



Information on the Development of the European Union Deforestation Regulation (EUDR)

The **European Union Deforestation Regulation (EUDR)** is set to come into force on 31 December 2024 and aims to minimize the risk of deforestation and forest degradation associated with products sold on the EU market. Details of the document can be found in Regulation (EU) 2023/1115 concerning the EU market and the export from the Union of certain goods and products linked to deforestation and forest degradation.

Key requirements of this regulation include:

Traceability: Suppliers will need to ensure traceability of the product's origin.

Due Diligence: Suppliers will be required to implement a due diligence process to assess and mitigate the risk of deforestation.

Reporting: Suppliers will be obligated to provide detailed reports demonstrating compliance with the regulation.

Adapting to the new regulations poses a significant challenge, especially given the limited time for implementation. In response, we have established a comprehensive project group within our company comprising representatives from various departments. This group is taking all necessary actions to meticulously record data from our suppliers starting from January 1, 2025, and to report essential information required by our clients. We maintain constant communication with our material suppliers and monitor their progress in implementing this regulation. Concurrently, we continuously enhance our knowledge through active participation in consultations.

The system is slated to be effective from December 31, 2024, and is still in the development phase, hence its final design and functionality are not yet fully determined. Many stakeholders believe the implementation timeline is too short, and the pace of deployment is intense. To ensure your comfort on this matter, please send any questions regarding the EUDR regulations impacting your company to our email address: EUDR@quad.eu. We will strive to address each query based on our current understanding.

For Quad, it is crucial to minimize the impact of our operations on the environment. It is highly important that we, as a supply chain partner, achieve full compliance with the new regulations. Your engagement and collaboration in preparing for these new requirements are important and greatly appreciated by us.