

Clarification Note (Explanatory Note)

Cuiabá 05/02/2021

With regards to the article recently published on the Valor Econômico newspaper's website, entitled "NGO questions Amaggi debt securities' sustainable seal", AMAGGI would like to clarify the following:

1. AMAGGI is committed to achieving a deforestation-free grain chain, the terms of which are formalized in the public document entitled: "[Towards deforestation and native vegetation conversion-free grain chain](#)". This commitment addresses legal and illegal deforestation, as well as the company's agricultural production activities, and grain origination by rural producers, applying to all the locations and biomes in which the company operates, especially the Amazon and the Cerrado biomes.

The terms of this commitment are the subject of AMAGGI's collaborative efforts with its suppliers, customers, the civil society and governments, mainly because the company understands that concerns with deforestation must be addressed not only within its production chain, but comprehensively within all sectors, and through consistent public policies.

2. Furthermore, AMAGGI is a founding member of the Soy Moratorium, and can affirm that it does not sell soybeans from areas deforested after 2008, in the Amazon biome, whether they are legally or illegally opened. With regards to the Cerrado biome, AMAGGI analyzed the incidence of deforestation and native vegetation conversion in its supply chain, reaching the conclusion that; 99% of the volume of soy originated and tracked by AMAGGI in 2019/2020 in the municipalities with the highest risk, is free from deforestation and conversion to soy, as of 2017. The result reaches 99.83% if we consider the deforestation that occurred in 2019/2020.

In relation to their production, all of AMAGGI owned farms are committed to a responsible expansion of agricultural production in already open areas, free from deforestation and conversion of native vegetation for agricultural production, at least since 2008.

Thus, AMAGGI understands that its systems are robust so to mitigate risks and guarantee a sustainable chain in its processes.

These data can be confirmed in [AMAGGI's 2019 Progress Report](#), which content and commitment are based on the *Accountability Framework Initiative* (AFI).

3. Denofa is one of Europe's largest certified conventional soy processors (Non-GMO). Founded in 1912 in Fredrikstad (southern Norway), Denofa was fully acquired by AMAGGI in 2013. 100% of the volume of soy handled by DENOFA is conventional, certified, segregated, and with zero deforestation guaranteed, at least since 2008, and is audited annually by third parties.

4. Due to its work on fronts that seek to fulfill its socio-environmental commitments, in 2019 and 2020, AMAGGI scored A- in the CDP Forest surveys, one of the most comprehensive surveys relating to the care corporations from all over the world dedicate to forests in the localities where they operate. In 2020, AMAGGI was the only Brazilian company, among 8 other soybean

companies in the world, to obtain an A or A- rating in the survey, in 2 consecutive years. CDP acts on behalf of over 500 investors, representing USD 100 trillion in assets, enabling them to assess investment risks.

5. AMAGGI's issuance of a Sustainability Bond was successful due to its transparency, sustainability and commitment to social and environmental development. For over 40 years, AMAGGI has been contributing to best practices within Brazilian agribusiness, respecting the communities where the company is present, and preserving the environment.