



January 29, 2025

Postponement of European Deforestation Regulation (EUDR) implementation

Dear Valued Customer,

Continental acknowledges the official postponement of the European Deforestation Regulation (EUDR) implementation by the European Commission. In accordance with Regulation (EU) 2024/3234 of the European Parliament and of the Council of December 19, 2024, amending Regulation (EU) 2023/1115, the EUDR provisions will now apply from <u>December 30, 2025</u>.

The EUDR introduces supply chain due diligence (DD) and reporting requirements for certain commodities and products imported into, traded within, and exported out of the EU. It targets products such as cattle, wood, cocoa, soy, palm oil, coffee, rubber, and their derivatives.

As a manufacturer of rubber goods and industrial products, ContiTech is affected when it comes to the import and export of natural rubber, industrial products made from natural rubber, rubber compounds, vulcanized and unvulcanized rubber goods and paper products.

Despite the <u>updated guidelines from the European Commission</u>, significant uncertainties remain. The regulation's provisions, especially regarding rubber, present challenges. The HS codes used do not differentiate between natural and synthetic rubber. However, the latest guidance clarifies that synthetic rubber is excluded from EUDR requirements. It also specifies that wood used exclusively as packaging material to support, protect, or carry another product (e.g. wooden pallets) is exempt from due diligence obligations. **Consequently, we will not issue Due Diligence Statements (DDS) for products based exclusively on synthetic rubber and packaging material** unless significant changes before the new EUDR application date require further adjustments.

In line with our commitment to EUDR, we are actively engaging with regulatory bodies to seek further clarification and will keep you informed of any updates. Additionally, we have already undertaken considerable efforts and investments to adapt our systems, internal processes, and supply chains to ensure compliance with EUDR from day one. As soon as EUDR reporting requirements become applicable, Continental will automatically issue Due Diligence Statements (DDS) confirming the EUDR compliance of all relevant shipments by printing the relevant information on the delivery documents. Furthermore, our customers will have the opportunity to download the DDS statements from an online portal of our software partner Osapiens.

If you have specific questions regarding data-exchange or other EUDR related topics, please refer to your local contact partner.

Yours sincerely,

Claus-Peter Spille

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