CDP Technical Note

Reporting progress on Deforestation- and Conversion-free value chains

CDP Corporate Questionnaire

Version

Version number	Release / Revision date	Revision summary
1.0	Released: February 2023	• Publication of the Forests - Technical Note 'Implementing commitments on deforestation and ecosystem conversion'
2.0	June 2024	• Sections re-ordered to reflect changes to the 2024 corporate questionnaire.
2.1	July 2024	• Updates to title and section headings.
3.0	May 2025	• Updated guidance on reporting traceability levels and third-party certification. Including removal of section "Good practice for certification" • Minor corrections to section "Reporting DF/DCF status of commodity volumes" • Updated example responses to clarify how to report commodity volumes assured through multiple methods. • List of certifications assuring and not assuring DF/DCF status added to Appendix • Formatting updates to align with new branding
4.0	April 2026	• Updated guidance on how do 'no- deforestation' and 'no-conversion' targets relate to DF/DCF volumes, good practice for target setting • Updates to titles and section headings • Minor corrections throughout • New references to AFi guidance included throughout

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About this technical note

To support disclosure through the CDP corporate questionnaire, this technical note provides an overview of the stages and concepts related to deforestation-free (DF) and deforestation and conversion-free (DCF) value chains, and outlines how the related information can be reported through Module 8. It does so by covering the following:

- Setting no-deforestation and no-conversion policies, targets, and goals
- Mapping your value chain
- Tracing your volumes to a sufficient point to assess the DF/DCF status
- Assessing and determining the deforestation-free (DF) and deforestation- and conversion-free (DCF) status of commodity volumes via one of three methods:
    - Third-party certification
    - Monitoring the production unit
    - Monitoring the sourcing area
- Verifying the DCF status of volumes

CDP works closely with the Accountability Framework Initiative (AFi) on topics related to deforestation, conversion of other natural ecosystems and ecosystem protection. The Accountability Framework is a practical, consensus-based guide that brings together accepted international norms, best practices, and the expectations of commodity buyers, investors, and civil society. It is a single integrated resource for action to address the deforestation, conversion, and human rights impacts of supply chains.

For further support applying the Accountability Framework's Core Principles, Operational Guidance, and Definitions visit the AFi e-learning platform, an online training resource that consolidates all their resources into concise learning courses.

1. No-deforestation and no-conversion targets

1.1. Why are no-deforestation and no-conversion targets important?

Setting ambitious targets to eliminate deforestation and conversion of other natural ecosystems in organizations' direct operations and value chains, in addition to implementing measures to achieve them, is fundamental to organizations fulfilling their social and environmental policies and legal obligations. Whilst committing to eliminate deforestation and conversion signals intent, setting timebound and quantifiable targets sets out a pathway to achieving this commitment.

1.2. How do no-deforestation and no-conversion targets relate to DF/DCF volumes?

For commodity volumes to be considered DCF, a cutoff date must be specified. A cutoff date is the date after which deforestation or conversion in a given area or production unit makes it non-compliant with the no-deforestation or no-conversion target. The cutoff date for your organization-wide target, reported in 8.7.1 (Targets), will provide the basis for the DCF volumes reported throughout the 'Environmental Performance – Forests' module.

It is important that organizations reporting on their DF/DCF assessment ensure their response is consistent to their response to the Targets question. For example – if you report, for a commodity, an organization-wide no-conversion target with a specified cutoff date in 8.7.1, then you should provide information in question 8.9 on how you are progressing against this target by disclosing on your DCF volumes. Whereas, if you report an organization-wide no-deforestation target with a specified cutoff date in 8.7.1, and do not have an organization-wide no-conversion target, then your response to 8.9 should relate to DF volumes.

1.3. Additional targets that contribute to no-deforestation and no-conversion targets

Setting additional targets that contribute to no-deforestation and no-conversion targets helps to develop a pathway of actions for achieving no conversion, and demonstrates progress being made to investors and other data users.

1.4. Good practice for target setting

- No-deforestation and no-conversion targets should have a clear date for achieving the target and a cutoff date for after which conversion is not accepted.
- Organizations may either report a separate 'no-deforestation' and 'no-conversion' target, or they may report a comprehensive 'no-conversion' target that aims to eliminate conversion of all land types, including forests, by the same target date.
- Where possible, cutoff dates should be in line with sector-wide or region-wide agreements, and no later than 2020.
- Organizations should align their targets with relevant global goals and targets, such as the Kunming-Montreal Global Biodiversity Framework.
- For more information on good practice for target setting, refer to AFi's operational guidance on 'Commitments and Progress Pathways'.

Respect for human rights in commodity value chains

Organizations have a responsibility to respect human rights, and this should be reflected in their policies and targets related to the production or sourcing of commodities. Commitments to respect and respond to potential or actual human rights impacts should include respecting all internationally-recognized human rights and specifically the rights of Indigenous Peoples and local communities (including the right to Free, Prior, and Informed Consent) and workers rights consistent with the ILO Declaration on the Fundamental Principles and Rights at Work. Organisations can disclose on their social commitments in CDP's question on environmental policies (4.6.1).

2. Value chain mapping

2.1. What is value chain mapping?

Value chain mapping is a process where organizations identify the actors at each stage of their value chain and the relationships between them to gather information needed to assess risk and ensure compliance. For organizations sourcing agricultural commodities, value chain mapping focuses on mapping of the upstream value chain (i.e., supply chain), to identify commodity producers.

2.2. How are value chains mapped?

Mapping can be conducted in-house or by commercial supply chain mapping services. To establish a more granular, comprehensive understanding of the supplier network, first-tier (direct) suppliers may be identified initially, followed by second- and third-tier suppliers. Mapping may involve collecting information such as a supplier's location, workforce characteristics, certifications held, dates and results of audits, and status of improvement plans.

2.3. How does value chain mapping differ from traceability?

Value chain mapping and traceability are parallel concepts often used interchangeably, but in fact differ. The critical difference between the two concepts is that value chain mapping focuses on the **actors in the value chain**, while traceability pertains to specific volumes of **commodities**. Establishing if a product or material is DCF necessitates organizations conduct activities that link suppliers in particular locations to batches of commodity volumes.

2.4. Good practice for value chain mapping

- Acquire direct and indirect supplier information needed for risk assessment by engaging direct suppliers (engage beyond first-tier suppliers if further details are needed to assess risk).
- Create value chain maps for each material/product supplier.
- Where there is a higher known risk of illegality or non-compliance mapping should be more detailed. For instance, if risks of illegal harvesting and trade differ between forest concessions or subnational regions, it is good practice to go beyond the sourcing area level to identify all links in your value chain back to the production unit (i.e., manufacturers, traders, distributors, mills, processors, logging companies, and forest management units).
- Reassess value chain maps annually or whenever changes to your value chain occur and implement requirements that suppliers report relevant changes.

3. Traceability

3.1. What is traceability?

Traceability refers to the ability to follow a product or its material components from one stage of the value chain to another, i.e. from production through processing, manufacturing, and distribution (see AFi's operational guidance on supply chain management, 2020).

3.2. Why is traceability important?

Traceability to origin is a vital tool for determining how and where commodities are produced. It is therefore an essential step in confirming whether deforestation or conversion of other natural ecosystems has occurred at the production unit of origin, after a designated cutoff date.

AFi operational guidance on supply chain management, states that buyers in any value chain position should establish an adequate level of traceability to:

- Determine the DF or DCF status of sourced commodity volumes
- Assess compliance with their policies and environmental requirements
- Engage suppliers on issues of non-compliance.

3.3. Reporting traceability

When reporting to CDP, organizations are requested to provide the proportion of their sourced volumes they have traced to the following levels:

- Production unit
- Sourcing area
- Country/area of origin
- Other point (i.e., processing facility/first importer) not in the country/area of origin
- Unknown origin

Origins of sourced volumes should be known or controlled to a sufficient traceability level to ascertain whether production and/or processing units comply with commitments.

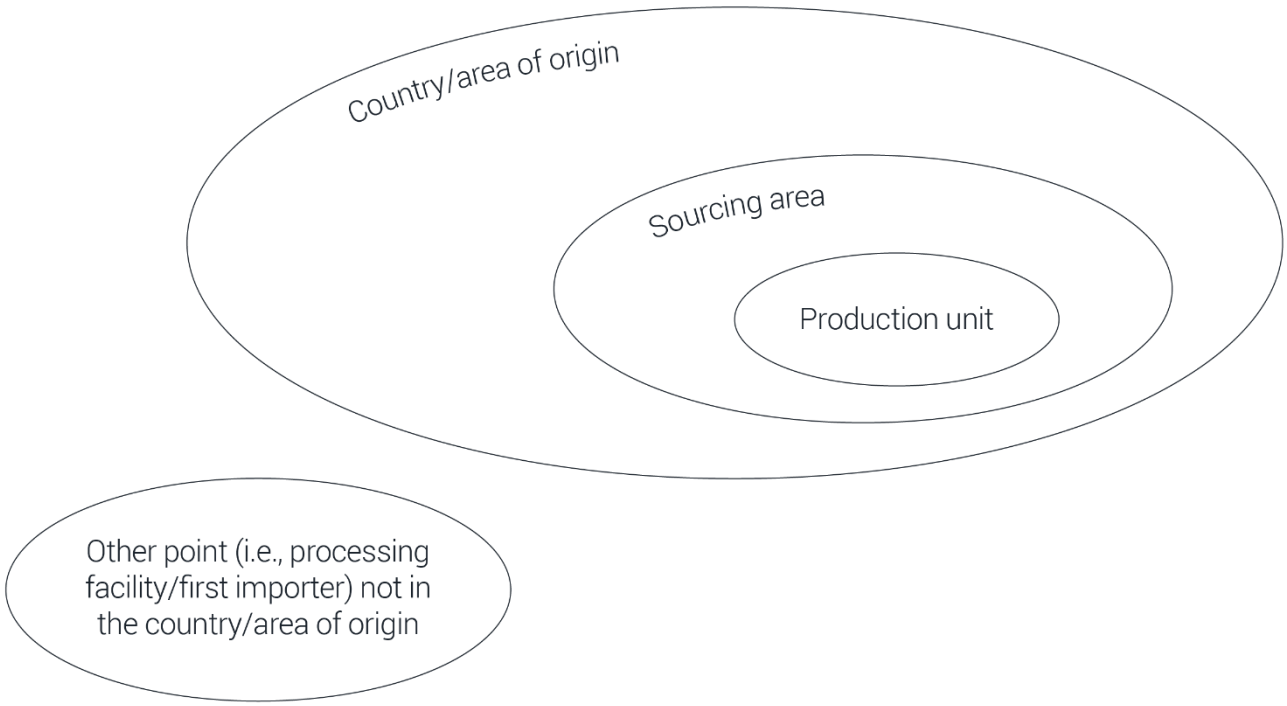

Figure 1: Different levels of traceability in relation to each other.

Table 1: Examples of locations and facilities of different traceability points referred to in the CDP Questionnaire

CDP traceability points	Examples of locations and facilities
Production unit	• Forest management unit • Tree plantation • Plantation • Farm • Breeding farm If it **is** the same as the breeding farm: • Rearing farm • Fattening farm If it **is** located within the commodity production unit: • Mill • Crushing facility • Refinery • Tannery • Slaughterhouse
Sourcing area	• State or equivalent • Municipality or equivalent If it **is not** the same as the breeding farm but is in the region where the breeding farm is, i.e., not a farm in another country. • Rearing farm • Fattening farm

	If it **is not** located within the commodity production unit but is in the region where the commodity was produced/extracted, i.e., not in another country. • Mill • Crushing facility • Refinery • Tannery • Slaughterhouse
Country/area of origin	• Country
Other point (i.e., processing facility/first importer) not in the country/area of origin	• First importer If it **is** in a different country than the production unit or sourcing area: • Mill • Crushing facility • Refinery • Tannery • Slaughterhouse • Rearing farm • Fattening farm
Unknown origin	• Not been traced

4. Deforestation- and conversion-free value chains

4.1. What is DF/DCF status?

To be considered deforestation-free (DF), commodity production, sourcing, or financial investments must not cause or contribute to deforestation.
To be considered deforestation- and conversion-free (DCF), it must not cause or contribute to the conversion of any natural ecosystems (AFi, 2024).

Organizations should only report volumes as DF or DCF after assessing and determining the status through one of the following three methods:

- Credible third-party certification through a scheme providing full DF/DCF assurance
- Monitoring the production unit and verification
- Monitoring the sourcing area and verification

4.2. Reporting DF/DCF status of commodity volumes

Step 1	**8.2**	Provide your **disclosure volume**
Step 2	**8.7.1**	Provide your organization's **definition** of deforestation or conversion and the cutoff date used for target setting and DF or DCF assessment
Step 3	**8.8**	Provide the proportion of your disclosure volume that is **traceable** to the production unit or sourcing area
Step 4	**8.9**	Provide the proportion of your disclosure volume **assessed and determined as either DF or DCF**
Step 5	**8.9.1** **8.9.2** **8.9.3** **8.9.4**	Provide the proportion of your disclosure volume determined as DF/DCF through: • **Third-party certification** • **Monitoring of production unit + verification** • **Monitoring of sourcing area + verification**
Step 6	**8.11**	Provide details of any **actions** taken to increase production and sourcing of DF/DCF volumes

Figure 2. Step by step guide on how to report DF/DCF status of your commodity disclosure volumes in the questionnaire.

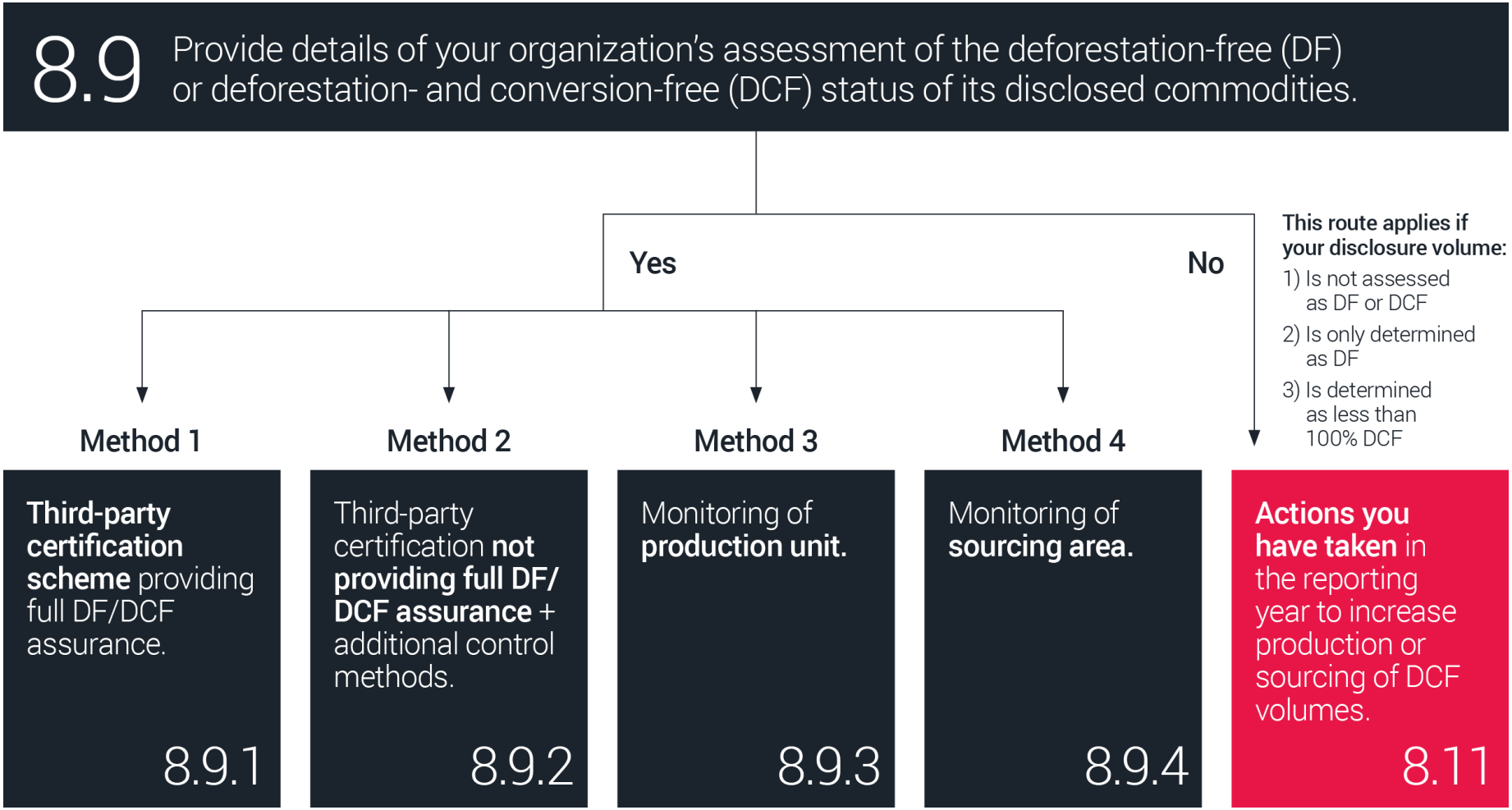

Figure 3. Pathway diagram showing how different methods of demonstrating and assessing DF/DCF status can be reported.

5. Methods to assess and determine DCF status

Method 1: Third-party certification

5.1. What is certification?

Certification is a voluntary sustainability programme to advance, assess, and recognise businesses and products that are more environmentally and socially responsible.
There are two relevant types of certifications for assessing DF/DCF status:

- **Forest management/sustainable production certification:** assesses the sustainability of practices at the point of production where the commodities originate. This type of certification relates to produced volumes.
- **Chain-of-custody certification:** assesses the control of movement of product volumes along the value chain that can link raw materials or products with their origin. This type of certification relates to sourced volumes.

For more in-depth information on how certifications can be used to demonstrate DF/DCF status of product volumes, and how to assess the quality and reliability of certification programmes, we recommend using the AFi Operational Guidance on Uses of Certification in Responsible Sourcing (working draft version).

5.2. Reporting volumes as DF/DCF through third-party certification

If your third-party certification is considered to **assure** DF/DCF status (see list of certifications considered to assure/not assure in the Appendix):

8.9

- Select either of the "Yes…" options in "DF/DCF status assed for this commodity" depending on the assurance the certification provides.
- Provide the % of the disclosure volume that is certified through schemes providing full DF/DCF assurance in column "% of disclosure volume determined as DF/DCF through a third-party certification scheme providing full DF/DCF assurance".

8.9.1

- This will drive the appearance of question 8.9.1, in which you can provide further details on this certification. If you have more than one third-party certification that provides DF/DCF assurance, you can provide details of each by adding a row.

If your third-party certification is considered to **not assure** DF/DCF status, and **you do not have additional control methods in place**:

8.9

- Select either of the "No…" options in column "DF/DCF status assed for this commodity"
- Select "Yes" in column "Is a proportion of your disclosure volume certified through a scheme not providing full DF/DCF assurance?".

8.9.2

- This will drive the appearance of question 8.9.2, in which you can provide further details on this certification.
- Select "No" in column "Additional control methods in place to determine DF/DCF status of volumes certified through scheme not providing full DF/DCF assurance".

If your third-party certification is considered to **not assure** DF/DCF status, and **you do have additional control methods in place:**

8.9

- Select either of the "Yes…" options in "DF/DCF status assed for this commodity" depending on the level of assurance of the additional control method.
- Provide the % of the disclosure volume covered under the additional control methods in either column "% of disclosure volume determined as DF/DCF through…. a third-party certification scheme providing full DF/DCF assurance; monitoring of production unit; or monitoring of sourcing area" depending on which additional control method are in place.
- Select "Yes" in column "Is a proportion of your disclosure volume certified through a scheme not providing full DF/DCF assurance?".

8.9.2

- This will drive the appearance of question 8.9.2, in which you can provide further details on this certification.
- Select all the additional control methods you have in place in column "Additional control methods in place to determine DF/DCF status of volumes certified through scheme not providing full DF/DCF assurance". This should correspond to your response in 8.9.

8.9.1/8.9.3/8.9.4

- This will drive the appearance of questions 8.9.1/8.9.3/8.9.4, depending on which additional control method are in place.

Method 2: Production unit monitoring

5.3. What should production unit monitoring assess?

Monitoring of deforestation and conversion at the scale of the production unit may be used to determine DF/DCF status. At the production unit, AFi recommends that the following are quantified:

- The amount of land converted from forest or other natural ecosystem (in-line with the relevant definitions) since a specified cutoff date.
- How much land is being set aside and effectively managed to maintain its conservation values, and how much of the conservation values have been, or are at risk of being, lost.
- How the boundaries of the production areas have changed, and what their recent or prior use was.

5.4. Tools and methods for production unit monitoring

Deciding which methods or tools to use when monitoring deforestation/conversion at the production unit level depends on the commodity in question, the scale of production, type of production system, and which monitoring tools are contextually suited. The use of remote sensing and other satellite-based monitoring tools is encouraged.
More information on production unit monitoring, including the scope, methods, and appropriate tools can be found in AFi's Operational Guidance on Monitoring and Verification.

Method 3: Sourcing area monitoring

In some cases, monitoring of deforestation and conversion at the scale of a sourcing area may be used to determine the risk-levels within that sourcing area. Details on the circumstances in which it is acceptable to monitor at the scale of the sourcing area can be found in AFi's Operational Guidance on Monitoring and Verification.

5.5. What is risk related to sourcing areas?

The CDP modules on dependencies, impacts, risks and opportunities collect data on environmental risks across the value chain which have had or are anticipated to have substantive effects on the organization.
In the context of commodity value chains, risks related to sourcing areas refers to the likelihood that material produced in or sourced from an area is non-compliant with an organization's no-deforestation or no-conversion targets.

5.6. Determining the risk of sourcing areas

Commodity volumes can be claimed to be DF or DCF if they originate in sourcing areas where there is no or negligible risk of deforestation/conversion. Defining no or negligible risk should be contextually specific to the geographic location and commodities of the sourcing area. Organizations should not assume similarities between sourcing the same commodity from different regions, or different commodities from the same region.

Information on tools and approaches to monitoring deforestation and conversion risk at the sourcing area level can be found in AFi's Operational Guidance on Monitoring and Verification. Sources such as the Accountability Framework 'Deforestation Risk Toolset' comprising three publicly available resources (Global Forest Watch, Trase and the Accountability Framework) also provide detailed guidance on assessing risk, mapping supply chains and monitoring results.

6. Verification

6.1. What is verification?

Verification is used to assess compliance and performance of forest management units or supply chain controls against a defined set of requirements, to validate the fulfilment of stated commitments, standards, or targets. This process usually comprises audits of forest management units and processing facilities, including field inspections, and reviews of documentation and management systems.

First, second and third-party verification
There are several levels of verification available to organizations, each with potential value to organization processes. While any combination of the three can be used to implement commitments on deforestation and ecosystem protection, third-party verification is the most credible and reliable.

First-party verification	Second-party verification	Third-party verification
Conducted by the organization itself but carried out by personnel not involved in the design or implementation of the operations being verified.	Conducted by a related entity with interest in the organization or operation being assessed, such as the business customer of a production/ processing operation or a contractor that also provides services other than verification.	Conducted by an independent entity that does not provide other services to the organization. Accredited certification bodies can provide third-party verification
Sometimes referred to as an internal audit.		Referred to as external assurance.
Results of such audits are often used internally by the company to guide its decision-making.		Output of third-party verification usually includes public disclosure of the verification methodology and results.

6.2. Differences between verification and monitoring

Verification and monitoring are related processes that together form a system through which organizations can deliver credible and consistent information to buyers, investors, and civil society.

Monitoring in this context refers to continuous and systematic data collection on specific indicators to record and evaluate the status of policies, practices, systems, and other elements in an organization's supply chain. **Verification** then utilizes monitoring data and other information sources to validate compliance and performance levels and provide independent assurance in the case of third-party verification.

7. Useful Links

- AFi: Definitions, 2024
- AFi, GHG Protocol, SBTi: Deforestation- and conversion-free supply chains and land use change emissions: A guide to aligning corporate targets, accounting, and disclosure, 2022
- AFi: Operational Guidance: Applying the Definitions Related to Deforestation and Conversion, 2023
- AFi: Operational Guidance: Commitments and Progress Pathways, 2025
- AFi: Operational Guidance: Monitoring and Verification, 2020
- AFi: Operational Guidance: Supply Chain Management, 2020
- AFi: Operational Guidance: Uses of Certification in Responsible Sourcing, 2025 [Working draft]
- AFi: Topic summary on Supply Chain Due Diligence, 2019
- EU Deforestation Regulation implementation, 2024
- Preferred by nature: FSC Controlled Wood Certification info sheet, 2024
- Proforest: Verified Deforestation and Conversion Free (V-DCF) Generic methodology and approach, 2022

Appendices

Appendix 1: Example responses to questions on deforestation and conversion assessment (8.9, 8.9.1, 8.9.2, 8.9.3, 8.9.4)

Example 1

Scenario in which 50% of an organization's timber disclosure volume is certified through a scheme that does not provide full assurance but uses sourcing area monitoring as an additional control method.

8.9

Commodity	DF/DCF status assessed for this commodity	% of disclosure volume determined as DF/DCF in the reporting year	% of disclosure volume determined as DF/DCF through a third-party certification scheme providing full DF/DCF assurance	% of disclosure volume determined as DF/DCF through monitoring of production unit	% of disclosure volume determined as DF/DCF through monitoring of sourcing area	Is a proportion of your disclosure volume certified through a scheme not providing full DF/DCF assurance?
Timber products	*Yes, deforestation- and conversion-free (DCF) status assessed*	*50*	*0*	*0*	*50*	*Yes*

8.9.1 – This question only appears if you report any value other than "0" in response to column "% of disclosure volume determined as DF/DCF through a third-party certification scheme providing full DF/DCF assurance" of 8.9.

8.9.2

Commodity	Third-party certification scheme not providing full DF/DCF assurance	% of disclosure volume certified through scheme not providing full DF/DCF assurance	Additional control methods in place to determine DF/DCF status of volumes certified through scheme not providing full DF/DCF assurance	Comment	Certification documentation
Timber products	*SURE – Mass balance*	*70*	*Sourcing area monitoring*		*Certificate of Organization Z Timber Volumes*

8.9.3 – This question is only shown if you report a value other than '0' in column "% of disclosure volume determined as DF/DCF through monitoring of production unit" of 8.9.

8.9.4

Commodity	% of disclosure volume determined as DF/DCF through monitoring of deforestation and conversion within the sourcing area	Monitoring approach used for determining that sourcing areas have no or negligible risk of deforestation or conversion	Description of approach, including frequency of assessment	Countries/areas of origin	Sourcing areas	DF/DCF status is verified
Timber products	*50*	• *Ground-based monitoring* • *Remote sensing or other geospatial data*	*Our organization uses InSAR remote sensing techniques to assess changes in canopy cover (in relation to our baseline data taken at the cutoff date of March 2019) within the sourcing area in near real-time. This monitoring is backed up by quarterly interviews with local community members and government officials, and through assessing grievances put to our suppliers. We define "no or negligible risk" when conversion accounts for less than 1% of the sourcing area and no more than a few hectares.*	*Finland*	*X landscape within the municipality of Hattula in the province of Southern Finland*	*Yes*

Type of verification	% of your disclosure volume that is both determined as DF/DCF through sourcing area monitoring and is verified as DF/DCF	Explain the process of verifying DF/DCF status	Attachment of verification (optional)	Use of risk classification	Attachment indicating risk classification for each sourcing area (optional)
Third party	*50*	*Our monitoring of deforestation and conversion within the sourcing area is verified by Company X who have over 15 years' experience in monitoring conversion risk within value chains. They provide no other services to our organization. They assess our ground-based methodology, including reviewing the interview templates and sample interviews on an annual basis. They have confirmed our remote sensing techniques are appropriate for the context and also perform their own sample analysis on the sourcing area using similar remote sensing techniques to verify our findings.*	*Verification of methodology document*	*Our organization takes a conservative approach to risk management, and so deforestation/conversion determined within our sourcing areas leads us to prioritize increasing traceability/definition within our monitoring for that particular sourcing area, along with increased supplier engagement to address and/or mitigate the risk.*	*Sourcing area risk classification document*

Example 2

Scenario in which 80% of an organization's timber disclosure volume is determined as DCF through multiple third-party certifications that provide full DCF assurance, in addition to another 28% determined as DCF through production unit monitoring. Along with its palm oil disclosure volume, in which 20% is **both** determined as DF through production unit monitoring **and** third-party certification that provides full DF assurance, with the remaining 40% certified with a certification that **does not** provide full assurance but uses production unit monitoring as an additional control method.

8.9

Commodity	DF/DCF status assessed for this commodity	% of disclosure volume determined as DF/DCF in the reporting year	% of disclosure volume determined as DF/DCF through a third-party certification scheme providing full DF/DCF assurance	% of disclosure volume determined as DF/DCF through monitoring of production unit	% of disclosure volume determined as DF/DCF through monitoring of sourcing area	Is a proportion of your disclosure volume certified through a scheme not providing full DF/DCF assurance?
Timber products	*Yes, deforestation- and conversion-free (DCF) status assessed*	*98*	*80*	*28*	*0*	*No*
Palm oil	*Yes, deforestation-free (DF) status assessed*	*60*	*20*	*60*	*0*	*Yes*

8.9.1

Commodity	Third-party certification scheme providing full DF/DCF assurance	% of disclosure volume determined as DF/DCF through certification scheme providing full DF/DCF assurance	Comment	Certification documentation (optional)
Timber products	*FSC Recycled Certification*	*70*		*FSC recycled certification document of Organization Z timber volumes*
Timber products	*FSC Chain-of-Custody certification (any type)*	*10*	*We use FSC chain-of-custody certification, specifically the FSC 100% certification.*	*FSC C-o-C 100% certification document*
Palm oil	*RSPO supply chain certification – Identity Preserved*	*15*		
Palm oil	*RSPO supply chain certification – Segregated*	*5*		

8.9.2

Commodity	Third-party certification scheme not providing full DF/DCF assurance	% of disclosure volume certified through scheme not providing full DF/DCF assurance	Additional control methods in place to determine DF/DCF status of volumes certified through scheme not providing full DF/DCF assurance	Comment	Certification documentation (optional)
Palm oil	*ProTerra certification – Mass balance*	*30*	*Production unit monitoring*		*ProTerra certificate of Organization Z Palm Oil Volumes*
Palm oil	*SURE – Mass balance*	*10*	*Production unit monitoring*		*SURE certificate of Organization Z Palm Oil Volumes*

8.9.3

Commodity	% of disclosure volume determined as DF/DCF through monitoring of production unit	Production unit monitoring approach	Description of production unit monitoring approach	DF/DCF status verified	Type of verification	% of your disclosure volume that is both determined as DF/DCF through monitoring of production unit and is verified as DF/DCF	Explain the process of verifying DF/DCF status	Attachment of verification (optional)
Timber products	*28*	• *Geospatial monitoring or remote sensing tool*	*We monitor the areas of production using satellite data at a resolution of 30m per pixel, conducting geospatial and spectral analysis to monitor forest health and tree cover loss on a platform that provides near real time data and alerts.*	*Yes*	*Second party*	*28*	*Our geospatial monitoring is verified by Company Y, a contractor that we use for a variety of services across the business, including in assessing and verifying our ESG compliance. They inspect our methodology on a quarterly basis and perform their own analysis using similar geospatial techniques to validate our findings.*	*Methodology verification document*
Palm oil	*60*	• *Geospatial monitoring or remote sensing tool*	*We source much of our palm oil volumes from direct suppliers who conduct ground-based and community-based monitoring, including monthly*	*Yes*	*Second party*	*60*	*Our geospatial, ground-based, and community-based monitoring is verified by Company Y, a contractor that we use for a variety of services across the*	*Methodology verification document*

• *Ground-based monitoring system* • *Community-based monitoring*	*site-based assessments and transects, interviews and surveys with local community members to confirm that the sites on which it is produced are free from deforestation. The findings from this monitoring are provided to us via monthly reports. We also monitor the areas of production using LiDAR based remote sensing to further confirm that the production units are free from deforestation.*	*business, including in assessing and verifying our ESG compliance. They inspect our suppliers' methodology on a quarterly basis, reviewing the methodology and findings from the site-based assessments, the interview and survey templates, survey responses, and random samples of completed interviews. They also review our geospatial methodology and perform their own analysis using similar geospatial techniques to validate our findings.*

Appendix 2: Certifications assuring and not assuring DF/DCF status

Table 2. Third-party certification schemes considered and not considered to provide full DF/DCF assurance

Third-party certification schemes considered to provide full DF/DCF assurance		Third-party certification schemes that are *not* considered to provide full DF/DCF assurance	
Forest management unit/Producer certifications	**Chain-of-custody certifications**	**Forest management unit/Producer certifications**	**Chain-of-custody certifications**
• Biosuisse organic • Donau Soja • Europe Soja • FSC Controlled Wood • FSC Forest Management certification • ISCC CORSIA • ISCC EU • ISCC Japan FIT • ISCC PLUS • Naturland • Preferred by Nature Sustainability Framework • ProTerra certification • Rainforest Alliance Sustainable Agriculture standard: Farm certificate • RSB Global Advanced Products • RSB Global Fuels • RSB ICAO CORSIA • RSB Japan FIT Biomass • RSPO producer/grower certification • RTRS standard for Responsible Soy Production • Soil Association Organic Farming & Growing (GB and Northern Ireland)	• Donau Soja – Segregated • Europe Soja – Segregated • FSC Chain-of-Custody certification (any type) • FSC Recycled certification • ISCC CORSIA – Identity preserved • ISCC CORSIA – Segregated • ISCC EU – Identity preserved • ISCC EU – Segregated • ISCC Japan FIT – Identity preserved • ISCC Japan FIT – Segregated • ISCC PLUS – Identity preserved • ISCC PLUS – Segregated • Preferred by Nature Sustainability Framework Chain-of-Custody – Segregated • ProTerra certification – Identity preserved • ProTerra certification – Segregated • Rainforest Alliance Sustainable Agriculture standard: Supply chain certificate – Identity preserved	• PEFC Sustainable Forest Management certification • SFI Forest Management standard • SURE • Sustainable Biomass Program	• ISCC CORSIA - Mass Balance • ISCC EU - Mass Balance • ISCC PLUS - Controlled blending • ISCC PLUS - Mass Balance • PEFC Chain-of-Custody (any type) • PEFC Recycled certification • Preferred by Nature Sustainability Framework Chain-of-Custody – Mass Balance • ProTerra certification – Mass balance • Rainforest Alliance Sustainable Agriculture standard: Supply chain certificate – Mass balance • RSB EU RED Fuel - Mass balance • RSB Global Advanced Products - Controlled Blending • RSB Global Advanced Products - Mass Balance • RSB Global Fuels - Controlled Blending • RSB Global Fuels - Mass Balance • RSB ICAO CORSIA - Mass Balance • RSPO supply chain certification - Mass Balance

	• Rainforest Alliance Sustainable Agriculture standard: Supply chain certificate – Segregated • RSB Global Advanced Products – Identity preserved • RSB Global Advanced Products – Segregated • RSB Global Fuels – Identity preserved • RSB Global Fuels – Segregated • RSB ICAO CORSIA – Identity preserved • RSB ICAO CORSIA – Segregated • RSB Japan FIT Biomass – Identity Preserved • RSB Japan FIT Biomass – Segregated • RSPO supply chain certification – Identity Preserved • RSPO supply chain certification – Segregated • RTRS chain-of custody standard – Segregated	• RTRS chain-of custody standard – Mass balance • SFI Chain-of-Custody – Percentage • SFI Chain-of-Custody – Physical separation • SURE – Mass balance • Sustainable Biomass Program Chain-of-Custody – Separation method