

3<sup>rd</sup> April, 2025

## MM Group Commitment to Deforestation-Free Products and EUDR Compliance

MM Group is committed to sustainable forest practices and actively supports global efforts to combat deforestation and forest degradation. In line with this commitment, we are preparing to fully comply with Regulation (EU) 2023/1115 (EUDR), which will become applicable on 30 December 2025. This regulation requires that wood-based products placed on the EU market or exported from the EU must not contribute to deforestation or forest degradation. MM Group is preparing its activities for the application of the regulation and operational implementation and is closely following all guidance issued by the EU and relevant National Authorities.

Over the last few months, MM Group has made significant progress in our EUDR compliance journey. We selected the EUDR compliance tool 'Osapiens' to streamline our processes and have achieved the following milestones

- EUDR Requirements have been emerged in MM's target processes
- Risk assessment procedures, including the collection of information from suppliers, are in place.
- Final configuration of the compliance tool (Osapiens) is in completion.

MM is currently in the technical implementation phase. Planned go-live is Q4 2025.

### MM Group approach to EUDR deforestation and legality assessment is based on:

- **Comprehensive due diligence process including:**
  - o Country risk assessments based on the EU country benchmark (available in June 2025), enabling MM to assess environmental risks, supply chain risks, human rights (including indigenous peoples), corruption, bribery, conflict, sanctions and legality.
  - o Supplier assessments using EUDR compliance questionnaires through our compliance management tool, Osapiens.
  - o Legality checks covering land use rights, environmental protection, biodiversity, third party rights, human rights, indigenous peoples' rights, taxation and anti-corruption measures.
- **Chain of Custody (CoC) certification** which provides proof of origin, legality and sustainability throughout the wood supply chain. It means that the origin of the wood used in MM products is always known and the chain of origin is independently verified.
- **Reference to upstream supplier due diligence statements** or verification of geolocation information if needed.
- **Transparency and information sharing**, from 30 December 2025, we will provide customers within the scope of the EUDR with relevant information, including the Ref.No./Val.No., taking into account the transition period mentioned in the Regulation.



**Next steps to be taken in the coming months:**

As previously communicated, testing with external stakeholders is planned to commence at the end of Q2 2025, with end-to-end test readiness targeted for Q3/Q4 2025, subject to further EU approaches.

We are committed to working closely with our suppliers and customers to achieve a deforestation-free supply chain. We will continue to monitor and adapt to the evolving requirements of the EUDR and related guidance from EU and National Authorities.

On behalf of MM GROUP

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