



# Vegetable Ingredients

## Position Statement

This position statement outlines BioMar's requirements for sourcing agricultural commodities and their derivatives. All BioMar suppliers must also comply with the *Responsible Sourcing Policy* and *Code of Conduct for Suppliers*. In addition to these internal requirements, BioMar is committed to sourcing vegetable ingredients that meet the needs of our customers certified to best-practice industry standards, such as Global G.A.P, Best Aquaculture Practices (BAP), and Aquaculture Stewardship Council (ASC).

### Scope

In scope of this position statement are all ingredients originating from crops, but not including feed additives with a plant-based carrier matrix. The requirements in this position statement must be fulfilled by all BioMar business units by October 2025. For BioMar business units manufacturing ASC feed, compliance must be achieved by the ASC transition period end-date. Future additions to the BioMar Group of companies will have 24 months to reach compliance, following a regionally appropriate action plan signed by executive management.



## Risk Assessment

BioMar has aligned with the Due Diligence guidance for risk assessment published by the OECD<sup>1</sup>. The BioMar Due Diligence Assessment Methodology (BioMar DD) is a classification tool designed to determine the risk level of raw materials (RMs) as "high", "medium", or "low". High-risk RMs are derived from crops with known risks related to the rule of law, human rights, and deforestation/conversion of natural habitats (i.e., soy and palm). Low-risk RMs are those where an adequate amount of documentation exists to rule out specific legal, environmental, and social impacts. RMs passing the BioMar DD with low risk can be utilized without restrictions. Medium risk exists when there is not enough information to rule out high risk or clearly determine low risk status. If low-risk cannot be determined, then the RM and the RM Ingredient Manufacturer will be considered in "non-compliance" and subject to an action plan. The action plan will include milestones and target dates that focus on prevention, mitigation, and/or remediation of the identified risk(s). In cases where the ingredient manufacturer is unwilling or unable to engage in an action plan, BioMar will cease sourcing from that ingredient manufacturer.

## Sourcing Requirements

### Deforestation/Conversion Free

BioMar is committed to deforestation-free and conversion-free supply chains (D/C-free) for the sourcing of all plant ingredients. BioMar will not accept high-volume plant ingredients or high risk ingredients (soy and palm) from cropland deforested or converted from natural habitats after December 2020 (cut-off date). Proof of compliance with BioMar's D/C-free commitment shall include evidence gathered during the BioMar DD process for evaluating raw materials. Suppliers are encouraged to share their own D/C-free commitments.

## Traceability

BioMar requires traceability documentation for each delivery declaring the ingredient name, crop name, country of crop production, country of raw material production, and the certification status of the agricultural crop (i.e., ProTerra, RTRS, etc.). In addition, for raw materials derived from soy and palm, the region/state/municipality of crop production is required. If the BioMar supplier of certified soy and palm is different from the producer, then the supplier must have a Chain of Custody or verified traceability system.

## Circular, Restorative, and Inclusive Aquaculture

Circular economy principles and restorative practices are necessary to improve the long-term sustainability of our supply chains. Restorative ingredients are RMs that significantly reduce ecosystem impacts and move agriculture towards net-positive environmental outcomes compared to current agricultural practices. Suppliers practicing or transitioning towards restorative farming practices and/or focusing on circular production inputs (i.e., recycled water and nutrients) and renewable energy will take precedence in the BioMar supplier portfolio. Our circular and restorative ambitions seek to progressively decouple feed supply chains from directly competing with food security, and our target is to have 50% of BioMar's raw materials consisting of either circular or restorative ingredients by 2030.

<sup>1</sup> OECD Due Diligence Guidance for Responsible Business Conduct - OECD



## Definition list

### ASC

Aquaculture Stewardship Council

### BAP

Best Aquaculture Practices

### Conversion

Change of a natural ecosystem to another land use or profound change in a natural ecosystem's species composition, structure, or function. Note: Deforestation is one form of conversion (conversion of natural forests). Change to natural ecosystems that meets this definition is considered to be conversion regardless of whether or not it is legal.

### Conversion-free

Commodity production, sourcing, or financial investments that do not cause or contribute to the conversion of natural ecosystems (as defined by the Accountability Framework). No-conversion refers to no gross conversion of natural ecosystems. The terms "no-conversion" and "conversion-free" are used in favour of "zero-conversion" because "zero" can imply an absolutist approach that may be at odds with the need to sometimes accommodate minimal levels of conversion at the site level in the interest of facilitating optimal conservation and production outcomes.

### Deforestation

Loss of natural forest as a result of: i) conversion to agriculture or other non-forest land use; ii) conversion to a tree plantation; or iii) severe and sustained degradation. Loss of natural forest that meets this definition is considered to be deforestation regardless of whether or not it is legal. - The Accountability Framework's definition of deforestation signifies "gross deforestation" of natural forest where "gross" is used in the sense of "total; aggregate; without deduction for reforestation or other offset."

### Deforestation-free

Commodity production, sourcing, or financial investments that do not cause or contribute to deforestation (as defined by the Accountability Framework). The AFI recognises the High Carbon Stock Approach (HCSA) as a practical tool to implement no-deforestation in the tropics, in contexts where the tool has been validated.

### FEFAC

The European Feed Manufacturers' Federation

### Global G.A.P

Global Good Agricultural Practices

### High-volume plant ingredients

This applies to ingredients which collectively make up the majority of the total plant ingredient volume, i.e.,  $\geq 50\%$ , after high risk ingredients (soy and palm) have been deducted.

### OECD

Organisation for Economic Co-operation and Development

### RM(s)

Raw material(s)

### RSPO

Roundtable on Sustainable Palm Oil

### RTRS

Round Table on Responsible Soy Association

## References

### Internal

BioMar Group Code of Conduct for Suppliers

BioMar Group Marine Ingredients Position Statement

BioMar Group Responsible Sourcing Policy

BioMar Group Sustainability Report

### External

Aquaculture Industry standards

- Aquaculture Stewardship Council (ASC)
- Best Aquaculture Practices (BAP)
- MarinTrust
- Marine Stewardship Council (MSC)

Accountability Framework Initiative (AFI)

Global Good Agriculture Practices (Global G.A.P)

Organisation for Economic Co-operation and Development (OECD)

Roundtable on Sustainable Palm Oil (RSPO)

Round Table on Responsible Soy Association (RTRS)

The European Feed Manufacturers' Federation (FEFAC)



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