



Due diligence for responsible business conduct with regards to people, animals, society and the environment

Account reporting year 2024 Evaluation of Sustainability Initiatives

for Denofa AS

*Ethical Trade Norway has assessed the report of Denofa AS to meet the criteria of our Base Level. More information about our Base Level can be found **here**.*

SUSTAINABLE DEVELOPMENT GOALS



To Readers Of The Report

Enterprises and the public sector have a great impact on people, society, the environment, climate, and animals and can both contribute positively to development, or negatively by causing harm. Enterprises therefore hold a central role in achieving UN's Sustainable Development Goals (SDGs) and the Paris Agreement's 1,5-degree target.

This report can be used as an account for the Transparency Act, but it has a broader scope with climate and the environment, circular economy, and anti-corruption indicators also being included. Our members are obligated to carry out due diligence and report annually on their work. Base level1 members also meet the Transparency Act's due diligence duty, and partially the Act's information duty.

Ethical Trade Norway's concept of responsible business conduct equals OECD's terminology and due diligence methodology. This is the systematic effort that enterprises do to identify, prevent, or mitigate adverse impacts and explain how they manage their risks of negative impact, as well as provide remediation to people, animals, society, and the environment where this is required – is called due diligence. Norwegian authorities expect all enterprises, regardless of their size, to carry out due diligence on society, the environment, and animals in accordance with the UN's Guiding Principles for Business and Human Rights (UNGPs) and OECD's Guidelines for Multinational Enterprises. This applies to enterprises, the public sector, and organisations.

Ethical Trade Norway's Declaration of Principles (our Code of Conduct) for Responsible Business Conduct covers the areas of decent work, human rights, environment/climate, anti-corruption, and animal welfare. This report is done in full transparency and in line with UNGP and OECD's guidelines. The reports of all members are publicly accessible on Ethical Trade Norway's website.

Heidi Furustøl

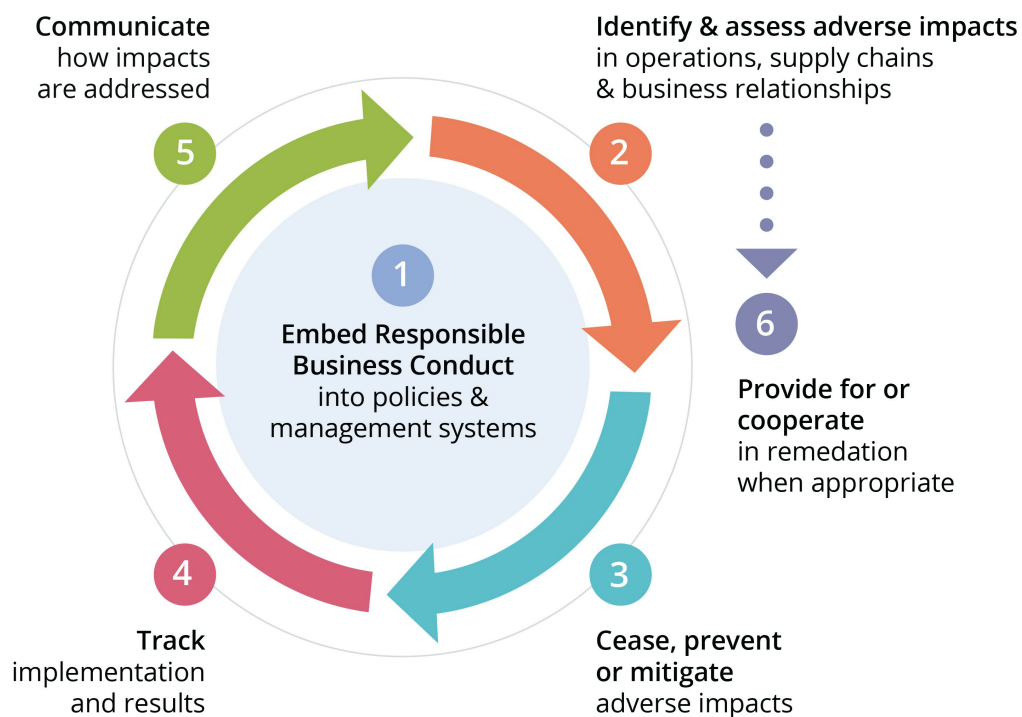
Executive Director

Ethical Trade Norway

Due diligence

This report is based on the UN Guiding Principles on Business and Human Rights and the OECD model for Due Diligence for Responsible Business Conduct.

The model has six steps that describe how companies can work for more responsible and sustainable business practice. However, being good at due diligence does not mean no negative impact on people, planet and the society. It means that the company is open and honest about challenges faced and shows how this is managed in the best possible way in collaboration with its stakeholders. This report is divided in chapters following the OECD model.



Preface From CEO

Denofa AS processes non-GMO and sustainability-verified soy beans to soybean meal, oil, and lecithin. We at Denofa are proud of our traceability system that guarantees a supply chain that is 100% conversion- and deforestation-free. As such, we also create a demand for certified and sustainably produced soy. The requirements we set entail an additional cost for the farmers, which Denofa is committed to pay. Our position is built on a sustainable supply chain, in addition to food security. Increased production of plant proteins is a prerequisite for sustainable food production in the world and sustainable agriculture is also key to ensuring adequate living conditions on a global scale. This requires us to find a balance between the need for food with regard for people and the environment, while simultaneously fighting deforestation and ensuring human rights across our supply chain. We seek to make the world a little better by offering a high-quality protein source with a low climate impact.

" - Sustainable food for the next generations "



Hans Petter Olsen

Hans Petter Olsen
CEO

Enterprise information and enterprise context

Key enterprise information

Enterprise name

Denofa AS

Head office address

Øraveien 15B, 1630 Gamle Fredrikstad

Main brands, products and services offered by the enterprise

Non-GMO soybean meal, soy oil, and lecithin

Description of enterprise structure

CEO: Hans Petter Olsen

The company is organized in four departments: Finance and HR, Operations and Production, Quality and Business Development, and Marketing.

All activity take place in Denofa AS, but the company has three subsidiaries companies: Denofa Havn AS, Denofa Energi AS, and Denofa Industri AS. None of the subsidiaries have employees. The activity by Denofa Havn AS is primarily connected to Denofa AS as a client and supplier. Denofa AS is also majority shareholder in the spin-off company Pronofa ASA.

Revenue in reporting year (NOK)

2 668 000 000

Number of employees

75

Is the enterprise covered by the Transparency Act?

Yes

Major changes to the enterprise since last and current reporting period

There were no significant organizational changes in 2024.

Contact person for the report (name and title)

Hege Rivedal Ødegaard, Director of Quality, Development, and Sustainability

Email for contact person for the report

hege.rivedal.odegaard@denofa.no

Supply chain information

General description of the enterprise's sourcing model and supply chain

Denofa processes non-genetically modified soy beans (one raw material). These are imported from Brazil, but depending on access to raw material can also be imported from countries such as Canada, Poland, and Romania.

Our purchasing model follows a traditional raw material process where Denofa's transparency program (Identity Preservation (IP) program), audits, and risk profile determine who we purchase from, as well as the flow of logistics thereafter.

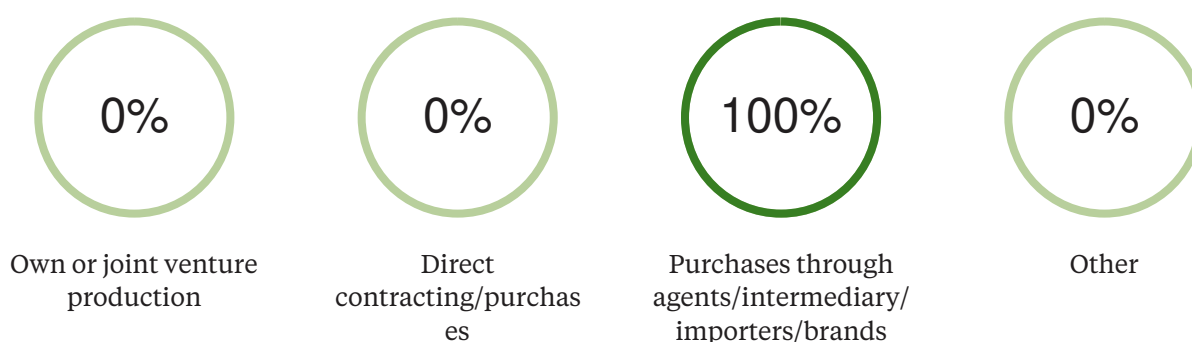
Number of suppliers with which the enterprise has had commercial relations in the reporting year

5

Comments

Suppliers of non-GMO soy

Type of purchasing/ suppliers relationships



Denofa primarily enters long-term contracts with suppliers that we have long-standing and good experiences with.

List of first tier suppliers (producers) by country



Processing in 2024 was at 68% from Brazil, 12% from Romania, 10% from Poland, and 10% from Canada.

State the number of workers at first tier producers

Number of workers

9 000

Comments to number of workers

Based on the number of employees in AMAGGI

Key inputs/raw materials for products or services and associated geographies

| | |
|--------------------|---------------------------------------|
| non-GMO soy | Brazil Canada Poland Romania |
|--------------------|---------------------------------------|

All soy imported from Brazil are from AMAGGI's own farms.

Is the enterprise a supplier to the public sector?

No

Goals and progress

Process goals and progress for the reporting year

1

Goal :

Denofa values the cooperation with Ethical trade Norway on creating an increased understanding of responsible purchasing practices of raw materials where challenges tied to production in the origin country may apply. This work also emphasizes how important it is for Norway to take responsibility by implementing the **EU Deforestation Regulation (EUDR)**. This regulation aims to raise the European level of traceability in the supply chain to a level that is closer to what Denofa already employs regarding import of deforestation-free and sustainability-certified soy.

Status :

If Norway remains outside the EUDR regulation, Denofa will face formal and technical challenges, and in the worst case scenario, it will affect the deliveries that Denofa are already in full control of today. Therefore, our primary goal for 2025 will be to work persistently to highlight the importance of implementing the EUDR regulation in Norwegian legislation as well, with the hope that the government will approve this within the implementation deadline set by the EU.

The implementation of the EUDR regulation was delayed by one year, until December 31st, 2025. However, the movement within bureaucracy to find a solution is slow, seeing as how the regulation must first be processed by the EEA. Certain branches in Norway and the EEA don't want to be bound by strict criteria to area changes and traceability, such as those the EU wants to impose on "high risk countries" like Brazil. For Denofa, this is primarily about formally being able to compete on the same terms as EU countries through the status of the first recipient of the soy we import, in addition to full access to the EU system TRACES. We have made steady progress in highlighting the challenges, but the government doesn't appear to be finding a prompt solution - not in Norway, the EEA, nor the EU.

Process goals for coming year

1

We update our climate accounting annually. NORSUS has been given the task of creating a new, comprehensive calculation of Denofa's local emissions in 2025. In addition to this, we expect an updated LCA from AMAGGI in Brazil within the year. In total, this should provide us with a more detailed and precise presentation of Denofa's climate emissions from A to Z. This is important with regard to EUDR-related challenges, but also to emphasize the low climate impact that deforestation-free soy beans have - especially considering the social mandate for sustainable feed.

Denofa has also established strict criteria to environmental work within its own company, and actively advocates for suppliers to have the same focus. Internal goal setting and measures in 2024 include, among other things, the installation of a so called Aerox that cleans emissions to air on the roof of the Extraction facility, equivalent to the one mounted on the Processing facility.

Other than this, we will maintain our regular environmental rounds on the facility to uncover deviations from criteria and pick up trash.

1

Governance and commitment to responsible business conduct

Embedding responsible business conduct means that the enterprise should have strategies and plan, as well as relevant policies and guidelines for due diligence for responsible business conduct (hereafter due diligence) which are adopted by management. These should comprise the enterprise's own operations, its supply chain and other business relationships. Effective management systems for implementation are key to success, and due diligence should be an integrated element in enterprise operations. Clear expectations from senior management are crucial, as well as clearly assigned responsibilities within the enterprise, for the implementation of the steps in the due diligence process. Those involved need to know how to proceed. Transparency about commitments the enterprise has for itself, challenges they are facing, and how these are managed is fundamental



1.A Policy for own enterprise

1.A.1 Link to publicly accessible policy for own enterprise

Read more about Denofa's sustainability work: <https://www.denofa.no/baerekraft/>

1.A.2 What does the enterprise say publicly about its commitments to respect people, animals, society and the environment?

Denofa's goal and vision is to contribute to sustainable food production for the coming generations. This entails responsible sourcing of non-GMO soy that should also be deforestation-free and sustainability-certified. The majority of the soy Denofa imports is from Brazil.

The state Mato Grosso in Brazil, where the majority of our soy is cultivated, borders vulnerable areas with tropical rainforest and savannah. In addition to this, the country generally has great social challenges that Denofa must also bear in mind, as a responsible purchaser. Even if we can document full traceability and sustainable production for our own deliveries, we are also actively involved in the work of stopping deforestation overall. Our most important contribution is to uphold the strict requirements to the production of soy, that directly and indirectly maintain considerations towards people, animals, society, environment, and the climate. In addition to this, our owner company AMAGGI uses us to prove that a paying source in Europe for soy that meet these sustainability requirements exists. Now we see that more countries are following, with both the Netherlands and Belgium following Norway's example by achieving 100% deforestation-free import of soy, according to IDH European Soy Monitor 2021 (published 2023).

The extent of soy production in North America and Europe connected to deforestation or violations of social rights is small. Nevertheless, we conduct a thorough assessment when choosing new suppliers from these regions as well, and all suppliers must sign our Code of Conduct. Due to lower risk for especially deforestation, we have to a greater extent used analyses from an objective third party rather than completing our own audits every year. In Canada, especially, we have used the same, familiar suppliers over a number of years, which is reassuring.

Quality, which includes food and feed safety, combined with reliability characterizes our company. Our customers should be able to trust that they always get high quality products that are produced in line with the agreements we have made. Here, certifications and traceability are a prerequisite for each delivery.

Denofa continuously maps our customers' needs, in short and long term, and seeks to meet their expectations. Sustainability and respect for people's and animals' rights is important to many. Going forward, it is deciding for us to at all times fulfil current requirements in laws and regulations and selected quality standards that apply to our company and our products. This also applies to strict requirements for food safety and sustainability.

We are aware of our responsibility and our social value as a supplier to the food and feed industry. The organization and all employees attempt to mirror this in all our activities and communication internally and externally. The management in Denofa regularly communicate the quality politics to employees, and ensure that it is understood and complied with. We share information about our work through Denofa's website at [denofa.no](https://www.denofa.no).

1.A.3 How has the policy/commitment been developed and how is it embedded in the enterprise?

Denofa's environmental group has developed the policy from Ethical trade Norway's template. The policy has further been embedded with the CEO and management (2022.02.28).

1.B Organisation and internal communication

1.B.1 How is the due diligence work organized within the enterprise, embedded in internal guidelines and routines?

The CEO has the formal responsibility for work with sustainability in the company. The same is true for the subsidiaries where a managing director has been appointed. Director of Sustainability has the operative responsibility and ensures that all procurements of raw materials are maintained according to the company's regulations.

No trade of raw materials is completed without approval from the Director of Sustainability. Denofa has a separate environmental group that works with risk assessment and a target program tied to responsible business conduct. The environmental group consists of section managers and representatives from the leadership group. This way, what is discussed and suggested in the environmental group is brought up in the leadership meetings and embedded there.

Denofa's owner and main supplier, AMAGGI Group, is committed to the following goals:

- 2021: 100 % traceability and surveillance of direct suppliers from the Brazilian Amazon and Cerrado biomes (achieved).
- 2022: 100 % traceability and surveillance of direct suppliers in Brazil (achieved).
- 2025: 100 % traceability and surveillance of direct and indirect suppliers in all locations and biomes where AMAGGI operates (99,15% traceability achieved).
- 2050: AMAGGI will be carbon neutral.

These goals are consequently also a part of Denofa's goals.

Since Denofa only imports non-GMO soy that is cultivated at AMAGGI's own farms, we have had total control of the volumes that are sent to Norway for approximately 20 years. These are **ProTerra-certified, which additionally guarantees that the farms have not completed any deforestation after 2008 (cut off date)**. The criteria for the certification is also in line with the sector agreement The Amazon Soy Moratorium.

The work with due diligence assessments is described in a steering document "Gjennomføring av bærekraftig forretnings-policy". Denofa completes periodic assessments of the work with due diligence assessments, including evaluations of goal completion and implementation of measures. The possibility of using appropriate indicators to measure progression in the work with due diligence assessments is also evaluated. The findings of the evaluations are presented to management through a management run through. This way, Denofa uses the findings from the evaluations to improve the work with due diligence assessments.

Through cooperations and audits, Denofa follows the extent to which business relations and suppliers manage prioritized risk areas.

1.B.2 How is the significance of the enterprise's due diligence work defined and clarified for the employees through their job description (or the like), work tasks and incentive structures?

The primary responsibility for the work with due diligence assessments is set in the responsibility matrix for the Director of Sustainability.

Denofa conducts routine training of employees with the help of a web-course in environmental management. The web-course also contains responsible business conduct. All employees must confirm and document that they have read all necessary documents, among which "Gjennomføring av bærekraftig forretningspraksis" etc.

The company has set an **environmental group** with section managers from all departments (including the managers that are responsible for sustainability) that set goals and make plans for the coming year. After this, the plans are embedded and approved by the leadership team. There are four status meetings every year. An **extended environmental group** also completes audits of the company's practices twice per year. Here, two permanent participants and two participants from operations are involved in the environmental round. We alternate between who participates in the environmental group, so that more people get a sense of ownership towards this important work.

1.B.3 How does the enterprise make sure employees have adequate competence to work on due diligence for responsible business conduct?

We **routinely complete internal training** for all employees every other year. In addition to this, there is a requirement that all employees are to make themselves familiar with the company's due diligence policy. There is notice in all departments and we provide information during department meetings, in addition to this being reviewed with new hires. If we complete changes, the new policy is distributed to all employees. Relevant employees complete courses arranged by Ethical Trade Norway. They also get specific training in routines for the work with due diligence with the help of the document called "Gjennomføring av bærekraftig forretningspraksis".

1.C. Plans and resources

1.C.1 How are the enterprise's commitments to respect people, animals, society and the environment embedded in strategies and action plans?

Denofa has defined its commitments in a "**Code of Conduct**". All our raw material suppliers have to be evaluated and approved by a third party, in addition to upholding **requirements of certification through either ProTerra og RTRS**. We routinely complete own audits. Denofa also has an **Identity Preservation (IP)-program** and has contracted the suppliers to follow the IP-program. Each delivery should be accompanied by a report that states that all requirements have been met.

In 2021 Denofa's owners, AMAGGI Group became the first soybean producer and -trader in the world to achieve an **A grade ranking in the Carbon Disclosure Project (CDP)**. The CDP reporting consists of transparency about management systems and measures for managing climate and environmental risk. For many, CDP has become the new gold standard for reporting on forest and climate related challenges. It is interesting that AMAGGI is still the only soy supplier that is A-listed.

In addition to this, AMAGGI is the only agricultural company in Brazil on the **Forest 500s "A List"**. For ten years, they have tracked the guidelines and results of the 500 most influential companies and financial institutions in industries tied to deforestation, and have reviewed their supply chains and investments. These are companies that have the power to transform supply chains of among other things cattle, lumber, soy, and palm oil. In the evaluation, they consider whether the companies do enough to eliminate deforestation and violations of human rights. The ranking shows companies that have committed, and also promotes several companies and financial institutions that still ignore the problem. With this in mind, AMAGGI's A-ranking is a solid confirmation that Denofa's owner has done a considerable effort related to sustainability work.

Our other suppliers, preferably from Canada and the United States, are **evaluated annually** also on the grounds of Denofa's responsible business conduct policy.

Maintaining full control of our own supply chain through traceability, audits, commitments, and certifications make up a central aspect of Denofa's sustainability strategy. Besides addressing **zero deforestation**, our strategy encompasses other elements such as the **safeguarding of biodiversity** and **social conditions**. In Brazil, AMAGGI has implemented a number of measures varying from regenerative agriculture to ensuring that women and minorities have the same rights and opportunities. In other countries examples such as **working conditions** will be central in an audit of a new supplier.

1.C.2 How are the strategies and action plans for sustainable business conduct followed up by senior management and the board?

Responsible procurement and sustainability is a fixed post on the agendas of all Denofa's leadership meetings. Action points from the leadership meetings are followed up and completed in the departments.

In addition to this, there is a clear expectation from the owner AMAGGI that Denofa continues to be a guiding star for certified, non-GMO soy on the European market, where all sustainability considerations are well taken care of.

From the start, Denofa and Norway has requested that AMAGGI to be able to document zero deforestation in its entire supply chain - including third party suppliers and small cooperatives. This is also in line with AMAGGI's own ambitions, but the official surveillance system in Brazil, CAR, did not provide them with an adequate overview. As a result of this and by own initiative, AMAGGI developed an advanced satellite surveillance system called ORIGINAR to surveil forest fires, deforestation, and other land use changes. Today, ORIGINAR daily surveils an area that covers 17 million hectares (equivalent to 45% of Norway's area), and can zoom in on every single bit of land to uncover land use changes and collect more information about the farm before they buy soy from an indirect supplier. This has no direct implication on Denofa's volumes, but it serves as a good example of how our ownership company approaches sustainability work in Brazil, as well as what expectations and degree of responsibility they set to Denofa's leadership.

Besides this, it is worth mentioning that AMAGGI does a lot for the workers and their families that live on their farms, in the form of facilitating education, health services, good living conditions, and more. AMAGGI's charity organization, **Fundação André e Lucia Maggi (FALM)**, manages considerable resources annually that are used to improve the living conditions for thousands of Brazilians through various social and sustainable initiatives. The organization focuses on reducing socioeconomic differences, strengthen local communities, and promote education, work and income. Through their projects, FALM contributes to create lasting, positive changes in the local communities where AMAGGI operates - in a total of nine Brazilian states.

1.D Partnerships and collaboration with business relationships

1.D.1 How does the enterprise communicate the importance of responsible business conduct in its business relationships?

We always complete a full review of our own requirements before we enter new contracts. The requirements are defined in procurement procedures and lay the grounds for assessments of new suppliers and producers. All suppliers must show their own Code of Conduct and sign Denofa's Code (<https://www.denofa.no/baerekraft/>).

Further, they must be able to document that they are compliant with our Identity Preservation requirement, which is stated in the contract. The requirements in the procurement process for soy and transport of the soy is incorporated in the contract. Denofa's seriousness with regards to environmental concern is reflected in our annual climate accounting, which is available for Denofa's business relations. Denofa also expects that suppliers complete some type of mapping of the greenhouse gas emissions for their own company.

1.E Experiences and changes

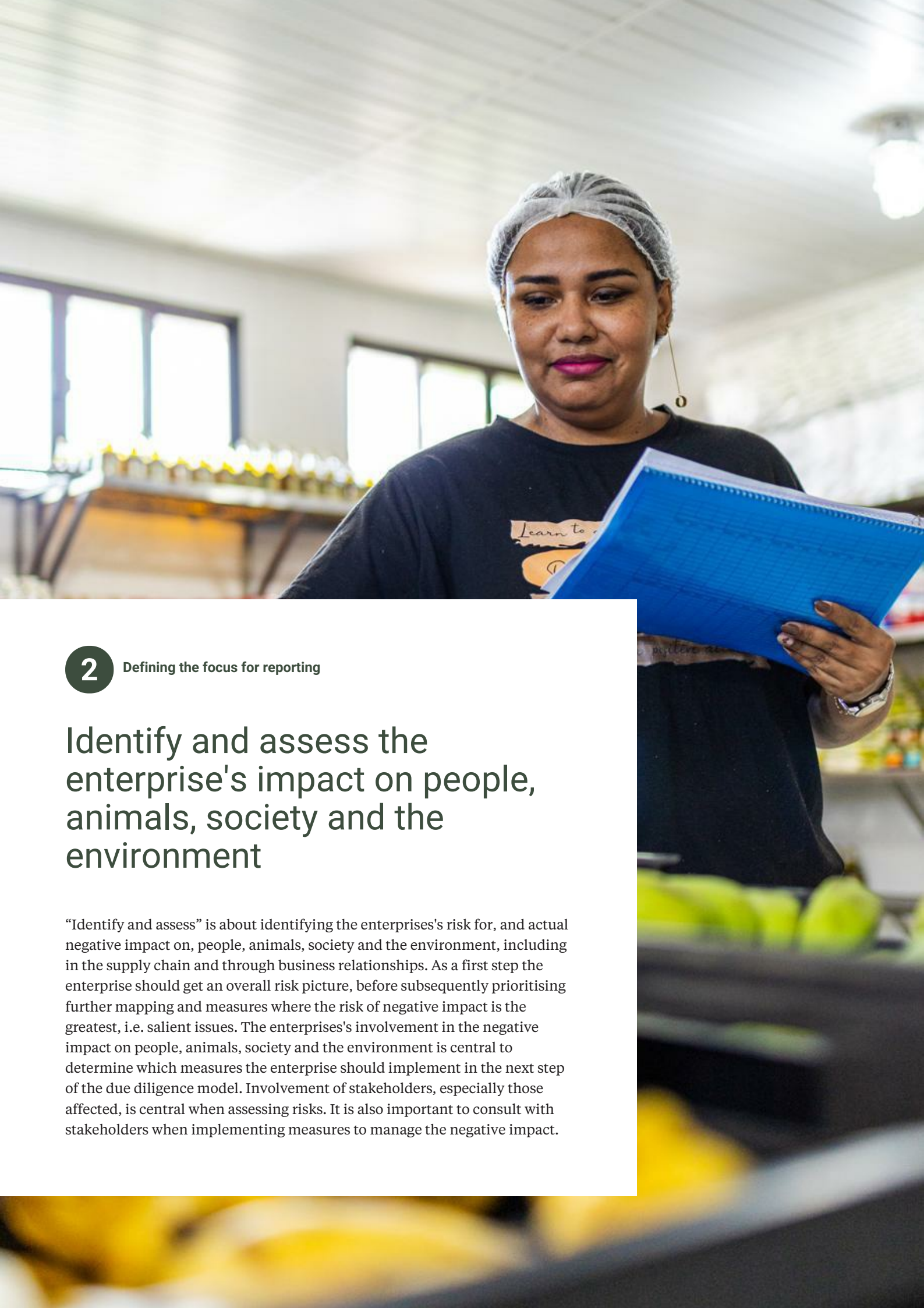
1.E.1 What experiences have the enterprise encountered during the reporting period concerning responsible business conduct, and what has changed as a result of this?

The procedure for implementing responsible business conduct is in place. Denofa's improved Code of Conduct has been well received by the suppliers. The environmental group is working towards goals that have been set based on risk assessments. Training in responsible business conduct is ongoing.

An important example of an experience Denofa has had which resulted in corrective and preventative measures in 2024: In November 2023, Denofa had an unintentional leak of food oil in the harbor, and as a result of this was able to test its ability to limit the scope by using oil lenses and equipment to remove the soybean oil from the water. Denofa demonstrated that this system works quite effectively: up to 90% of the food oil that was leaked was extracted from the sea. Since soybean oil is biodegradable and water soluble, the consequences of the remaining amounts were insignificant.

Another example is the notice that the EU was going to implement the deforestation regulation, called the EUDR. Here, we experienced that our routines for responsible business conduct were solid and well suited to document zero deforestation. However, we were met with formal and technical requirements that were impossible to uphold because Norway was not a member of the EU - and the EEA had not yet approved the incorporation of the EUDR. This paradox has resulted in us having to work a lot more politically oriented to highlight the consequences of Denofa and Norway having to operate by a different set of rules than the other EU countries with regard to the import of feed raw materials.

A third example is the global trends that seek to level business considerations and sustainability measures. The sector agreement The Amazon Soy Moratorium in Brazil, for example, has been a good guarantee to stop further deforestation of the Amazon rainforest since 2008, by giving local farmers economic incentives to abstain from deforestation (including "legal" deforestation according to Brazilian law). In 2024, the states were no longer interested in paying for these incentives, partly because they believed the same interests to be covered through other arrangements. The ProTerra certification, for example, also has 2008 as the "cut-off-date", and for Denofa's non-GMO soy, this practically has the same effect as the sector agreement. Regardless, we also have a social responsibility to promote the agreements from the soy moratorium, seeing as how certified soy only makes up a small fraction of the total soy production in Brazil. As a result of this, we have held dialogue with both NGOs in Norway and our partner in Brazil to underline Denofa's position. Here, we also became attentive to the fact that cultural, social, and historical conditions played a key role, and that both protests and suggestions should be filtered through the sector organization ABIOVE to avoid backlash. Even though most of today's soy producers have an intentional relationship to sustainable production, there are still some that experience a form of colonial "top to bottom" attitudes from Europe, especially concerning the choice of which approach to use to achieve the same goals.



2

Defining the focus for reporting

Identify and assess the enterprise's impact on people, animals, society and the environment

“Identify and assess” is about identifying the enterprises's risk for, and actual negative impact on, people, animals, society and the environment, including in the supply chain and through business relationships. As a first step the enterprise should get an overall risk picture, before subsequently prioritising further mapping and measures where the risk of negative impact is the greatest, i.e. salient issues. The enterprises's involvement in the negative impact on people, animals, society and the environment is central to determine which measures the enterprise should implement in the next step of the due diligence model. Involvement of stakeholders, especially those affected, is central when assessing risks. It is also important to consult with stakeholders when implementing measures to manage the negative impact.

2.A Mapping and prioritising

PRIORITISED ACTUAL OR POTENTIAL NEGATIVE IMPACT ON PEOPLE, ANIMALS, SOCIETY, AND THE ENVIRONMENT

Prioritising one or more risk areas on the basis of severity does not mean that some risks are more important than others, or that the company should not take action on other risks, but that risks with the greatest negative impact are prioritised first. Mapping and prioritisation are a continuous process.

2.A.1 List prioritized significant risks and/or actual negative impacts on people, animals, society and the environment.

| Salient issue | Related topic | Geography |
|--|--|-----------|
| Emissions to air and water, noise, hazardous waste | Occupational Health and safety | Norway |
| Deforestation | Environment | Brazil |
| Social conditions | Discrimination Marginalized populations | Brazil |

Denofa has requirements for suppliers regarding all aspects of social conditions, including forced labor, child labor, wages, working hours, and OSH.

JUSTIFICATION FOR THE PRIORITISATION OF RISKS OF NEGATIVE IMPACT ON PEOPLE, ANIMALS, SOCIETY, AND THE ENVIRONMENT

2.A.2 Describe: a) the enterprise's routines for mapping and identifying risk and show how the negative impact was identified and prioritized b) activities or sections of the enterprise not covered in this report , if any (product groups, own products, departments etc.), and why c) how the information was gathered, what sources were used, and which stakeholders have been involved d) whether you have identified areas where information is lacking, and how you are planning to proceed to collect more information about this.

a) Denofa is mapping and identifying risks and evaluate these with regard to various sustainability aspects. This is fixed and is reevaluated every year when the sustainability goals for the coming year are set. Probability is based on earlier experiences and when events within the different aspects occur, it could increase the probability and set the aspect on the agenda for sustainability goals. Denofa is working with the strategic approach of the sustainability goals for the environmental group. Every year, we make a measure plan, and implement measures in our own company and supply chain that are tied to reduction of nature and environmental impact - in addition to reduction of greenhouse gas emissions based on materiality. Denofa also continuously documents own greenhouse gas emissions in a climate accounting.

Our overall goal is the result of a risk assessment conducted for every single supplier:

I. Soy can be traced to a country/region in a credible way.

II. The country/ region in question is politically stable, has a democratic and effective government, very little risk for corruption within authorities, in addition to effective enforcement of law compliance. This is rated according to the index:

o Foreign Trade Association Business Social Compliance Index (BSCI)

- o The World Bank's Regulatory Quality Index (WBRQ)
- o Fragile State Index (FSI)

III: It must also be ensured that:

1. soy production is subject to social and environmental regulations;
2. soy production fulfills thorough environmental requirements, including the protection of endangered species, wetlands, riparian zones, fertility, water and air quality,
3. soy production does not lead to deforestation or the restructuring of valuable natural areas;
4. comprehensive efforts have been established to continually improve production methods,
5. management of agrochemicals is safe and it is either prohibited or requirements of the phasing out of those chemicals listed under the Stockholm and Rotterdam conventions and the World Health Organization's WHO1a + b.
6. child- and forced labor and discrimination are prohibited and to ensure working conditions; freedom of association and reasonable wages are guaranteed.
7. legal and traditional land rights are respected.

IV. An independent auditor with good knowledge of the area verifies the assessment with reference to relevant laws and/or other credible information.

b) All parts of Denofa (AS, Havn, Energi, Eiendom) are covered in the assessments of the sustainability aspects.

c) Discrimination has been identified as a focus area in 2024, based on the experiences from last year's field trip to Mato Grosso in Brazil. All experiences with the suppliers are considered in the assessments. Food-fraud / VACCP has also undergone a risk assessment, which helps identify specific risks in the supply chain that could also impact the due diligence assessment.

d) There are always changes to a certain extent which results in Denofa working continuously on supplier followup and often visits to be able to assess the conditions and identify eventual new aspects that need to be put in the spotlight. We collect information and complete visits/ "due diligence", including audits with new suppliers from new countries to ensure that these can also follow Denofa's IP-program - and are in line with Denofa with regard to our Code of Conduct.

Denofa and AMAGGI are both certified by FoodchainID Non-GMO and ProTerra, who complete an annual third party audit of all the points listed above.

We use surveillance and measuring programs for acquisition of data. Potential regulatory changes are routinely reviewed. We receive relevant news letters from and are in dialogue with, among others, Miljødirektoratet (the Environmental Directorate) nine different certification schemes (ProTerra, RTRS, etc.), as well as NGOs. We meet the media, politicians, clients and clients' clients. We have a close dialogue with suppliers, and invite suppliers to undergo audits. The news surveillance service Meltwater sorts news based on relevant search terms. The owner AMAGGI updates us weekly on the status in Brazil. The work and the reporting covers the entire company.

ADDITIONAL SEVERE IMPACTS

2.A.3 Describe other risks of negative impacts on people, animals, society and the environment that were identified but not prioritized, and how these have been handled.

No negative impact / harm was identified in Denofa's own mapping. AMAGGI is, however, currently working continuously on improving the rights of workers, women, and indigenous people, counteract child labor, contribute to increased biodiversity, in addition to continuing to be a driving force for the Brazilian soy industry to be completely deforestation-free. This work is discussed more closely in AMAGGI's newest edition of the Sustainability Report and Progress Report (<https://www.amaggi.com.br/en/reports-and-accountability/>).



3

Management of salient issues

Cease, prevent or mitigate negative impacts

“Cease, prevent and mitigate” is about managing findings from the risk assessment in a good way. The most salient negative impact on people, animals, society and the environment should be prioritised first. This does not mean that other risks are insignificant or that they are not handled. The way the enterprise is involved in the negative impact is key to taking the appropriate action. Negative impact that the enterprise causes or contributes to must cease, be prevented and be reduced. To address negative impact directly linked to the enterprise, e.g. in the supply chain, the business must use its leverage to influence the entity causing the negative impact to cease, prevent or mitigate it. This involves developing and implementing plans and routines to manage risk and may require changes to the enterprise's own policy documents and management systems. Effective management of the negative impact on people, animals, society, and the environment is a major contribution to the achievement of the Sustainable Development Goals (SDGs).



3. A Cease, prevent or mitigate

3.A.1 Describe goals and progress status for the measures you have implemented to reduce the enterprise's prioritized negative impact

| | Emissions to air and water, noise, hazardous waste |
|----------------------------------|--|
| Goal : | Odor reduction |
| Status : | New Aerox is installed in X-plant. Optimization and effect will be assessed. |
| Goals in reporting year : | Continue to work with implementing odor reducing technology that can also be used in EX zone production. Technology was fully developed and installed in 2024. |

Describe already implemented or planned measures :

Defined by the environmental group and embedded in management. Installation and use of Aerox to EX zone. It has been developed by the supplier especially for Denofa's needs. Measuring of the cleansing effect from Aerox will be completed. When this is completed the chart for odor emissions will be updated.

Describe actual or expected results of the measures, as well as goals and activities for the coming reporting year :

Further significant odor reduction is expected after the activities of installation and commissioning of the facility in August and beyond the fall. The installed facility will be able to reduce odor emissions to a minimum from the pipes on the X-plant facility, which has positive impacts on the surrounding environment. The effect of reduced odor for the neighbors is desired and expected to be consistently noticeable by the end of 2025.

| | |
|----------------------------------|--|
| | Deforestation |
| Goal : | Full traceability |
| Status : | This is a requirement relative to the import of non-GMO soy, and the target is and continues to be 100% traced and segregated. It has continued to be at 100% in 2024. |
| Goals in reporting year : | Maintaining tracking systems that ensure 100% traceability on all incoming raw materials. We have established the grounds for a responsible business conduct. The target for 2024 was to involve all employees in this, which has provided greater participation for the interpretation of data, results, as well as the execution of traceability exercises. Even though Denofa has 100% traceability, we continuously work to maintain this status, in addition to continuous efforts of improving the system. |

Describe already implemented or planned measures :

Traceability is deciding to ensure 100% deforestation-free raw materials. In Brazil, AMAGGI has launched the surveillance system Originar, that with the help of satellites continuously surveils the areas of all suppliers that they use in conjunction with soy production. Through this system, they are able to find information and images that together covers an area of a dizzying 17.7 million hectares. Per 2024, AMAGGI has control of 99,15% of all direct and indirect suppliers through Originar. AMAGGI is working to ensure traceability across the last indirect third-party suppliers and cooperatives through the Originar-system within 2025.

On the other hand, there is full traceability in Denofa's own supply chain. All raw materials are non-GMO, and are therefore sourced exclusively from AMAGGI's own non-GMO farms.

Describe actual or expected results of the measures, as well as goals and activities for the coming reporting year :

Denofa must maintain tracking systems that ensure 100% traceability on all incoming raw materials. This has laid the grounds for our responsible business conduct. The goal for 2024 is to involve all employees in this with regards to interpreting data, results as well as the execution of traceability exercises. Even though Denofa already has 100% traceability, we continuously work to maintain this status. Furthermore, Denofa has a role in a Norwegian and European context by promoting the value of sustainable soy, especially with the requirement of the introduction of EU Deforestation Regulation (EUDR) within December 2025. Denofa is a part of PCI (Produce Conserve Include) corporate action team. This working group consists of authorities, civilians, farmers, and producers working together on set goals to achieve sustainable raw material sourcing in Mato Grosso. In 2024, the group worked actively in origin areas to strengthen protection of the Amazon rainforest and Cerrado forest savanna, with an overarching goal of making the entire Mato Grosso region to a sustainable, low-risk area.

| | |
|----------------------------------|---|
| | Social conditions |
| Goal : | Social conditions |
| Status : | There is a continuous focus on ensuring requirements are complied with. Visited a supplier in Brazil in 2024 and confirmed that social conditions are well taken care of. |
| Goals in reporting year : | Ensure continuous embedding in the supply chain. Established the grounds for responsible business conduct. Goal for 2024 is to involve all relevant employees in this. Goal for 2024 was also to conduct multiple physical audits to further map, among other things, social conditions and assess possibilities for impact from Denofa/AMAGGI. |

Describe already implemented or planned measures :

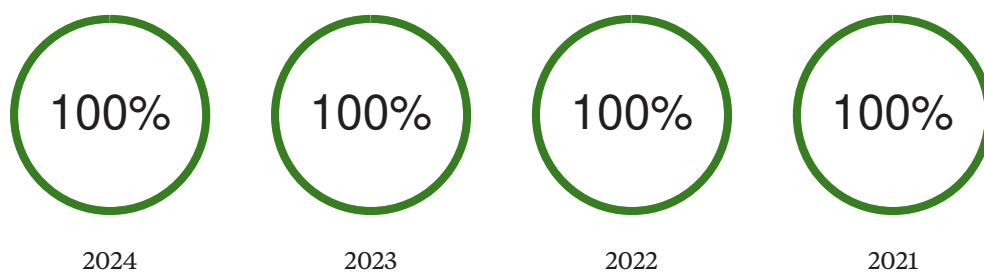
Audits and documentation was carried out in Brazil on the farms of AMAGGI in the Mato Grosso region. Implemented measures and those currently being implemented were shown by the workers on the farms. A consistent measure is that AMAGGI is locally involved and contributes to building infrastructure and facilitates good social conditions for their employees and the local population in general.

Describe actual or expected results of the measures, as well as goals and activities for the coming reporting year :

In 2025, we have planned to visit subcontractors in Brazil. Map the supplier's involvement in work that is targeted at the indigenous / marginalized population. This is to achieve better insight on other social conditions, such as discrimination.

Indicator

Third-party assessment



Ensuring that the requirements are upheld is a continuous process with the highest priority of the company.

3.B Other actions related to management of negative impact

3.B.1 Reduction of nature- and environmental impact

Denofa's environmental measures are described in several attached documents, including a life cycle analysis report from a third party (completed in 2020) and an own annual emissions report. These reports indicate which improvement areas we have:

I. Soil management and effective nitrogen can provide a good possibility to reduce N₂O emissions.

- * Reduce the need for single and triple P₂O₅ soils, and NPL-management

- * Increase the use of barges and trains.

- * Assess the possibilities for increased crop rotation (e.g. brachiaria) or other crop rotation systems that can increase the carbon storage in the soil. AMAGGI has started implementing a lot of this on their own farms through their AMAGGI Regenera program, which includes regenerative agriculture.

II. AMAGGI is self-sufficient with energy through its own hydroelectric plants, and is currently building solar power plants that will provide all their farms with energy in the long run.

III. AMAGGI has several measures tied to social conditions that concern, among other things, contracts, working hours, wages, prevention of slave and child labor, OHS, and training.

- * All AMAGGI employees - including their families - are offered continued education through AMAGGI's own schools.

- * Requirement of third-party audit of the company, in addition to internal audits.

3.B.2 Reduction of greenhouse gas emissions

I. Denofa is mapping its own emissions with the Klimakost tool from Klimapartner. The environmental group is working towards interim goals to reduce greenhouse gas emissions.

II. Cooperation and joint reporting with AMAGGI is ongoing.

III. We are developing strategies for further reduction of greenhouse gas emissions. AMAGGI is, for example, self sufficient on energy through their own hydroelectric plants, and are building solar power plants that will provide all their farms with energy in the long run. In addition to this, they have started using regenerative agricultural methods to reduce the use of pesticides and improve soil health.

IV. I 2024, a preproject on climate accounting (LCA) with NORSUS started.

3.B.3 Improvements in own purchasing practices

Denofa pays an additional cost so that the producer complies with all requirements. **Incentives to get the farmers to cultivate non-GMO soy** are especially embedded in this. Denofa has its own Code of Conduct that the supplier must commit to.

Measures to stop, prevent, or reduce negative impact / harm to people, society, and environment in the supply chain is a requirement Denofa imposes on suppliers and is a part of the basis of approval for all of Denofa's supplier audits.

3.B.4 Choice of products and certifications

A comprehensive preparation is completed with potential new suppliers:

I. Our requirements to producers are non-negotiable.

II. Third party audits applies to all five suppliers: **ProTerra** in Brazil, **Ernst & Young** in Canada, and **AMAGGI Origins (FEFAC-approved)** in Europe.

Moreover, feed safety (**GMP+**) and the Food Safety standard (**FSSC22000**) are implemented by Denofa and in the supply chain.

Indicator

Percentage of suppliers in high risk supply chains with sustainability certification



In 2024, this was exclusively related to deliveries with ProTerra certifications from Brazil.

3.B.5 Actively support free trade union organisation and collective bargaining, or where the law does not allow it, actively support other forms of democratically elected worker representation

It is a requirement for all suppliers that this is fulfilled and implemented. AMAGGI helps their own and subcontractors by having numerous measures tied to social conditions, which among other things, concern contracts, working hours, wages, preventing slave and child labor, OSH, and training.

3.B.6 Contribution to development, capacity building and training internally and of suppliers and workers in the supply chain

Part of the additional cost Denofa pays for the raw material, the soy bean, goes towards these purposes.

Contributions can, among other things, be internal training in Web courses, 1:1 training for new hires and contractees, or help for a new supplier in connection with a ProTerra certification.

AMAGGI has several measures tied to social conditions, that among other things concern training. All AMAGGI's employees - including their families - have the opportunity of continued education through AMAGGI's own schools.

3.B.7 Combatting corruption and bribery in own enterprise and supply chain.

Denofa has an anti-corruption policy that all employees read and confirm having read. It is well embedded throughout the entire company, spanning everything from subcontractors to Christmas presents. This point is also implemented in all agreements that Denofa enters into the supply chain. Additionally, AMAGGI has its own measures to combat corruption across the company.

3.B.8 Other relevant information concerning the enterprise's work to reduce, prevent, and manage negative impact

The most important thing Denofa can do, is to continue to set comprehensive requirements to our suppliers, and least of all to show that a willingness to pay so that the production of our raw materials is completed in compliance with the requirements we set, exists.

The key is providing good incentives for the farmers so that they are willing to transition to a more sustainable operation and operate in accordance with the ethical expectations. Denofa is, for example, a part of PCI (Produce Conserve Include) corporate action team. Here, Denofa works together with authorities, civilians, farmers, and producers towards concrete goals to achieve sustainable raw material sourcing in Mato Grosso. The origin regions are working on strengthening protection of the Amazon rainforest and Cerrado forest savanna, with an overarching goal of making the entire Mato Grosso region a sustainable, low-risk region.

In addition to this, we are more than happy to help other actors in Europe set the same, comprehensive requirements that we have.

Moreover, we are more than happy to help other actors in Europe set the same comprehensive requirements.

The background image shows a control room environment. On the left, a control panel with various buttons and a small screen is visible. In the center, a large monitor displays a live feed of an offshore oil rig, with the text '02 DOME 5' in the top left corner. To the right of the monitor, there are several instruments: a digital thermometer showing 21.7°C, a pressure gauge, and a digital display showing 20.8 and 12.8. A green safety vest is partially visible in the bottom right corner.

4

Track implementation and results

Tracking implementation of actions and results relates to measuring the effects of the systematic approach and own work in each step of the due diligence process, showing whether the enterprise conducts sound due diligence work. The enterprise needs to have procedures and routines in place in order to uncover and critically assess own conclusions, prioritizations and measures that have been made as part of the due diligence process. For example, is mapping and prioritisation of salient issues done in a scientifically sound and credible way? Does it reflect the actual conditions in the supply chain? Do measures aimed at ceasing, preventing and reducing the enterprise's negative impact work as intended? Is negative impact remediated where relevant? This may apply to measures taken by the enterprise alone or carried out in collaboration with others. The enterprise's experiences from working on due diligence should be used to improve procedures and routines in the future.

4.A. Track and assess

4.A.1 Describe a) assignment of responsibility for tracking the effect and result of implemented measures, as well as how the tracking is carried out in practice, b) who is responsible for evaluating the enterprise's implementation and work with due diligence, and how the evaluation is carried out in practice.

a) The Sustainability Manager in Denofa is the director for Sustainability. The Sustainability Manager, the CEO, the Marketing Department, the Communication Officer, and the Environmental Group are the most important actors when Denofa is surveilling the effect and the results of implemented measures to manage the company's significant risk for harm or negative impact on people, animals, society, and the environment. The surveillance is managed through internal procedures. The Sustainability Manager or the Communication Officer handles inquiries related to the Transparency Act, and they join clients in the surveillance of suppliers in Brazil.

The Quality Control Manager is involved in the risk mapping and continuous monitoring of goals and objectives. The responsibility is described in an organizational chart with corresponding assignment and competency matrix. Deviation systems are used to maintain deviations, hazardous conditions, and possibilities for improvement and is a part of the work with. The environmental group's meetings are headed by the Quality Control Manager and they work on status and adjustments to achieve objectives and goals.

b) Management participates in surveilling the effect of measures in management meetings and management's run throughs. Representatives from management are also a part of the environmental group and complete audits/visits to the soy suppliers and producers.

AMAGGI's sustainability report is also distributed to all employees in Denofa.

4.A.2 Describe how you track the effect, and/or demonstrate the probability of effect, of measures taken to reduce negative impact.

We facilitate frequent audits, conduct close dialogue, hold meetings often, and continuously document to verify the effect of implemented measures. The results are conveyed formally to management in the management run through.

AMAGGI has developed its own surveillance system (Originar) based on satellite data that makes it possible to monitor deforestation with their sub-contractors and its own farms. In this way, AMAGGI controls the supply chain and ensures that they achieve the target of 100% deforestation-free soy. Denofa also has access to these data, and can use them in its work with due diligence assessments. For more information about Originar and traceability: <https://www.denofa.no/soya/sporbarhet/>



5

Communicate how negative impacts are addressed

A prerequisite for good external communication on due diligence for responsible business conduct is that it builds on concrete activities and results. Enterprises should make relevant documents concerning due diligence publicly accessible, i.e. policies, codes of conduct, guidelines, processes and activities related to identifying and handling the enterprise's actual and potential negative impacts on people, animals, society and environment. Communication should include information about how the risks have been identified and handled, as well as the effect of the measures/activities. The Transparency Act (Åpenhetsloven) §5 requires companies to publicly account for their human rights due diligence on an annual basis.

5.A External communication

5.A.1 Describe how the enterprise communicates with affected stakeholders about managing negative impact

When necessary, Denofa will communicate externally about relevant environmental aspects with the help of meetings with residential associations, mailing lists, home page, social media or alternatively local media. The significant environmental aspects are meant to be a tool for internal use to achieve our environmental goals, and are therefore systematically not communicated externally.

In the case of accidents, such as emissions, the Directive Doc. 002693 from Denofa Krisehåndbok enters into force.

If there is suspicion of serious faults with the raw material or product that pose a threat to food or feed safety, the Directive Doc. 001469 Kriseberedskapsinstruks (Crisis Preparedness Instruction) food and feed-safety enters into force.

Employees are informed about the environmental management system through general meetings, department meetings, and training, from either the environmental group or from management. The Quality and Environmental policies are communicated to all employees, at a minimum by e-mail. Targets and action plans are communicated at general meetings and department meetings.

Denofa's policy for responsible business conduct is communicated to suppliers and stakeholders. AMAGGI has been informed about Denofa's target of 100% deforestation-free soy, and they themselves have the same target, meaning that communication with sub-contractors on this topic is ensured through AMAGGI.

The management's run through is used to communicate about meetings that have been held. For example: sporadic "neighbor meetings" are held for residents and other companies at Øra.

AMAGGI develops their own ESG reports every year that provide a good description of their work on climate and social conditions: <https://www.amaggi.com.br/en/reports-and-accountability/>

5.A.2 Describe how the enterprise publicly communicates its own work on identifying and managing negative impact/harm

I. Environmental reporting is conducted annually in the Klimakost-tool and is published by Klimapartnere (Climate partners) in Viken for Denofa. These reports are publicly available (<https://klimapartnere.klimakost.no/4/Denofa%20AS/7acb21a1-7b13-44d8-9b27-406c586e8921>)

II. Neighbor meetings are held to inform neighbors and get feedback.

III. The Øra environmental election is held biannually, where several local companies discuss common challenges.

IV. Denofa creates a public annual report for Miljødirektoratet (the Ministry of Climate and Environment).

V. Denofa's website and social media channels are public communication tools that reach out to multiple types of stakeholders.

5.A.3 Describe the enterprise's routines for answering external inquiries related to the information requirement imposed by the Transparency Act

Denofa has an own procedure, "Gjennomføring av Bærekraftig Forretningsutviklingspraksis" (Completion of Responsible Business Conduct) that describes how we can receive and answer inquiries related to the information requirement. An e-mail dedicated to this purpose has been established and an internal handling procedure related to such inquiries has been developed to ensure a quick response and proper follow up.



6

Provide for or cooperate to ensure remediation when appropriate

Once an enterprise has identified that it has caused or contributed to negative impact on people, animals, society or the environment, the enterprise must provide for, or cooperate in, remediation. Remediation may involve financial compensation, a public apology or other ways to remediate the negative impact. Another aspect of remediation is that companies should provide for, or cooperate with legitimate complaint mechanisms, to ensure that workers and/or local communities can raise complaints and be heard.

6.A Remediation

6.A.1 Describe the enterprise's policy for remediation of negative impact

Referring to the policy for responsible business conduct (<https://www.denofa.no/baerekraft/>) and Denofa has a document that describes the completion of this. We will stop our activities that cause or contribute to negative impact on people, society, or the environment and will seek to remediate the harm. Where the sub-contractor is responsible for the negative impact / harm, the sub-contractor is also responsible for remediation.

6.A.2 If relevant, describe cases of remediation in the reporting year

There were no cases of remediation in the reporting period.

6.B. Ensure access to grievance mechanisms

6.B.1 Describe what the enterprise does to ensure that employees and other stakeholders, especially impacted workers and local communities have access to whistleblowing systems and grievance mechanisms

Whistleblowing measures:

Denofa:

- separate neighbor complaint e-mail
- deviation reporting is actively used to document deviations in the work place.
- Denofa has an active labor union that can be involved.
- health and safety representatives can be used locally.
- joint industrial emergency response for other companies at Øra manage emergency preparedness for accidents and incidents.

AMAGGI (and Denofa):

- a notification channel has been established for all companies in the AMAGGI corporation. Here, one can report conditions worthy of critique in the work place anonymously. One can report in Portuguese, English - and actually in Norwegian as well!
- a separate ethics groups has been established that manages all incoming complaints. The group prioritizes and implement necessary measures.

See further details on "Etikk og Åpenhet" (Ethics and Transparency) on the web-page of Denofa (<https://www.denofa.no/baerekraft/>).

Contact details:

Denofa AS

Hege Rivedal Ødegaard, Director of Quality, Development, and Sustainability
hege.rivedal.odegaard@denofa.no