers on compliance and traceability expectations, including alignment with SBTi FLAG and EUDR requirements

4.2 Traceability

- Collecting origin data to the farm, plantation, or mill level, verified to the fullest extent possible
- Prioritizing high-risk sourcing regions

4.3 Compliance Monitoring and Verification

- Using field data, supplier declarations, or other documented traceability mechanisms, where appropriate and available, to support risk-based monitoring and detection of potential non-compliance
- Applying third-party verifications of internal risk management and monitoring processes, where appropriate
- Incorporating traceability and compliance considerations into supplier due diligence and monitoring processes, where appropriate

Updating due diligence records based on risk, supplier performance, and evolving regulatory requirements

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As part of its due diligence approach, Kraft Heinz maintains an accessible and transparent grievance mechanism to allow stakeholders, including suppliers and communities, to raise concerns related to this Policy. All grievances are reviewed and addressed through an internal resolution process. Information on how to access the grievance mechanism is made available via appropriate public-facing channels. Disclosure of grievance-related information aligns with applicable legal, regulatory, or reporting requirements, and does not imply publication of individual grievances.

All Kraft Heinz employees and external stakeholders can access our Ethics & Compliance Helpline, www.KraftHeinzEthics.com, for raising grievances and seeking remedy.

5. GOVERNANCE, REPORTING AND CONTINUOUS IMPROVEMENT**5.1 Governance**

This Policy is approved by Kraft Heinz's Global Chief Procurement & Supply Chain Officer and is governed by a cross-functional structure chaired by the Global Director of Sustainability.

The governance structure is responsible for:

- Overseeing the cross-functional implementation of this Policy
- Monitoring global regulatory developments and grievance trends
- Reviewing and approving updates, risk triggers and escalation processes
- Ensuring alignment with Kraft Heinz's enterprise risk and sustainability strategy

5.2 Performance Tracking and Reporting

Kraft Heinz monitors implementation of this Policy through evolving performance indicators and management processes. Progress may include tracking areas such as supplier onboarding, traceability progress, grievance management, and verification activities for in-scope commodities, aligned with applicable regulatory requirements, voluntary standards, and stakeholder expectations.

Kraft Heinz discloses progress on a regular basis, subject to data availability and regulatory requirements. Disclosures may include progress against policy implementation milestones, traceability efforts, supplier engagement activities, and grievance management outcomes, subject to data availability and evolving reporting capabilities. Reporting is conducted through relevant internal and external channels, including ESG disclosures, CDP Disclosure, supplier communications, and regulatory reporting, such as EUDR due diligence requirements and climate-related disclosures aligned with SBTi FLAG, where applicable.

5.3 Continuous Improvement and Policy Review

Kraft Heinz is committed to continuous improvement in the implementation of this Policy. This Policy is formally reviewed at least every two years, or earlier if triggered by:

- Significant regulatory changes
- Evolving risk exposure or supply chain developments
- Updates to governance or internal processes

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- Findings from performance monitoring, supplier engagement, and grievance trends are used to inform updates to this Policy and associated implementation approaches. Adjustments are made as necessary based on materiality, risk exposure, and evolving regulatory and stakeholder landscapes.

6. ALIGNMENT AND DEFINITIONS

Kraft Heinz aligns this Policy and its implementation with applicable regulatory requirements and leading external frameworks, including:

- EUDR
- SBTi FLAG
- AFI
- CDP Disclosure
- UN SDGs (12 & 13)

EUDR

The EUDR will apply from the end of 2026 to products placed on or exported from the EU market. It covers cocoa, beef, soy, palm oil, coffee, and wood-based materials, including paper and cardboard. These commodities and their derived products must be deforestation-free from 2020 and produced in compliance with applicable legislation in the country of origin. All suppliers involved in importing, exporting, or placing these products on the EU market are required to comply with the EUDR.

SBTi FLAG Guidance

In support of our science-based net zero targets, Kraft Heinz aligns land-use emissions management with SBTi FLAG guidance, including:

- Estimating and monitoring land-use change emissions associated with sourcing
- Prioritizing sourcing regions and supplier partnerships that minimize FLAG emissions
- Recognizing verified no deforestation sourcing as a contributor to FLAG emissions mitigation
- Collaborating with suppliers to advance climate-smart and regenerative practices that reduce emissions over time
- Transparently reporting progress via SBTi submissions and CDP Disclosure

AFI

Kraft Heinz aligns its due diligence system with key AFI principles, including:

- Using a globally consistent cut-off date of 2020, or earlier where required by relevant frameworks, for deforestation
- Implementing risk-based supplier classification and engagement
- Providing access to a public grievance mechanism as a pathway for remedy and accountability
- Ensuring transparent handling of non-compliance through corrective action planning
- Supporting continuous improvement and traceability capability in our upstream network

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The annual disclosure questionnaire used by companies to report governance, strategy, risks, opportunities, and performance related to forest-risk commodities and deforestation.

UN SDGs (12 & 13)

United Nations Sustainable Development Goals related to responsible consumption and production (SDG 12) and climate action (SDG 13).

Term	Definition
Deforestation	Loss of natural forest as a result of i) conversion to agriculture or other non-forest land use, ii) conversion to a tree plantation, or iii) severe and sustained degradation.
Natural Forest	A forest ecosystem composed primarily of native species, without extensive industrial planting or clearing, and capable of sustaining biodiversity.
ND (No Deforestation)	A commitment to not source from land where natural forests have been cleared or converted after the global cut-off date. This applies to both direct and indirect sourcing relationships and aligns with the AFI definition.
Traceability	The ability to trace a product's supply chain back to its source of origin (e.g., farm, mill, forest patch) with sufficient spatial and legal detail.
Supplier Declaration	A signed statement from a supplier confirming alignment with Kraft Heinz's revised Global No Deforestation Sourcing Policy, traceability expectations, and cut-off date.
High-Risk Region	A geographic region or biome with elevated likelihood of deforestation or conversion, based on tools like Global Forest Watch (GFW) and MapBiomass.
Certification	An independent, third-party confirmation that suppliers meet the policy's requirements on no deforestation, traceability, and legality.
Corrective Action Plan (CAP)	A time-bound plan developed in response to non-compliance, outlining actions, responsibilities, and deadlines for resolution.
Due Diligence	The process of identifying, assessing, and mitigating environmental and human rights risks across the supply chain, ensuring compliance with applicable laws and regulations such as the EUDR.
Grievance Mechanism	A formal process for stakeholders to submit, track, and resolve complaints related to non-compliance with the revised Global No Deforestation Sourcing Policy.
FLAG (Forest, Land and Agriculture)	SBTi sector guidance for accounting greenhouse gas emissions and removals associated with forestry, land-use change, and agriculture.

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EUDR	The European Union Deforestation Regulation (EU) 2023/1115) mandates due diligence, traceability, and legality for commodities placed on or exported from the EU market.
AFI	This Policy aligns with the Accountability Framework Initiative (AFI) Core Principles to ensure consistency in deforestation-free definitions, traceability expectations and implementation approaches.
Directly sourced	Raw materials that Kraft Heinz buys as raw or as transformed materials directly from either producers, traders or transforming companies (e.g., cocoa powder, cocoa beans, crude palm oil, or palm kernel oil).
Indirectly sourced	Raw materials that are not directly procured by Kraft Heinz but present in Kraft Heinz's finished products. This includes ingredients embedded in products manufactured by an external manufacturer, and scope is defined at the commodity level to ensure consistency and transparency.
Smallholder	A farmer who manages a relatively small plot of land, often lacking access to advanced infrastructure or certification support. Inclusive engagement with smallholders is encouraged.