

DLG's action plan for responsible soy

Soy is, with its unique nutritional composition, an important ingredient in much of the feed which is used for livestock feed production.

Every year, DLG imports about half of the soy used in feed solutions I Denmark and we are aware of the responsibility that comes with doing so. Consequently, we want to do our bit to bring about real and lasting positive changes in the countries where soy is produced. The aim is to ensure that the soy imported is produced responsibly and without exacerbating deforestation or the conversion of other natural ecosystems*.

- 1. We undertake that, by 2025 at the latest, DLG's soy imports must be verified as being responsibly produced and produced without causing deforestation and without the conversion of other natural ecosystems after January 2008 in compliance with the European Compound Feed Manufacturers' Federation's (FEFAC) Soy Sourcing Guidelines 2021, including criterion 34 (conversion-free soy module).
- 2. Between now and 2025, DLG will continuously step up the proportion of soy produced in accordance with FEFAC's Soy Sourcing Guidelines 2021, including criterion 34, so we ensure continuous progress. If market conditions permit including availability DLG will work to achieve the target before 2025.
- 3. Through DLG's membership of FEFAC, we will work to ensure that it is a key criterion that both the legal and illegal deforestation and conversion of other ecosystems are covered by the guidelines.
- 4. DLG will work closely with South American soy suppliers to support the overall market transformation, and thereby ensure a greater supply of responsibly produced and deforestation-free soy, as well as creating increased transparency in the value chain through, for example, documentation.
 - DLG will also launch experiments with producers in South America aimed at creating a competitive supply of segregated soy which is responsibly produced and deforestation-free.
- 5. DLG will work to create greater understanding between Danish stakeholders including NGOs, regulators, retail chains and food companies and the South American soy producers with the aim of creating insight into the structure of the value chain and establishing a common starting point for the work to ensure responsibly produced and deforestation-free soy.
 - This can, for example, be achieved by organising visits to producers in South America, where relevant Danish stakeholders can participate, or by initiating dialogue between different parties in the value chain.
- 6. DLG is working to develop alternative protein sources such as peas, lupins, broad beans and grass proteins which are produced in Denmark and which in the long term can replace some of the soy used in feed solutions.

^{*}Read more about DLG's criteria for responsible and deforestation-free soy production in Appendix 1



Appendix 1

DLG's criteria for responsible and deforestation-free soy production

- 1. **Legal production:** All relevant legislation in force in the country of production has been complied with.
- 2. Protection of forests and other ecosystems (no deforestation and no conversion) *
 - 2.1 Production does not cause or contribute to deforestation**
 - 2.2 Production does not cause or contribute to the conversion of other natural ecosystems such as natural savannahs, grasslands, peatlands, and wetlands.
 - *DLG is inspired by the principles and definitions in the Accountability Framework Initiative (AFI), to which we refer for further clarification <u>LINK</u>.
 - **According to AFI, **conversion** is defined as natural ecosystems (including natural forests, savannahs, grasslands, peatlands, and wetlands etc.) that are converted for agriculture, tree plantations, intensive livestock production or other land use, as well as the serious or continued deterioration of such ecosystems. **Forest clearance/deforestation** refers specifically to the **conversion of natural forests** to other forms of agriculture, or serious and continued deterioration. For further clarification, DLG refers to AFI's principles and definitions.

3. Respect for human rights

- 3.1 Our suppliers and subcontractors are committed to respecting and protecting the **human rights** of all individuals regardless of gender and ethnicity and without discrimination; as well as to endeavouring to avoid causing or contributing to negative human rights' impacts. This includes the rights of indigenous peoples, local communities, workers, and others who may be affected by the company's activities.
- 3.2 Internationally recognised human rights are respected in accordance with:
 - The Universal Declaration on Human Rights <u>LINK</u>
 - The International Bill of Human Rights LINK
 - UN Guiding Principles on Business and Human Rights LINK
 - The UN Declaration on the Rights of Indigenous Peoples <u>LINK</u>
 - The International Labour Organisation's Fundamental Conventions <u>LINK</u>



Appendix 1

- 3.3 Respect for the **rights of indigenous peoples and communities** in all production and procurement. This includes, among other things, property rights, culture, self-determination, self-government, a healthy environment, non-discrimination, and full and effective participation in the decisions that affect them. This is ensured through the right to free, prior, and informed consents (FPIC) before any activity that may affect the rights, land, resources, territories, livelihoods and food security of indigenous peoples and local communities.
- 3.4 Respect for the **rights of workers** for all workers, including workers, contractors, temporary workers, seasonal workers, part-time workers, and other workers at all levels of the supply chain. This includes:
 - No child labour
 - No forced labour
 - Freedom of association and the right to conduct free bargaining
 - No discrimination
 - No abuse or unreasonable disciplinary procedures
 - Legal and decent working hours
 - Safe and healthy workplaces
 - Living wage and reasonable services

4. Good agricultural practice

- 4.1 Water quality and supply, including groundwater, are maintained, or improved
- 4.2 The quality of the soil is maintained or improved
- 4.3 The safe handling of agrochemicals and bans on chemicals listed in the Stockholm and Rotterdam Conventions
- 5. Third party-verified or third party-certified to a standard that meets the above criteria