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## **Deforestation and Land Conservation Policy Statement**

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### **Introduction**

Clips & Clamps Industries commits to eliminating commodity-driven deforestation from our entire supply chain by 2054 while respecting and protecting the human rights of individuals.

Our No Deforestation Policy outlines requirements for our suppliers and our approach in helping to eliminate deforestation from our global supply chain and is part of our global sustainability strategy.

### **Scope**

Clips & Clamps Industries prioritizes achieving independent verification of compliance with this policy in the commodities in our supply chain that present the greatest risk of contributing to deforestation: pulp & paper (packaging).

On an annual basis, Clips & Clamps Industries will revisit our deforestation policy and commodity-specific approaches and commitments as well as the future inclusion of additional commodities based on changes in our supply chain and new developments stemming from environmental and human rights risk assessments.

### **Requirements**

Clips & Clamps Industries works with suppliers that share our values and actively monitor, verify, and implement action plans to help eliminate deforestation and potential human rights violations in agricultural supply chains. We require our suppliers to publish the policies and procedures they use to help prevent deforestation, peatland loss, and potential human rights violations, as well as the rights for Indigenous Peoples and local communities to give or withhold their Free, Prior and Informed Consent (FPIC) to development on their lands in their supply chains and operations. Suppliers must meet and communicate these requirements throughout their supply chains at a corporate group level to ensure compliance by direct and indirect suppliers and raw material producers. Suppliers must establish forest and peatland/natural ecosystem monitoring and response and human rights due diligence systems, non-compliance and grievance procedures, credible independent verification systems and training programs to uphold the requirements set forth in this No Deforestation Policy within their own business operations, third party suppliers and raw material producers.

In addition to compliance with all applicable national, state, and local laws and regulations in the markets where we operate and from which we source forest-based commodities, Clips & Clamps Industries requires our suppliers to adhere to the following requirements in line with the Accountability Framework Initiative.

If a supplier is not compliant with our No Deforestation Policy in any of their operations at a corporate group level, we reserve the right to suspend or remove the supplier.

## Supplier Requirements

- Protection of Forests and Other Natural Ecosystems.
- No deforestation or conversion of High Conservation Value (HCV) areas, High Carbon Stock (HCS) forests, and adherence to responsible expansion procedures.
- No new development on peatland, regardless of depth.
- No burning in the preparation of plantings or any other development.
- No illegal harvesting of any forest-based commodity.
- For areas which were developed (cleared, drained, and/or planted) peatlands, HCV areas, or HCS forests from the specified cut-off date,<sup>6</sup> suppliers must implement an adequate Recovery Plan commensurate with the scale of their non-compliant development.
- Where relevant, support agroforestry, agroecology, forest management best practices, reforestation or restoration of natural ecosystems
- Respect for Human Rights
- Ensure all labor is voluntary and allow workers freedom of movement
- Respect, recognize and uphold the rights of all workers including contract, temporary and migrant workers through compliance with the International Labor Organization's core conventions, the Universal Declaration of Human Rights, and the United Nations Guiding Principles on Business and Human Rights
- Prohibit and eliminate all forms of forced labor, child labor and human trafficking, including, but not limited to, any form of prison, slave, bonded or forced indentured labor
- Respect and uphold land tenure rights of individuals, Indigenous Peoples and local communities. All forms of land grabbing are prohibited. Adherence to the requirements for the fulfillment of respecting rights for Indigenous Peoples and local communities to give Free, Prior and Informed Consent is required in all engagement to seek consent for undertaking any studies, and negotiations, and/or developments on property or land to which they hold legal, communal or customary rights, including the use of and transfers of it.
- Support the inclusion of smallholders into sustainable agricultural supply chains
- Promote women's rights and empowerment in sustainable agricultural supply chains
- Zero tolerance for harassment, intimidation, criminalization or violence toward human rights, environmental and land defenders

### **Supply Chain Transparency & Stakeholder Engagement**

- Resolve any complaints and conflicts, including land rights disputes, and remediate policy violations in a timely manner through a transparent, responsive and effective grievance mechanism that allows workers and other stakeholders impacted by supply chain operations to report concerns and violations confidentially and anonymously without fear of retaliation or retribution
- Promote greater transparency into our agricultural supply chains, including relevant information on smallholders, suppliers, landbanks and concessions/licensed areas utilized for raw material production, primary processing facilities and sourcing practices for each commodity supply chain exposed to deforestation risks as well as proactively conduct due diligence on new suppliers to ensure policy compliance prior to entering the supply chain, including field-based assessments of any associated environmental and social risks, impacts and grievances
- Engage in multi-stakeholder collaborations, including with impacted Indigenous Peoples, local communities, workers, suppliers, peers, civil society, governments, and others to identify and eliminate deforestation across agricultural supply chains at supply shed, landscape and jurisdictional levels
- Publish progress reports on at least an annual basis and disclose key metrics, time-bound implementation plans, progress, challenges and impacts



**Mike Fasano** | *Director of Operations*