

RASAD NIGERIA LIMITED

POLICY 04

Environmental and Deforestation Policy

VERSION	Version 1 · September 2026
POLICY OWNER	Sustainability Lead
APPROVED BY	Board of Directors, Rasad Nigeria Limited
REVIEW	Annually, or sooner if EUDR guidance or buyer requirements change

1. Why this policy exists

Cocoa and cashew grow where forests once stood, and the pressure to clear more land is real. Our buyers, and the European market they serve, now require proof that what we sell did not come from newly cleared land. We started mapping our own supply before anyone asked us to. This policy sets our expectations for origin data, land-use risk and environmental care.

2. Scope

This policy covers all commodities Rasad buys, and applies especially to cocoa and other crops sold into markets covered by the EU Deforestation Regulation (EU) 2023/1115 (EUDR). It applies to Rasad's hubs, warehouses, vehicles and any processing activity, and to all farmers, LBAs, aggregators and contractors in our supply chain.

3. Our commitments

1. **No deforestation:** we do not buy commodities grown on land deforested after 31 December 2020, the EUDR cut-off date.
2. **No forest degradation:** we do not buy from land where forest has been degraded after the cut-off date.
3. **No production in protected areas:** we do not buy from forest reserves, national parks or other legally protected areas, unless production there is permitted by law.
4. **Legality:** every crop we buy must be produced in line with the laws of the country of production, including land use, environmental, labour, tax and anti-corruption laws.
5. **Full traceability:** every lot of cocoa must be linked to the plots it was grown on.
6. **Continuous improvement:** we help farmers raise yields on existing land so they have no reason to clear more.

4. Origin data

- Every cocoa farm in our network is mapped before we buy from it. Plots over 4 hectares are mapped as polygons. Smaller plots are mapped as a point or polygon.
- For each plot we record the farmer, the community, its size, the crop and the date of mapping.
- Data is checked for errors, including overlaps, impossible sizes and plots in water or towns, before it is accepted.
- Mapped data is refreshed at least every three years, and sooner if a plot changes hands or size.
- We link purchase receipts to plots, and lots to receipts, so each shipment can be traced to its plots.
- Origin data is stored securely and shared only with buyers, authorities and certifiers who need it, in line with the Nigeria Data Protection Act 2023.

5. Land-use risk assessment

For every mapped plot we:

1. Compare the plot with satellite forest-cover data for dates before and after 31 December 2020.
2. Check the plot against maps of forest reserves and protected areas.
3. Flag any plot showing possible forest loss or overlap with a protected area.
4. Verify each flagged plot with a field visit, historical imagery or other evidence.
5. Clear, exclude or place on hold each flagged plot based on the findings.

Stock from excluded or on-hold plots is not sold as deforestation-free. We explain decisions to affected farmers and, where possible, support them with alternatives such as agroforestry, rehabilitation or yield improvement on compliant plots.

6. Environmental safeguards

6.1 On farms

We train and encourage farmers to:

- keep and plant shade trees and use agroforestry;
- avoid burning and avoid clearing forest or riverbanks;
- use agrochemicals safely, only when needed and never those banned in Nigeria or in the destination market;
- manage soil through composting, pruning and good farm hygiene;
- protect water sources from chemical and waste run-off.

6.2 In our operations

- Warehouses store fumigants and chemicals safely, follow label directions and keep records.

- Waste is sorted, and reused or disposed of through licensed routes. Cocoa pods, cashew shells and other by-products are treated as resources to be recovered, including through biochar and other circular uses.
- We use fuel efficiently across our fleet and plan routes to cut empty running.
- We use solar power where practical and track the electricity we use.
- We comply with the National Environmental Standards and Regulations Enforcement Agency (NESREA) Act and state environmental rules. Any new facility is assessed for environmental impact as the law requires.

7. Certification

We work toward recognised certifications, including the Rainforest Alliance Sustainable Agriculture Standard, so farmers can earn premiums for good practice. Certification supports this policy but does not replace it.

8. Roles and responsibilities

Role	Responsibility
Board of Directors	Approves this policy and reviews deforestation and environmental results.
Managing Director	Accountable for compliance with the EUDR and buyer requirements.
Sustainability Lead	Owns this policy, farm mapping, risk assessment and farmer programmes.
Operations and Procurement Lead	Keeps traceable and non-traceable stock apart and applies holds.
Warehouse and fleet managers	Apply the environmental safeguards in operations.

9. Monitoring and reporting

We track: farmers and plots mapped, hectares mapped, the share of volume traceable to plot level, plots flagged, cleared and excluded, trees distributed or planted, and energy use. We share results with buyers and financiers and publish a summary each year.

10. Breaches

Suppliers found to have cleared forest after the cut-off date, or to have misrepresented origin, face suspension and termination. Staff who falsify origin data face dismissal.

11. Related policies

Policy 01 Responsible Sourcing · Policy 06 Community Engagement · Policy 08 Supplier Code of Conduct