![KOLTIVA - BEYOND TRACEABILITY logo]

PRESS RELEASE

KOLTIVA Launches State-of-Art Groundbreaking EUDR Solutions to Enable Businesses Navigate the EU Regulation on Deforestation

- *Effective from December 30th, 2024, EU businesses are obligated to comply with the EU Deforestation Regulation (EUDR), ensuring products do not contribute to deforestation. Compliance entails adhering to land-use rights, forest management, labor, tax, and human rights laws and providing a due diligence statement. (European Commission)*

- *Indonesia-based sustainable agriculture and supply chain traceability startup, KOLTIVA, draws on over 11 years of expertise supporting over 8,000 businesses across 61 countries, now introduces its EUDR Solutions, featuring three distinct modular approaches: **KoltiTrace,** a platform for traceability; **KoltiSkills,** which offers extension services to promote sustainable sourcing practices; and **Data Verification,** delivering expertise solutions for comprehensive EUDR analysis reports.*

Jakarta, Tuesday 16th April 2024 - Globally, extensive deforestation and degradation of forests have imposed tremendous pressure on forest landscapes. A recent study dated between 2010 and 2015 from IDH The Sustainable Trade Initiative mentions roughly 122.29 million hectares (Mha) of tree cover were lost - representing around 5% of the total area covered by natural forests in 2010. Beyond the immediate socio-economic and environmental consequences of this transformation, deforestation and land-use changes stand as the second-largest human-induced source of greenhouse gas (GHG) emissions, significantly contributing to climate change. The European Union emerged is one of the major importers of commodities linked to deforestation: over 60% of the world's cocoa and approximately 50% of coffee being directed to Europe. Simultaneously, cocoa and coffee constitute 2 out of 7 agricultural commodities that played a role in contributing to over 25% of the global tree cover loss between 2001 and 2015, per the World Resources Institute in 2022.

KOLTIVA, a global tech leader with over 11 years of experience in sustainable agriculture and supply chain traceability across 61 countries, launched its groundbreaking EUDR Solutions. These solutions are tailored for businesses seeking EUDR compliance, which mandates rigorous **Due Diligence.** This process includes extensive **Data Collection** on product origins, including specific geolocation data, ensuring products are deforestation-free and compliant with local laws. **Risk assessments** consider factors like country risk levels and forest presence. Additionally, businesses are required to implement **Risk Mitigation** measures such as audits and supplier support. Finally, the Regulation necessitates annual public reporting on due diligence systems and maintaining related documentation for at least five years.

In response to regulatory pressures, KOLTIVA expanded its solutions to assist businesses through a modular approach based on its **KoltiTrace MIS** (Management Information System). This robust producer mapping and traceability platform offers a scalable solution for independent suppliers to meet the forthcoming EUDR regulations. Additionally, KOLTIVA's extension services, **KoltiSkills,** also provide solutions for processors and manufacturers needing more field staff or third-party assistance. These services include sustainable supply chain mapping, transactional traceability support, and risk mitigation services in the field. The latest addition to KOLTIVA's modular approach for EUDR solutions is **Data Verification.** This

solution enables manufacturers to independently verify their supply chain data for suppliers using another platform solution, or KoltiTrace, for supply chain mapping without utilizing KoltiSkills services. Data is evaluated based on completeness, quality, and EUDR compliance. Sample verification visits are available upon request.

Manfred Borer, CEO and Co-Founder of KOLTIVA, discussed the EUDR compliance journey in a recent conversation, stating, "We view that the EUDR is more than a regulation; it's a mission, a key element of the European Green Deal, driving climate neutrality by 2050. By adhering to the regulation, businesses contribute to the global fight against deforestation, a significant factor in climate change and biodiversity loss. With the deadline approaching in less than a year, we reaffirm our commitment to assisting businesses in achieving compliance. We stand ready to provide expertise, technology, and services to ensure regulatory adherence while concurrently fostering a sustainable future."

Borer stated, "Today signifies a significant milestone in our journey towards a greener, more sustainable future. With the launch of our state-of-the-art EUDR solutions, KOLTIVA is fully committed to helping businesses comply with and combat deforestation with our dependable and adaptable modular methods that go beyond traceability. We're empowering businesses with essential tools to effortlessly navigate EU regulations on deforestation, utilizing our robust traceability platform, **KoltiTrace,** extension services for sustainable sourcing through **KoltiSkills,** and expert solutions for comprehensive EUDR analysis reports, **Data Verification.**"

The regulation mandates compliance from over 50,000 businesses that import or process any of the key seven commodities, including **Palm Oil, Cocoa, Coffee, Rubber, Wood, Soy, Cattle,** and derivatives such as **leather and furniture**. Additionally, non-EU companies heavily involved in EU activities are required to adhere to these regulations. KOLTIVA is committed to support meticulous compliance process from supply chain mapping & risk assessment, verifying supply chains connections, training and monitoring, deforestation mapping, risk mitigation, to the due diligence report.

KoltiTrace MIS platform enables processors with **Supply Chain Mapping and Risk Assessment,** ensuring comprehensive producer compliance. It streamlines recording supply chain connections and offers expert field implementation support for businesses lacking resources. To ensure traceable transactions, KOLTIVA **Verifies Supply Chain Connections** from plantations to processors, collaborates with local stakeholders (dealers, agents, collectors) to document traceability by registering transactions from mapped farmers. KOLTIVA reviews transactional data to identify new and mapped farmers within supply chains.

Segregation **Training and Monitoring** play a vital role in EUDR compliance. Koltiva's Field Agent Business Support (FABS) offers training and monitoring at the dealer level to ensure proper implementation, compliance, risk mitigation, and transparency. Koltiva's remote sensing expertise and robust traceability platform and **Deforestation Maps** provide historical data on tree cover loss, enabling in-depth analysis and enhancing the accuracy of deforestation detection and monitoring.

KOLTIVA provides **Risk Mitigation** initiatives, such as personalized farmer coaching and support in obtaining land legality. Through data-driven one-on-one coaching, it focuses on EUDR non-compliant or flagged farmers, guiding farm development plans and accelerating the adoption of Good Agricultural Practices (GAP).

Due diligence is integral to EUDR compliance, which the KoltiTrace platform streamlines by automatically generating due diligence statements for processors and their main suppliers.

These tools provide evidence for compliance submissions, guaranteeing transparency and accountability across the supply chain.

===

Press contacts

Vega Welingutami
Public Relations & Event
+62 878 7643 2821
vega.welingutami@koltiva.com

Daniel Prasetyo
Head of Public Relations & Corporate Communication
+62 8111 67 1919
daniel.prasetyo@koltiva.com