Compass Group Deforestation Policy

1. Introduction

Forests and ecosystems play a vital role in supporting our global environment, livelihoods and sustainable agriculture. The degradation and conversion of our natural environments continues to accelerate climate change, contributes to greenhouse gas emissions and leads to a loss of biodiversity, all of which have a considerable impact on the world around us.

We recognise that agriculture and food supply continue to be a key driver of deforestation and the degradation of our natural environment. As a company sourcing agricultural ingredients, Compass Group understands the role that we can play in preventing deforestation linked to agricultural commodities.

To define the policy and our approach we worked with external partners and followed the Accountability Framework Initiative guidance. We are exploring global, regional and local ways to support initiatives aligned to a forest positive approach.

2. Who this policy applies to

This policy applies to everyone working with, for or on behalf of Compass, including without exception temporary and contract staff regardless of location, role or level of seniority.

3. Our Commitment

We commit to eliminate the use of raw material commodities which are linked to deforestation, degradation and conversion of natural forests in our North American and European business (including the UK) by 31 December 2025. From this date, we will only source raw materials of specific commodities which we can verify are not linked to deforestation, degradation or conversion of natural forests. We also commit to supply chains that respect and upholds the rights of all workers, indigenous peoples and communities, including their rights to fair labour practices, cultural heritage and environment sustainability.

Our commitment applies to four major forest risk commodities which we have identified through our internal risk assessment processes as being most relevant to our business. These are beef, coffee, palm oil, and single use paper & wood-based products.

Our commitment applies to contracted purchases of beef, coffee and single use paper and wood products, and the indirect purchase of palm oil specifically through the sourcing of oils and margarines used in our kitchens.

Relevant commodities	Industry aligned cutoff dates
Beef	22 July 2008 for beef sourced from Brazil 31 December 2020 for all other origins
Coffee	31 December 2020
Palm oil	31 December 2015
Paper & wood	31 December 2020 (with remedy required on land converted after 1 December 1994)

We will continue to work with our contracted suppliers across all primary deforestation linked commodities in all countries to improve supply chain transparency, raise sustainability standards and contribute to preserving our natural environment. For both direct and indirect purchases, our actions will improve the transparency of our supply chains and contribute to improving sourcing decisions where necessary. We are also committed to transparent reporting across the whole of our business and ensuring environmentally and socially responsible supply chains.

4. How will we ensure commodities are Deforestation and Conversion Free (DCF)?

We will prioritise our actions based on four pillars:

I. **Buying certified products** - We will consider products to be DCF where they are certified to a robust standard where criteria prohibit deforestation and conversion. We maintain a list of the certifiable standards which we consider to be sufficiently robust. The list is available upon request.

II. **Sourcing from low-risk countries** - We will seek to buy products from low-risk areas and regions where we can trace materials to a sourcing area where no deforestation has taken place since the relevant cut-off date. We will continue to monitor and regularly review our sourcing areas to ensure continued compliance, and to identify any risk of deforestation. Where sourcing is only possible in high-risk territories, suppliers must provide additional verification. The decision-making criteria relating to the use of a particular supplier should be recorded.

III. **Sourcing from suppliers that meet our enhanced due diligence requirements -** We will carry out an evidence-based risk assessment and conduct enhanced due diligence for all new and existing suppliers of the four major forest risk commodities identified. This may include site based third party audits and ensuring that the boundaries of production units are clear. We will monitor suppliers on an ongoing basis and aim to have a continuing dialogue around environmental performance. This includes the sharing of independently verified information in relation to DCF.

IV. **Reducing risk through a collective approach** - Whilst we expect our suppliers to have robust due diligence and responsible sourcing practices, we aim to support small and medium sized enterprises in our supply chains and understand that they do not always have the capacity and capabilities to fully address and mitigate risks. For this reason, beyond our responsible purchasing practices, we will assume a collective approach where we engage in industry-wide initiatives to leverage our buying power more effectively. This approach will also be applied for those areas where we do not have direct leverage such as our cocoa supply or soy used in feed. We will aim to identify potential engagements on a targeted basis where we consider that we may be able to encourage change and where we believe that collective action and collaboration will be influential in bringing about positive change across the industry. All these actions will empower us and our suppliers to improve supply chain transparency, raise sustainability standards and contribute to preserving our natural environment.

5. Further information

This commitment sits alongside our existing policies, including the Code of Business Conduct, Global Supplier Code of Conduct, Environmental Policy and Business Integrity Policy. This Policy should be read in conjunction with those other policies. The principles within this policy are also reflected in our Supplier Code of Conduct which applies to all Compass suppliers globally.

This commitment aligns with our commitment to take strategic action to implement universal sustainability principles via both the UN Sustainable Development Goals and as a signatory to the United Nations Global Compact.

We have committed to the Science Based Target Initiative (SBTi) which requires a commitment to DCF free supply chains by 2025. In implementing this policy we will adhere to the established

guidelines outlined by the SBTi, with a particular focus on the Forest Land and Agriculture (FLAG) recommendations.

In the event of breaches to this policy, we will engage with the relevant supplier to rectify any issues identified. If there is continued non-compliance or our concerns are not adequately addressed and resolved, we will consider whether the supplier should be removed from our supply chains.

We will review this policy regularly to ensure continued adherence to industry standards and legal requirements. The Corporate Responsibility Committee of Compass Group plc will review this policy on an annual basis to ensure that it continues to reflect the aims and aspirations of the Company. We will assess our progress regularly, and this will be reported through our annual Group Sustainability Report (www.compass-group.com).

Approved by the Board September 2024