

For the Future of Farming

Annual Report 2023





for farmers
the total feed business

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This copy of the 2023 annual report of ForFarmers N.V. is not the ESEF document as required by the European Commission (Regulation (EU) 2019/815). The ESEF report is available on our website.

This annual report, including the financial statements, is a translation of the original Dutch text. In case of any difference in interpretation between the translation and the original Dutch text, the latter shall prevail.

* These sections form part of the management report as provided by law under Article 2:391 of the Dutch Civil Code

2023 in brief

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ForFarmers in brief

Under the brand name ForFarmers, we produce (compound) feed for ruminants (mainly dairy cows), pigs and poultry (both laying hens and broilers) in 33 factories. In addition, we supply and use co-products from other industries. (such as bio-ethanol).

We also offer advice and data tools to livestock farmers. Through Reudink, we are a leading player in the organic sector, and through Pavo we supply horse feed and supplements in about 30 countries. We have manufacturing operations in four countries: the Netherlands

(headquarters), Germany, Poland and the United Kingdom. In total, we have 2,390 employees. This includes more than 400 advisors who regularly visit our approximately 24,500 customers on the farm and assist them in their business operations and decisions.



8.4 mT

Total Feed volume around 8.4 mT



69%

69% of feed ingredients not suitable for human consumption



33

Production locations in 4 countries



24,500

Servicing over 24,500 farmers



2,390

2,390 employees in 2023



Branches

Based in The Netherlands (head office), Germany, Poland and the United Kingdom



AScX

Listed on Euronext Amsterdam since 2016



AA

AA-status in MSCI ESG rating

Key figures



Revenue

2,974

€ million

2022: 3.315 million

Gross profit

477.3

€ million

2022: 494,8 million

Underlying EBITDA

70.0

€ million

2022: 76,1 million

Operating profit

32.7

€ million

2022: 38,9 million

ROACE¹ EBIT

7.1

2022: 7,8%

Dividend per share

0.15

€

2022: 0,20



GHG emissions production

13.0

[kg CO₂ per tonne]

2022: 12,0 kg

GHG emissions logistics

8.2

[kg CO₂ per tonne]

2022: 8,0 kg

Responsible soy and palm oil

75% soy

75% palm oil

2022: 75% / 70%

Gender diversity

22%

[% female]

2022: 22%

LTIs

20

2022: 17

Co-products²

69%

2022: 67%

¹ ROACE means underlying EBIT(DA) divided by 12-month average capital employed

² Feed ingredients not fit for human consumption

Results

	2023	2022
Consolidated statement of profit or loss (€ million)		
Revenue	2,974.7	3,315.0
Gross profit	477.3	494.8
EBIT	4.6	24.4
Underlying ⁽¹⁾ EBIT	32.7	38.9
EBITDA	62.8	72.5
Underlying EBITDA	70.0	76.1
Profit attributable to shareholders of the Company	-1.0	18.0
Underlying profit	22.7	30.0
Consolidated statement of financial position per 31 December (€ million)		
Equity	320.4	344.2
Balance sheet total	840.8	1,020.4
Average capital employed ⁽²⁾	460.8	497.9
Net debt ⁽³⁾	21.4	68.6
Cash flow (€ million)		
Net cash from operating activities	86.5	48.2
Acquisition/disposals of subsidiaries	-5.5	-3.4
Acquisition of property, plant and equipment and intangible assets	-34.4	-35.3

	2023	2022
Ratios		
Underlying EBITDA as % of gross profit	14.7%	15.4%
ROACE underlying EBIT ⁽⁴⁾	7.1%	7.8%
Solvency ratio (equity divided by total assets)	38.1%	33.7%
Key data per share (€)		
Earnings per share	-0.01	0.20
Dividend per share	0.15	0.20
Share price at year-end	2.38	2.93
Other key figures per 31 December		
Number of outstanding shares (million)	88.8	89.4
Market capitalisation (€ million) on 31 December	211.3	261.9
Number of employees (in fte)	2,269	2,468

¹ Underlying means excluding incidental items (see note 16 to the financial statements on Alternative Performance Measures (APM's))

² Based on 12-month average

³ Excluding IFRS 16 liabilities

⁴ ROACE means underlying EBIT(DA) divided by 12-month average invested capital

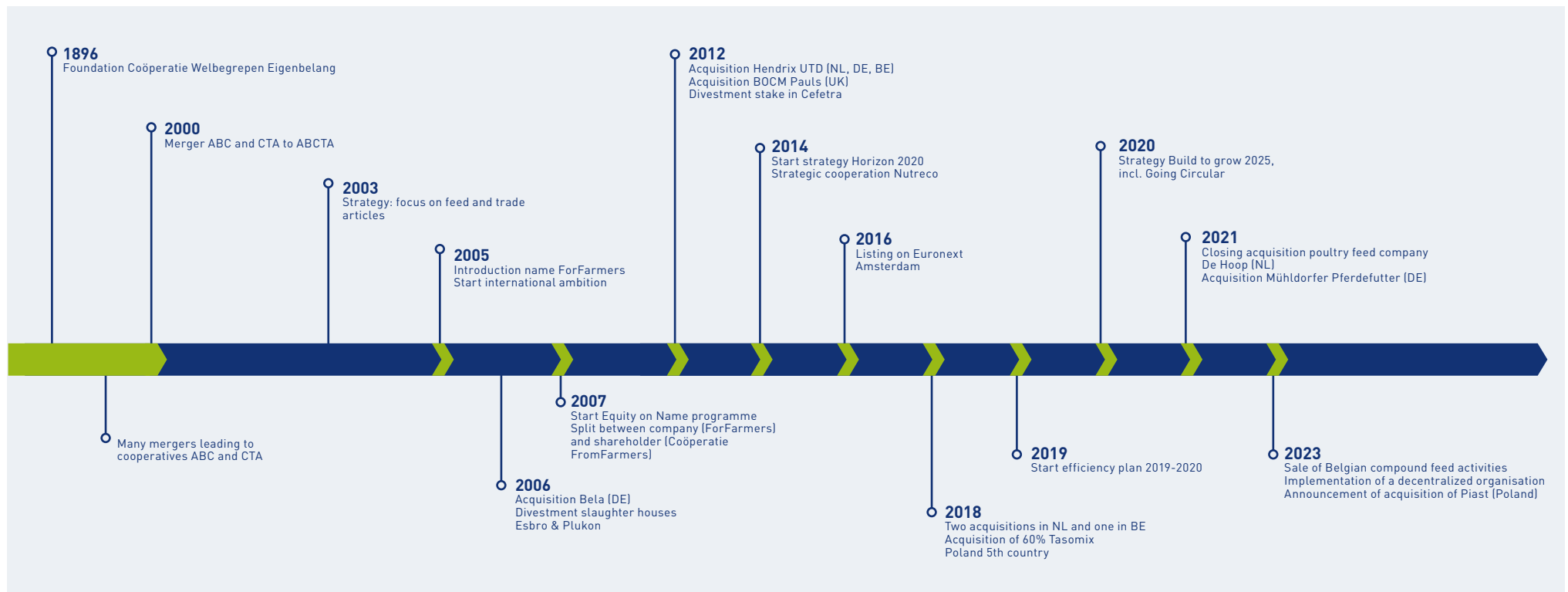
History

ForFarmers' history dates back to 1896, when the cooperative that was one of the legal predecessors of today's company was founded in the Netherlands. In the decades to follow, the cooperative and subsequently the company grew as a result of organic growth and mergers and acquisitions.

The result is that ForFarmers is now a prominent European feed company, with activities in the Netherlands, Germany, Belgium, the United Kingdom and Poland.

ForFarmers ordinary shares have been listed on Euronext Amsterdam since 2016.

ForFarmers' core business has remained virtually unchanged over the years: to supply high-quality feed at a competitive price, along with advice and supported by monitoring tools.



Letter from the CEO

“The implementation of our strategy, of being even closer to our farmers with a local market approach, is bearing fruit.”



The year 2023 was one of transition for ForFarmers. As announced in 2022, we have changed the way we work as an organisation. Our 'local in the lead' approach means that we operate closer to our farmers, with strong local teams. The second half of the year showed that this approach is bearing fruit.

This does not change the fact that it was a difficult year financially, despite the recovery seen from the summer onwards. Our business is affected by various factors, including the uncertainty surrounding the nitrogen plans in the Netherlands, volatile raw material prices, high inflation and pressure on volumes. We are confronting these developments by operating more economically and closer to our markets, and we have made great strides in this respect. Thanks to the reorganisation, which sadly also meant we had to say goodbye to some of our people, we now have a lower cost base and a more efficient organisation. For many employees this has meant changing how they work or cooperate or taking on a different role and responsibilities. I am proud of how resilient our people are. It is thanks to their huge commitment that the transition to 'local in the lead' went smoothly. We are in a strong position to keep on delivering on our promise to our customers: to supply high-quality feed at a competitive price.

The results for ruminants in the United Kingdom showed how a local focus can make a real difference, with sales to dairy farmers increasing in 2023 thanks to our successful approach. Our poultry operations in Poland also developed well, with a strong increase in the number of new customers. It is our express ambition to strengthen our

market position in order to stabilise or even increase volumes. A good example of this is the reinforcement of our customer base in the swine sector in the Netherlands, where our local teams work continuously to supply a growing number of customers to their satisfaction.

A highlight in 2023 was the announcement of the acquisition of Polish company Piast. This will enable us to produce more efficiently in the growing Polish market, while the larger geographical spread will provide commercial opportunities. With Piast we also become the owner of two feed production technologies, which we can start applying more widely within ForFarmers and which can contribute to our sustainability ambitions. The acquisition of Piast is in line with our strategy to invest in growth markets. Elsewhere, we sold our Belgian compound feed activities in October as we had insufficient scale, particularly in the declining Belgian pig market, to be successful. We are convinced that these activities will fare better under their new owner. Unfortunately, we had to abandon our proposed joint venture in the United Kingdom, which we envisaged as a robust company that could have made strides in the poultry market. We are now focusing on an alternative strategy in which improving efficiency is a key focus.

The climate discussions emphasise the importance of continued investment and innovation in the area of sustainability, and it is our conviction that livestock farming plays an essential role in safeguarding affordable and sustainable food. Sustainability is therefore an integral part of our strategy.

A good example of this is our consistent increase in the proportion of co-products in our feed solutions, increasing the efficiency of co-products use and helping make the agricultural chain more sustainable. To further strengthen the impact of our activities in the area of co-products we have grouped these together under the CirQlar Nutrition brand name.

We develop products where increased sustainability is closely linked to on-farm returns. One example is our new Fluxx feed concept for pigs, which helps improve the health of piglets. To make dairy farming more sustainable we have developed a new range of biodiverse grasses with a higher nutrient uptake. Our solutions for better-living concepts for poultry are another good example of how a focus on animal health and wellbeing can go hand in hand with greater efficiency.

In 2023, we once again made strong progress in increasing the sustainability of our own production operations. Our largest mill in Lochem is on track to be carbon neutral in 2025. Our mill in Deventer runs almost exclusively on biogas generated onsite at local dairy farms using manure from their own businesses – a great example of a circular solution that we also want to roll out at other mills.

We are aware that these are challenging times for many farmers. We will continue to stand shoulder to shoulder with our farmers and are convinced that our local approach will enable us to provide them with even better service. I look forward to continuing to work in 2024 on solutions that contribute towards a profitable farming business.

In summary, 2023 was a year a of both challenges and progress, with the latter filling me with confidence for the future. I am convinced that with our people and our strategy we are on the right track. Proud to be ForFarmers!

Lochem, 21 February 2024

Pieter Wolleswinkel

CEO of ForFarmers N.V.

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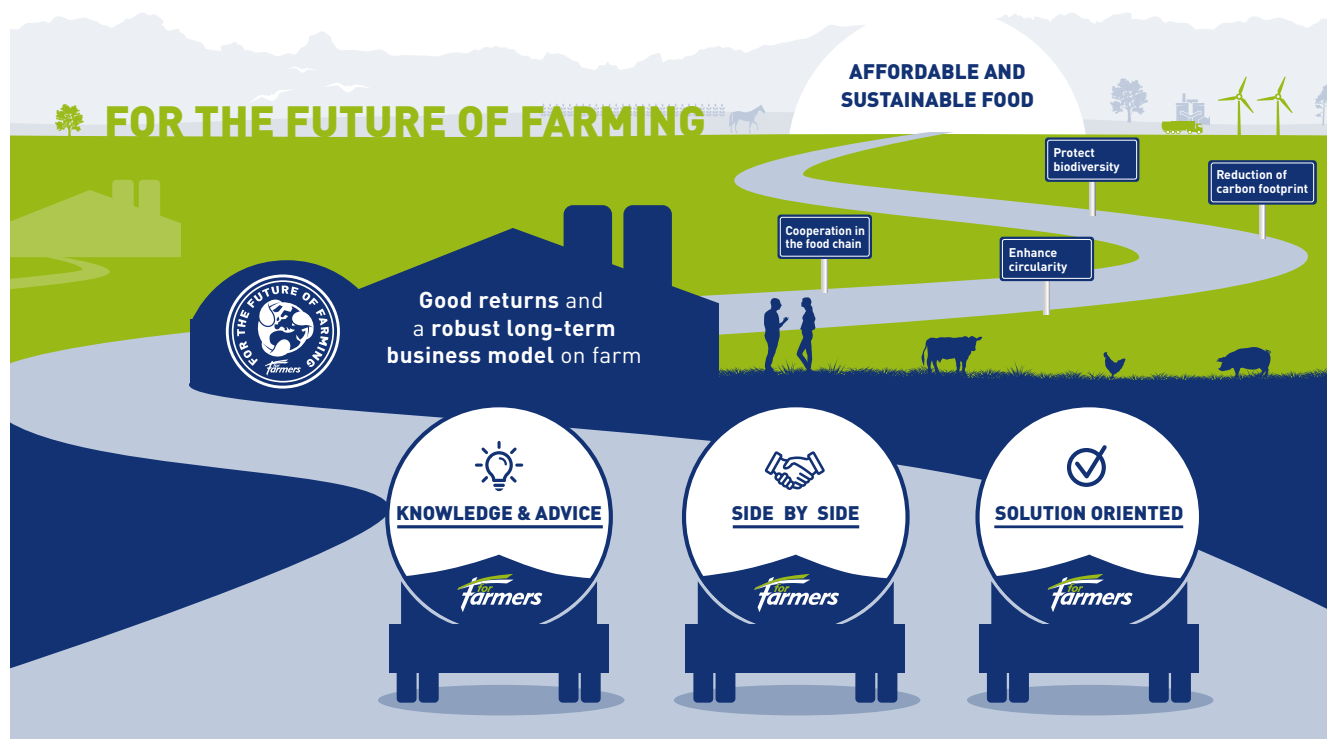


Our mission

For the Future of Farming

Our name says it all: ForFarmers. We are here for farmers, today and in the future.

We share a passion for farming and speak the same language. We are driven to help more and more farmers. Our goal is clear: to contribute to a good return and a robust long-term revenue model. How? By leading the way with knowledge, advice and products on the farm. So that farmers can respond to the ever-changing needs of society.



Every day, farmers rely on our people and products so that they can deliver top performances and move forward. We are committed to that result; we work on it with pride every day. **For the Future of Farming.**

For more than 125 years, we have proudly worked for and with farmers, standing side by side. With knowledge, experience and common sense, we always give substance to changes that come our way. Even now, we take a fresh look at what is needed for a responsible future for farms and the agricultural sector as a whole.

Society demands affordable and sustainable food. We make an essential contribution to this, because our farmers and the livestock sector complete the food cycle. And we are committed to making a difference here every day for a responsible future.

Our focus is clear. We are committed to reducing the CO₂ footprint of our activities and those of our customers. We are bringing more and more co-products back into the chain and thus stimulating circularity. And we are committed to protecting biodiversity. In doing so, we take our responsibility for a sustainable future. We work together with farmers and other partners in the chain.

Because together we can achieve more; every day we come to the farmyard, we stand next to our farmers. As a team, we work on solutions for our customers. Together we have a wealth of knowledge and experience.

By working regionally, with our broad knowledge of the sector and attention to the wishes of society, we aim for the best return on the farm.

This is how we face the future: close to the farmers, solution-oriented, with an open view of the future. The result is affordable and sustainable food, **For the Future of Farming.**

Core values

Successfully implementing our mission requires a company culture that supports it. We have five core values that make our corporate culture clear, that show what we stand for as ForFarmers. These core values are: passionate, responsible, open-minded, united and delivering.

Passionate

Our work is more than a job and our ambition is to improve things. We go the extra mile and put customers, colleagues and partners first.

Responsible

We help farmers to operate sustainably through innovative solutions. We feel responsible towards each other, society and our environment.

Open-minded

Open-minded to adapt to what the industry needs and ready to innovate. We are clear about our intentions and expectations and prefer listening to talking.

United

We stand to face the challenges in our industry. We work towards shared goals with colleagues, customers and partners as one team.

Delivering

We want to get things done. So we do what we say and strive for the best. Respectful, honest and straightforward, that's what and who we are.

PROUD

#PROUDTOBEFORFARMERS



Trends in ForFarmers' markets

There are a range of global developments currently impacting the agricultural sector, from a growing world population to the need to operate more sustainably, with the aim of reducing the impact on the climate and biodiversity. While these developments call for solutions, they also create opportunities. As a key player in the food chain, we are willing and able to play an important role in this.

ForFarmers is part of the food chain which starts with consumer demand for meat, eggs and dairy produce. To satisfy this demand retailers and processors rely on farmers, who produce this food partly with the aid of our

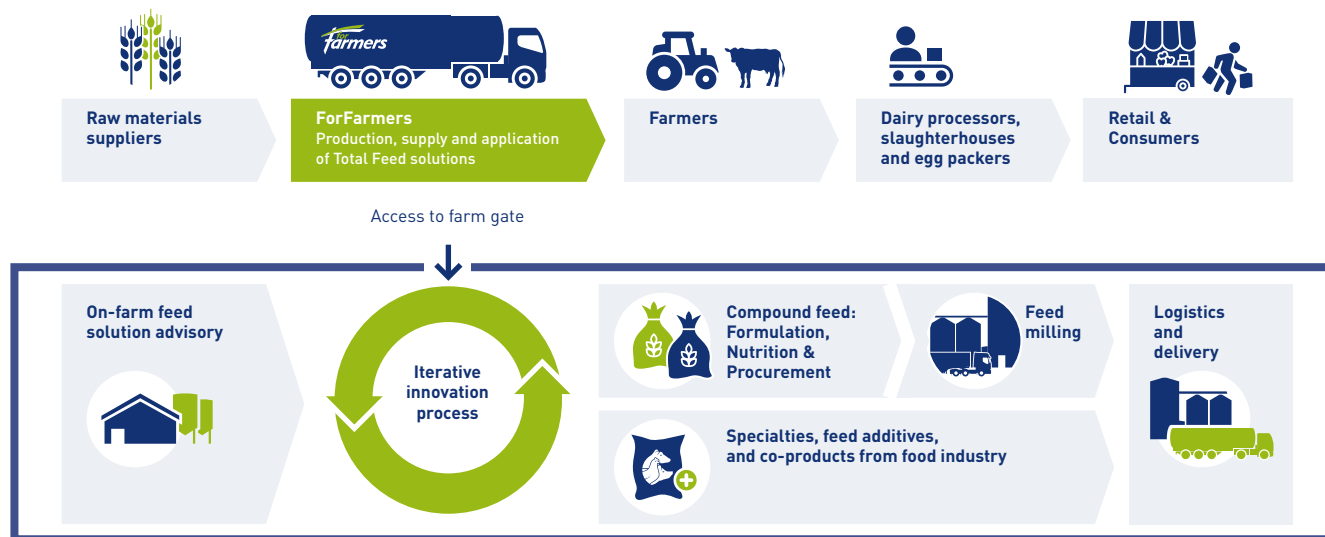
feed solutions. Our feed solutions are made using raw materials such as wheat and maize and, increasingly, co-products which are not suitable for human consumption.

Demand for our solutions is determined both by our direct customers (livestock farmers) and the end customers (consumers). Trends across the entire chain have a bearing on our offering and how it is developed.

A more sustainable agricultural sector, supported by legislation

Northwest Europe is in an excellent position to efficiently produce milk, meat and eggs: it has an advantageous climate, excellent soil and a good logistical infrastructure. It also has a plentiful supply of co-products from the food industry and a large consumer population. Given the agricultural sector's impact on the climate, biodiversity and nature it is precisely in this densely populated region that increased sustainability is high on the agenda.

The chain in which we operate



This was one of the reasons for the adoption of the European Green Deal in 2020, which aims to turn the EU into a resource-efficient, competitive economy while reducing greenhouse gas emissions (GHG) to net zero by 2050. The EU Green Deal includes Farm to Fork, a strategic action plan to make food systems more sustainable. How and how quickly this ought to happen differs from country to country, with a variety of possible solutions put forward to achieve the plan's objectives. These include more extensive farming, conversion, restructuring or relocation, and innovation. There are a variety of different resources and options available and required to achieve the goal of net zero emissions, and given our innovative power, ForFarmers can play a crucial role in this area.



As a leading feed producer in Europe, we play an essential role in further increasing the sustainability of our sector. Our Going Circular sustainability agenda, with its associated objectives, is a key pillar within our strategy. As an important partner in the European food supply chain, ForFarmers is committed to contributing towards ensuring affordable and sustainable food while reducing emissions and increasing circularity. We believe that innovation and intensive partnerships within the supply chain play a key role in providing sufficient, affordable food that has been produced sustainably, which is essential within Europe, while also maintaining a strong agricultural sector.

To contribute to this, ForFarmers develops innovative feed concepts with a focus on sustainability. For example, we are involved in research projects aimed at developing alternative proteins such as insects, algae and single-cell proteins for use in animal feed. We already use many alternative proteins in the production of our animal feed, including co-products from the food and bioethanol industry, and meat and bone meal. The latter, which was reauthorised for use in animal feed in 2021, provides high-quality protein that leads to good animal performance. It also means less soy meal is used, helping reduce carbon emissions. We have made various investments and adaptations at our mills so that we can be among the first in the market able to use these animal proteins.

Consolidation in the sector

Farming businesses in Europe are consolidating. Increased scale is needed to make business operations profitable, partly due to greater regulatory pressure and capital intensity. This increase in scale also creates a different demand for feed solutions and advice.

Our strong relationships with our customers and our local approach means that we are ideally placed to set ourselves apart by tailoring our offerings to the specific needs of farmers. These can range from total solutions to providing specific feed concepts and advice, all aimed at enabling our customers to achieve optimum returns.

Cooperation in the chain

In the Netherlands, intensive collaboration between retailers, slaughterhouses, hatcheries and feed companies is increasing, especially in the poultry sector. This trend of growing integration along the supply chain, which can also be seen in the United Kingdom and Poland, is leading to greater transparency on food provenance, quality and sustainability, more efficient working methods and more added value through the marketing of specific concepts. It also means greater sales security in the domestic market. Retailers in particular, who tend to have significant influence on the food production chain, aim towards intensive cooperation between partners in the chain. Another consequence of this is that – in order to achieve objectives more quickly – collaboration takes place between a small number of suppliers who can use their solutions to respond rapidly to these developments.

Our scale and strong position in the market means we are able to play an important part in establishing this cooperation and are well-positioned to be a preferred supplier. For example, in 2023 ForFarmers started supplying a feed concept to beef cattle farmers who supply their animals to the Van Loon Group, becoming one of three selected feed companies to do so. This is a good example of how we support the sector in ensuring food quality in the chain.

Increasing efficiency on-farm

In an ever-tighter employment market, livestock farmers are increasingly turning to automation. In the Netherlands, around 33.5% of cows are now milked by a robot (KOM, October 2023), and the use of robotic milking is also gaining traction in the United Kingdom. Livestock farmers choose this option in order to save on labour, for animal welfare reasons, and to optimise results. In addition, the agricultural sector wants to speed up digitalisation to enable the exchange and analysis of data, for example to enhance traceability.

The increasing demand for automation and digitalisation creates opportunities for ForFarmers, and we have the scale and expertise to invest in tools and resources to support digitalisation within the sector. ForFarmers uses data exchange and analysis on a large scale to provide livestock farmers with targeted advice on matters such as business management, food chain management and control of their environmental impact. For example, we recently started focusing on real-time monitoring of data from milking robots, enabling us to provide farmers with even more accurate advice.

Higher and more volatile raw material and energy prices

Raw materials account for a substantial part of the cost price of feed. The market for raw materials is very volatile in terms of both supply and prices. After the outbreak of the war in Ukraine in February 2022, raw material prices rose to unprecedented levels before falling back again in the course of 2023, although not to previous levels. It is expected that prices will remain at structurally higher levels and will continue to be volatile.

A more local approach to the market, with an offering geared to specific markets, means that ForFarmers can better plan ahead for such developments, for example by adjusting the composition of feed solutions to mitigate higher costs whilst maintaining technical results. Additionally, ForFarmers actively manages risks in its raw material positions to mitigate the impact of price volatility, and offers long-term contracts to customers who need more price security.

Changes to international competitive position

We are seeing shifts in international competitive conditions due to a variety of factors. The cost structure of European farmers, partly due to more stringent regulations, is making it increasingly challenging to compete in non-European sales markets. One example is a structural market shift in the swine sector. China used to be the biggest export market, but by professionalising its own sector, the country has become less dependent on imports. In Europe, the pig population is declining, partly due to the loss of this major sales market. By contrast, in recent years Poland has strengthened its international

competitive position in the broiler market, and the market has grown substantially as a result.

ForFarmers focuses on specific growth segments, such as the poultry sector in Poland. We have Polish customers in both the integrated chain and the non-integrated segment of the market, and our core pledge – good feed for competitive prices – is key to maintaining and strengthening the competitive position of European farmers. We also support our customers with both advice and innovative feed solutions that contribute towards profitable business operations.

Changing consumer preferences

Global demand for animal protein is increasing. In Northwest Europe, however, overall consumption appears to be stabilising or even falling slightly, although conversely dairy consumption is rising. We also see demand for organic feed increasing in the long term, partly driven by one of the targets of the European Green Deal, which states that by 2030 a quarter of agricultural land should be used for organic production. There is also growing demand for plant-based meat alternatives and vegetarian and vegan food, while a growing group of consumers are adding plant-based options to a diet that still includes animal proteins.

ForFarmers is responding to these developments through our Reudink brand, which has a leading position in the European organic livestock feed market. In the United Kingdom we sell organic feed under the ForFarmers brand name.

Price consciousness and inflationary impact

Many consumers are proving to be cost-conscious, while recent high inflation levels have also made them more selective. Consumers more frequently look for cheaper products and are buying less, and this decreased spending power is currently holding back the growing demand for organic food.

With our range of products and services, at ForFarmers we aim to enable our customers to run their businesses as profitably as possible. This also means mitigating higher costs where possible to make sure that products stay affordable for end consumers. ForFarmers is also active in the international market for horse feed and supplements, a market which has grown strongly in the last few years. While it is currently also seeing a decline due to high inflation, the expectation here, too, is that the market will eventually return to prior growth levels. Expenditure per horse is increasing.

Growing attention to animal welfare

Attention to animal welfare is increasing all the time, and this is leading to a rise in the influence of various quality marks. In 2023, Dutch supermarkets agreed to no longer sell fresh chicken that did not bear at least one 'Beter Leven' star, an independent quality mark issued by the Dutch Society for the Protection of Animals. Consequently, the Netherlands has by far the largest percentage of broilers that comply with a welfare concept, despite the fact that animal welfare is also an important theme for consumers in other European countries.

In the United Kingdom, many leading food companies have signed up to the Better Chicken Commitment (BCC) standards. The European Chicken Commitment (ECC), the European sister initiative which takes regional and EU regulations into account, is gaining traction in several European countries, with progressively more businesses expected to sign up.

However, the focus on animal welfare is not restricted to poultry, and there are a range of quality marks (Beter Leven and others) for pigs and cows. At the same time, the Dutch government is working with the sector on a covenant for 'animal-worthy livestock farming', in which the welfare of farm animals takes centre stage. In Germany, the private Initiative Tierwohl (ITW) animal welfare system for pig meat, poultry and beef is being replaced by a government-initiated animal welfare label that will apply across the entire supply chain.

With its specific feed solutions, ForFarmers is strongly positioned to respond to this growing focus on animal welfare. We have an extensive portfolio for free-range broilers focusing on one-star Beter Leven housing in the Netherlands, and we are also seeing that our organic feed for layers sold by Reudink responds to the nutritional needs of organic layers.

Animal diseases

Animals in the livestock farming sector regularly fall victim to animal diseases that cause market disruptions, for example because of export restrictions. While vaccines

exist for many diseases that could be used to prevent outbreaks, in most cases these are not used for economic reasons. Many countries do not accept meat from vaccinated animals because it is not possible to distinguish whether animals have been sick or have been vaccinated. In 2023, there were outbreaks of avian flu in the poultry sector, which particularly impacted Poland, the United Kingdom, Germany and Belgium.

The agricultural chain is increasingly able to mitigate the effects of animal diseases, for example through cooperation and increased transparency. Ever-greater emphasis on prevention and strict monitoring allows diseases to be detected rapidly so that their impact can be limited.

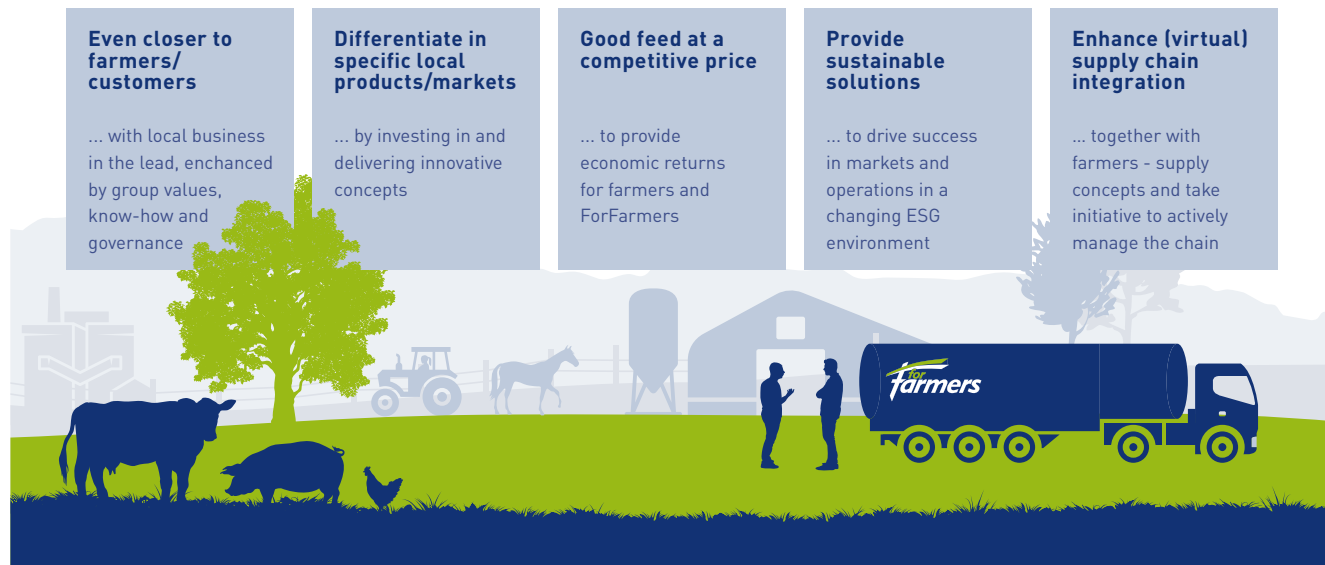
Our strategy for 2025

Our world is constantly changing and this is also true of the agricultural sector. The ForFarmers strategy is a response to these changes.

Various developments have had a major impact on our sector in the past few years. The EU Green Deal has led to an increased and accelerated focus on greater sustainability in the agricultural sector. We are faced with a volatile raw materials market and strong fluctuations in prices for raw materials, energy and fuel, which has made it harder to directly pass on fluctuations in raw material prices. These shifting market circumstances are leading

to consolidation of farming businesses, more intensive cooperation in the chain and overcapacity among feed producers. Our strategy takes these developments into account. In setting the strategy we consulted intensively with customers, shareholders and other stakeholders and gathered input from across the organisation. This is an ongoing process in order to create even more support for the strategy and validate our strategic principles.

ForFarmers' strategic principles



Five strategic principles

ForFarmers' mission is 'For the Future of Farming'. Society wants food that is affordable and sustainable. ForFarmers makes a vital contribution to this, given that livestock farming closes the food circle. With our focus on reducing the carbon footprint of both our own and our customers' activities, promoting circularity by reintroducing an increasing amount of co-products into the chain and protecting biodiversity we take responsibility for a sustainable future. In doing so we work with farmers and other partners in the chain, striving towards a strong farming business and supporting the drive towards a more sustainable sector. In order to strengthen our position we follow five strategic principles.

1. Local ownership

We see that different sectors in the countries in which we operate require their own approach. We also want to be close to the customer, at all times. In light of this, our local teams take the lead and are supported by ForFarmers' central departments so that they can draw on the collective knowledge, expertise and resources of the group.

2. Offerings tailored to the market

We distinguish ourselves by tailoring our approach to the market, the segment and the local situation. It is this differentiated approach that makes the difference. We can offer total solutions aimed at achieving optimum returns, as well as specific products which best meet the livestock farmers' needs in certain circumstances.

3. Good feed at a competitive price

The core of our business is to supply good feed at competitive prices, enabling both our customers and ourselves to achieve optimal returns. That is what we excel at, how we can add value for our customers, and how we can distinguish ourselves from the competition. We work ceaselessly to make our business processes more effective and efficient.

4. Sustainability drive

Our strategy gives a fresh impetus to our Going Circular sustainability agenda. We will give more priority to our products and concepts that make a positive contribution towards a more sustainable sector, including the activities of Reudink (organic feed) and CirQlar Nutrition (co-products). We are also working on concepts that contain alternative raw materials and make use of more co-products from the food industry. This will reduce CO₂ emissions related to the raw materials that we use. In addition, we have various initiatives aimed at making the production and transportation of our feed more sustainable, for example by reducing our energy consumption and using renewable energy wherever possible.

5. Cooperation with chain parties

We aim to cooperate with parties in the chain, partly to enable us to realise our sustainability ambitions. Collaborative partnerships in the chain are essential for developing our sustainable feed concepts. Collaboration in the chain is also crucial for livestock farmers and other stakeholders as they work towards a climate-neutral sector.

#proudtobeforfarmers

Putting our strategy into practice lies in the hands of our employees, who apply the following core values in doing so: passionate, responsible, open-minded, united and delivering. The initials of these core values together spell the word PROUD. More information on this can be found in the 'Our mission' chapter.

Mergers and acquisitions: strengthen and broaden

In order to strengthen or broaden selective positions in home markets and/or enter new markets, ForFarmers is looking for opportunities to acquire or merge with candidates that are a good cultural fit (in terms of country and business).

Financial objective

ForFarmers aims for a consolidated return on average capital employed (ROACE) of at least 10% in 2025, excluding unforeseen events. This objective is at the level of underlying operating profit (EBIT).

The dividend policy is aimed at distributing a cash dividend of between 40% and 60% of underlying net profit after tax.

Developments in 2023

Implementation of the organisational changes was the key focus in 2023. ForFarmers now has a much more decentralised organisation, with operating companies that have been given more responsibilities, including for results. We have strengthened the management teams at our operating companies, and reduced the number of management positions at head office. These changes take time and will continue to receive extra attention in 2024.

The new approach, with local organisations which are active in the market with several products and specific advice, is already bearing fruit. We saw this translated into stronger positions in various markets and a significant improvement in the operating result in the second half of the year.

As part of implementing the strategy, we said goodbye to our Belgian compound feed activities. At the same time, ForFarmers is strengthening its position in the poultry sector in Poland with the takeover of Piast, which was completed in January 2024. The acquisition will give us a larger geographical spread and make production even more efficient. Given that Poland is a key growth market for ForFarmers this acquisition fits well with our strategy.





In 2023, we again took steps in the area of sustainability. ForFarmers believes that its sustainability initiatives can and will make it part of the solution. We cooperate with various parties in the chain to develop and implement sustainable solutions. For example, we work with the dairy sector to make dairy more sustainable and use and co-develop alternative proteins as a sustainable feed ingredient. ForFarmers is working on bringing its activities in the area of co-products to the market under its own brand, CirQlar Nutrition. Co-products are an important part of a sustainable feed solution, and through CirQlar Nutrition we aim to focus more attention on this topic and increase the share of co-products in the chain.

We also took measures to structurally lower the cost base in 2023. These included reducing the headcount by more than 200 FTEs, with around half of these due to the sale of the Belgian activities (around 70FTEs) and the remainder taking place mainly in the Netherlands and the United Kingdom. The programme also includes measures aimed at increasing efficiency, for example by optimising factory utilisation by relocating production. Lowering and monitoring our cost base is crucial to achieving our overarching objective of supplying good feed at competitive prices, as demonstrated in 2023.

Our agenda for 2024

A key focus in 2024 will be continuing to implement the new organisational design by getting even closer to our customers and giving them even better service. In addition, the organisation will have to start operating even more efficiently, with the acquisition of Piast in Poland playing a key role in this. We will maintain an unwavering focus on sustainability and will increasingly both expand our sustainability reporting and make it more specific, partly in view of the CSRD legislation that will come into force next year.

Our integrated objectives for 2025:

	<p>Developing talent For the Future of Farming</p>	<ul style="list-style-type: none"> • Lost Time Incidents frequency rate <0.5% per 100 employees (in FTE) • More diversity in (senior) management positions • Better score employee engagement survey
	<p>Sharing knowledge For the Future of Farming</p>	<ul style="list-style-type: none"> • Better feed conversion ratio each year • Bespoke solutions for specific chains • Focus on good feed at competitive price
	<p>Going Circular For the Future of Farming</p>	<ul style="list-style-type: none"> • Leadership position in reducing CO₂ emissions of feed materials (scope 3) • Energy and fuel reduction per tonne of feed: 10% compared to 2020 • Leadership position on percentage non-human edible feed materials in diets • 100% responsibly sourced soy and palm oil • Deliver feed concepts that address societal requirements
	<p>Creating value For the Future of Farming</p>	<ul style="list-style-type: none"> • M&A: enhance and broaden in selective segments, both in and outside of home markets • Dividend distribution: 40%-60% of underlying net profit • Consolidated ROACE (on underlying EBIT) of at least 10% by 2025, barring unforeseen circumstances

Long-term value creation model



* 2023: Comparative data is presented in between brackets

SWOT analysis of ForFarmers and its markets

Our strategy is aimed at long-term value creation for customers, shareholders, employees and other stakeholders. To ensure that we are able to respond to market developments in a timely and effective manner we maintain an ongoing dialogue with stakeholders and conduct a SWOT analysis. This allows us to identify the strengths and weaknesses of our own organisation and spot the opportunities and threats in the market. Based on this, we perform regular checks to ascertain whether the strategy remains adequate for achieving these set objectives.

Internal	<h3>Strengths</h3> <ul style="list-style-type: none"> • Unique position on farm: strong relationships and expertise • Size of ForFarmers offers economies of scale • Strong position in several countries • Local approach with differentiated product range • Knowledge to support the transition to further sustainability of livestock farming, including through innovations (both ecological and economic) • Well positioned in specific growth segments and markets: organic, horse feed, Poland and co-products 	<h3>Weaknesses</h3> <ul style="list-style-type: none"> • Lack of balance in portfolio between mature and growth markets • Position not yet strong enough in all markets to make optimal use of scale • Product range mainly focused on animal feed • It is not always possible to pass on rising raw material, gas and electricity prices
	<h3>Opportunities</h3> <ul style="list-style-type: none"> • The need for knowledge and expertise is increasing due to the necessary transition to sustainable livestock farming (both ecologically and economically) • Acquisition opportunities to strengthen positions in specific market segments • Need for feed concepts and advice arising from environmental legislation, social requirements and further sustainability • Supply chain cooperation to ensure security of supply • Increasing consumer interest in affordability, quality and origin of food 	<h3>Threats</h3> <ul style="list-style-type: none"> • Increasing pressure on animal numbers in Western Europe • Pressure on consumption of animal proteins due to declining purchasing power and increasing attention on plant-based alternatives • Tight labour market and labour costs have an impact on both ForFarmers and its customers • Volatility of commodity and energy prices • Animal diseases
External		

Our dialogue with stakeholders

We are in constant dialogue with our stakeholders. We want to know what they think of our company, our strategic choices and our activities. That input is crucial to determine whether we are setting the right priorities. Our stakeholders also help us to take a clear stance in different situations. As sustainability is a crucial element in our mission and strategy, this is one of the most important topics of discussion with our stakeholders.

Materiality matrix based on stakeholder dialogue

Up to and including 2022, ForFarmers determined the materiality matrix based on our impact on people and the environment and the relevance for our stakeholders. In preparation for the reporting requirements of the Corporate Sustainability Reporting Directive (CSRD), in 2023 we recalibrated our material topics based on the double materiality concept; the material topics provide insight into the impact of ForFarmers on social issues (impact materiality) and how social issues affect the development, performance and position of ForFarmers (financial materiality). A sustainability topic is material if it meets the criteria of impact materiality and/or financial materiality.

In order to arrive at the double materiality matrix with relevant impacts and prioritisation, we involved the most important stakeholder groups or experts representing stakeholder groups (hereafter: stakeholders) in the various phases of our materiality analysis. The main stakeholders are: shareholders, customers, employees, suppliers, processors and retailers and NGOs.

The starting point for the recalibration of the materiality matrix was the materiality matrix 2022 and the European Sustainability Reporting Standards (ESRS), the implementation standards of the CSRD. The list of potentially material sustainability topics ('long-list') was refined on the basis of sector publications, peer review, social and societal topics and interviews with ForFarmers' senior management. Based on interviews with stakeholders, a short-list of potential sustainability topics was generated, focusing on our activities, the activities in our value chain and social developments.

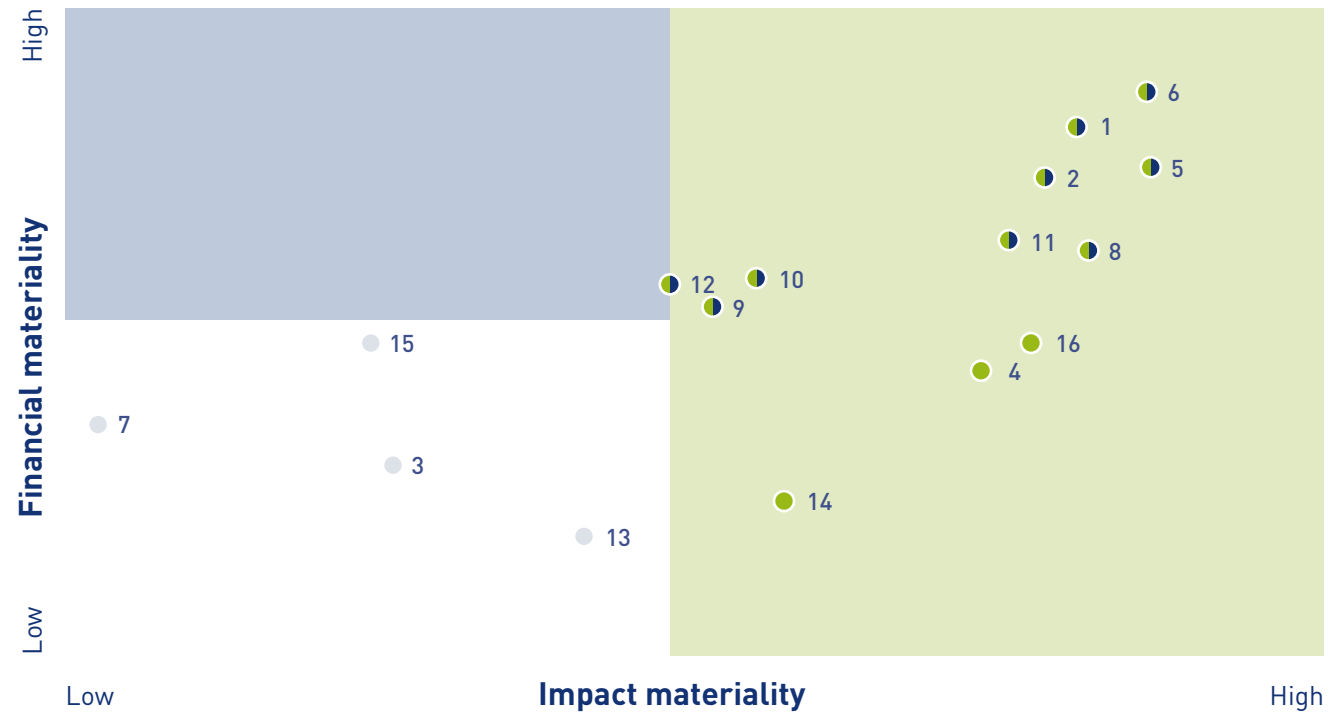
For each potential material sustainability topic, we determined the possible positive and negative effects on people and the environment, and which social developments represent a possible opportunity or risk for ForFarmers. We then asked our key internal and external stakeholders to validate and prioritise the outcomes.

The outcome is shown in the materiality matrix. The x-axis shows the extent to which ForFarmers has an impact on social issues (impact materiality) and the y-axis shows the extent to which a topic has an impact on ForFarmers' business operations and financial performance (financial materiality). The materiality matrix was assessed internally and the results validated by the Executive Board. The matrix will be updated annually based on most recent developments. The material topics highlight the critical importance of sustainability in our strategy, such as our strategic focus on turning low-value ingredients into high-quality food without pollution or waste. We explain how we address these topics in the chapters on our employees and on sustainability and in the corporate governance statement.

In line with 2022, ForFarmers will report on the results and sustainability objectives included in our sustainability agenda for the year 2023. This report is included in the chapter on sustainability and is partly based on the material topics that emerged from the double materiality analysis. The coherence of the results of our double materiality analysis with the sustainability reporting is included in the connectivity table in the chapter on our sustainability agenda. As a result of the step-by-step implementation of the CSRD guidelines, the current reporting of results and targets does not include all material sustainability topics included in our materiality matrix.

Double materiality matrix

From the financial year 2024, we will report results and sustainability objectives on all material topics in line with the introduction of the CSRD. From that year onwards, we will also annually evaluate our management approach to the material topics, including effectiveness of certain actions and lessons learned from certain results in relation to intended, sector-wide, performance indicators. The aim is to increase our positive impact on social issues and to mitigate and reduce our negative impacts.



Material Topics

1	Climate change
2	Air pollution
3	Water and soil contamination
4	Water consumption in the supply chain
5	Biodiversity and ecosystems
6	Efficient and circular use of raw materials
7	Waste management
8	Fair working conditions and employee health and safety

9	Data Privacy & Security
10	Talent development and training
11	Access to safe feed and food
12	Prevention of bribery and corruption
13	Business Conduct and Ethics
14	Organic feed, GMO and AMR management
15	Use of innovative technologies
16	Animal health and welfare

Legend

- Material impact
- Material impact and financial impact
- Non-material

Our employees

ForFarmers has 2,390 dedicated employees who are the driving force behind our mission 'For the Future of Farming'. Our organisation strives for a work environment that is attractive, inspiring and inclusive. We embrace a culture of professional and personal growth and development under our motto 'Feed your career'. Together, we work on a sustainable future, with our collective knowledge and experience forming the basis for innovation and pragmatic solutions that help the agricultural sector move forward.

From central to local

Implementation of the organisational change was a key focus in 2023. The basic principles of the new organisation are clearly defined and are supported within the organisation. The roles which were redundant were covered by the Social Plan that was drawn up in consultation with trade unions and Works Council.

The essence of the organisational change is that responsibility for the results of the various operating companies has been assigned to local management. The success of the local teams is supported and facilitated by central staff functions and collective knowledge and expertise, and this requires operating companies and head office to work and collaborate in a different way.

PROUD core values

The transition ForFarmers is going through is supported by a strong culture in which our core values are key: *passionate, responsible, open-minded, united and delivering*. In 2023, we once again focused on conveying and activating these values. The Mission section discusses these core values in more detail.

Training and development

ForFarmers strives to attract, train and retain talented people. We deploy various training courses and resources to help our employees increase their effectiveness and work on their development.

ForFarmers aims to fill vacancies primarily with internal candidates so that talent is retained and employees are given the opportunity to continue their development. This is important to us, both from the perspective of being a good employer and for the success of the strategy. This is why we offer various training and development programmes, including the Sales Academy, our induction programme and various online modules and e-learning tools. ForFarmers also offers leadership training and development programmes. Given the new organisational structure, which requires a different kind of leadership from the management of the operating companies as well as head office management, this will have priority in 2024.

Staying in control for employees

ForFarmers uses an online HR system, which also provides important support in the area of training and



development. Employees can use the portal to access various learning modules and take ownership of their own development.

We work with a talent management cycle which supports employees in performing their jobs and involves making agreements regarding their personal and professional development. Individual objectives are defined at the beginning of the year in consultation with the manager. An interim progress meeting is held with each employee midway through the year, with the aim of discussing specific development needs and growth opportunities so that a personal development plan can be drawn up together with the manager. At the end of the year, the employee's performance is evaluated and assessed. The employee and manager share responsibility for the content of the meetings with the digital HR platform supporting this process.

Onboarding

We have a digital onboarding programme for new employees, supported by the HR portal. The programme includes taking the new employees through the Code of Conduct, with the training ensuring that all new employees live up to this. In addition, they follow various e-learning in areas such as working safely.

Employee engagement

In 2023, we carried out a cultural survey rather than the employee satisfaction survey that was held in previous years. A values scan was used to identify the personal values of employees, what values employees experience in

the current culture and whether these values are consistent with the desired culture. This provides a good picture both of the current and desired culture and of the organisation's capacity for change.

A measurement of this type, especially given the recent dynamic period, provides a useful tool to gain insight into how employees can become even more strongly connected to the organisation. At the same time, the results showed that the organisation is in a state of flux. The survey revealed a number of focal points which the decentralised organisation will address, such as the assignment of responsibilities and powers at operating company level and increasing entrepreneurship. More connection within the organisation, providing more clarity and focus, as well as improving communication will all help further embed the organisational change that has been implemented.

Employer brand

In 2023, we continued to position our employer brand under the slogan 'Feed your career'. We use the results of this process to strengthen ForFarmers' position as an employer, with the employer brand helping us to develop promotional material, turn our employees into ambassadors and convey an unambiguous, honest message to give potential employees clear expectations about working at ForFarmers. The characteristics defined under our employer brand are in line with our PROUD values and are applied consistently. The employer brand has been strengthened in almost all the countries where ForFarmers operates.

Diversity, inclusion, equality and connectedness

ForFarmers highly values a diverse, inclusive employee population where people are able and allowed to be who they are. Diversity (with everyone being invited), inclusion (where everyone contributes) and equality (where results and benefits are shared fairly) must be truly embedded in the organisation and in our behaviour. We are fully aware of this and aim to convey this knowledge through our shared PROUD values.

Employees are hired based on desired competencies, regardless of gender, age, race or religion and this is woven into the culture of the organisation. We encourage a corporate culture in which the power of difference is valued and everyone has equal opportunities. We believe that a diverse workforce makes an essential contribution to the success of our organisation and its ability to contribute to the future of the industry. Drawing on the different perspectives and experiences of many individuals will add significant value to ForFarmers' core business. For example, we aim for the Executive Team to be a good reflection of the different nationalities within ForFarmers. We also envisage a balanced age mix for the Supervisory Board, Executive Board and Executive Team. When vacancies arise, we will explicitly focus on creating diversity in the team. A working group will further shape the diversity policy, including in the area of diversity within the recruitment process.

Previous employee satisfaction surveys show that our employees do not experience a gender gap in career opportunities. At the same time, we are not yet where we



would like to be in terms of diversity. ForFarmers' policy is actively aimed at achieving a more balanced composition of the employee population. In cases of equal suitability, we consciously pursue increasing diversity and inclusion in our workforce.

As at the end of 2023, ForFarmers employed 2,269 FTEs (2022: 2,468), equating to 2,390 employees (2022: 2,577). As a result of the reorganisation of the organisation, continued efficiency improvements, and the sale of our Belgian activities.

In 2023, 22% of ForFarmers employees were female and 78% male. In 2023, women accounted for 21% of newly hired employees (2022: 27%) and 26% of all internal promotions (2022: 17%), with 4% of these being promoted to a management role (2022: 28%). The male/female ratio for senior management is 87% / 13% and for managers 80% / 20%.

In line with legislation, by 2030 we want at least 30% of Executive Board and Executive Team members to be female and at least 30% male. In addition, we want to see more variety in age and nationality in management positions.

Employees ForFarmers



ForFarmers

Employees	2,390 (2,577)
Female	22% (22%)
Male	78% (78%)
Retention grade	84.2% (82%)
LTIs	20 (17)
LTI frequency rate	0.79 (0.65)



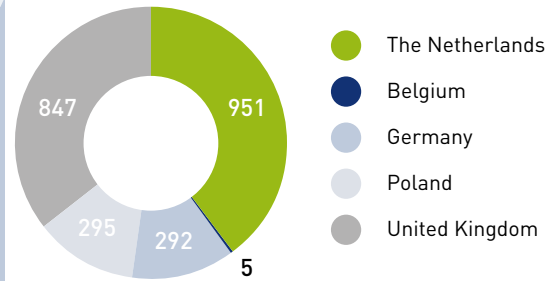
Age structure

18 – 25 years	5% (6%)
26 – 35 years	23% (23%)
36 – 45 years	22% (21%)
46 – 55 years	23% (24%)
55 > years	27% (26%)

Contract per gender

	female	male
Part time	8% (7%)	6% (5%)
Full time	14% (15%)	72% (73%)
Temporary	2% (2%)	5% (5%)
Permanent	20% (20%)	73% (73%)

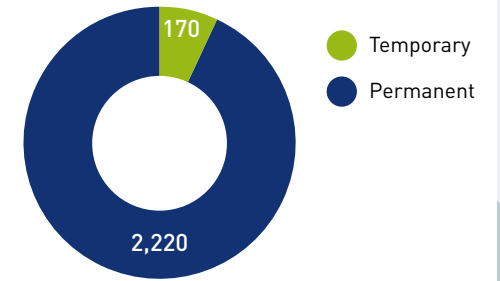
Number of employees per country*



* per year end



Contract*



* 2022: Comparative data is presented in between brackets

Working safely and responsibly

ForFarmers invests in a safe work environment. In recent years we have further improved the prerequisites for safe working conditions, for example by developing a clear safety culture – including social safety – across the company. ForFarmers’ policy also extends beyond the organisation. As part of our FarmRisk approach, our drivers identify on-farm safety risks and make livestock farmers aware of risks on their premises. We have appointed Health and Safety Officers in every country who are responsible for coordinating health and safety training and sharing best practices.

We are also raising awareness through communication, for example by sharing safety results on screens at various locations. Safety and quality training are also key to working safely and responsibly. There is a comprehensive Health & Safety training package that involves repeating various training courses at certain intervals. These include training courses on working safely with forklifts, cranes and certain specific equipment in our factories, as well as courses on explosion safety. Regular quality training and instruction is also given, covering topics such as raw materials knowledge and food safety.

One of our objectives is to reduce the number of Lost Time Incidents (LTIs). All LTIs are reported to the Executive Board within 24 hours of being reported to the relevant managers. LTIs are discussed periodically by the Executive Board.

The table below shows the number of LTIs and the frequency ratio. The latter shows the number of accidents resulting in absenteeism per 100 employees (in FTE).

	2023 Number	2023 Frequency rate	2022 Number	2022 Frequency rate
The Netherlands	5	0.55	7	0.75
Belgium	0	0.00	1	1.15
Germany	3	1.02	4	1.29
Poland	5	1.59	1	0.32
United Kingdom	7	0.74	4	0.41
Total	20	0.79	17	0.65

Health and well-being

The well-being of our employees is very important to us. To enable them to work in a healthy and responsible manner we ensure a pleasant work environment and aim to contribute to their vitality. We take responsibility to keep absenteeism low and to ensure the long-term employability of our people. Our employees are offered the opportunity to have a preventive medical check, which is a comprehensive examination of health in relation to work. If they so wish, participants are given advice on how to improve their lifestyle. Anonymised and aggregated results are also shared with the company and used as input for an annual health plan to enhance the well-being of our employees.

Based on our experiences with flexible working from home during the pandemic, we have decided to facilitate time and location-independent working on a permanent

The Netherlands is showing good progress in this area. The safety of our people remains a high priority. Achieving our target of a frequency ratio of 0.5 in all countries will continue our constant attention.

basis. This will enable employees to better shape their work-life balance. With a view to maintaining connectedness and sufficient contact, we aim to achieve a good balance between working at the office and working from home. Managers receive support to correctly set up this way of working.

Compared to 2022 (3.8%), we see that absenteeism due to illness has decreased significantly in 2023 (3.1%). In every country where ForFarmers is active, absenteeism due to illness is lower than in the previous year. Absenteeism due to illness in the United Kingdom and Poland is consistently low year on year, with the Netherlands (-1.0%) and Germany (-1.7%) in particular seeing a significant decrease in 2023 compared to 2022. This is mainly due to increased attention on absentee management. Managers and Human Resources work together to ensure that employees carefully manage their return to work.



Social safety

Social safety is very important to ForFarmers.

To guarantee social safety the company not only has a Code of Conduct and whistle-blower policy in place, but also an external confidential adviser. This gives employees easy access to help or advice, for example in the event of undesirable conduct. There is also a speak-up platform for anonymous reporting of misconduct. We will ensure that awareness of these processes is increased to provide a low-threshold way for employees to report any misconduct and receive appropriate support.

European Works Council

In addition to an overarching European Works Council ForFarmers has local Works Councils in several countries. On 25 May 2023, a meeting of the European Works Council took place in Lochem, in the presence of CEO, Pieter Wolleswinkel. The main topic of the meeting was the implementation of 'Local in the lead' and the implications for the different countries.

Priorities for 2024

In 2024, a major focal point will be the further implementation of the decentralised organisational model, with explicit attention on building strong teams in operating companies and optimising – and where possible simplifying – processes and procedures. The agenda also includes further fleshing out the diversity policy, including installation of the working group. It goes without saying that activities aimed at talent management and leadership development receive continuous attention. Points of attention within this domain include career development and succession planning based on the future competencies and skills necessary to execute ForFarmers' long-term strategy.

Our sustainability agenda

Going Circular

ForFarmers is a leading producer of animal feed in Europe and we take responsibility for making our industry more sustainable. We contribute towards ensuring the supply of affordable, sustainable food while seeking to minimise our environmental impact. Making our operations more sustainable and contributing to the sustainability of our customers and the chain as a whole is an integral part of our approach.

We see livestock farming as part of the solution to ensure sufficient and affordable food in a sustainable way. Various scientific and other studies show that livestock farming and its products contribute to a sustainable food system. Animals are able to convert (vegetable) proteins that cannot be digested by humans into high-quality animal proteins. This means that, for optimal land use, animal proteins are a necessary part of the food supply, adding value to the co-products from the human food industry and utilising land where nothing but grass can grow. At the same time, it is crucial to keep making livestock farming more sustainable. To help achieve this, ForFarmers has drawn up its 'Going Circular' sustainability agenda.

Going Circular

Strategy, governance and implementation

The core of our sustainability strategy is to convert low-value ingredients into high-quality food without wasting raw materials and while keeping the environmental impact to a minimum. In so doing, we enable farmers to achieve optimal returns with the lowest possible carbon footprint.

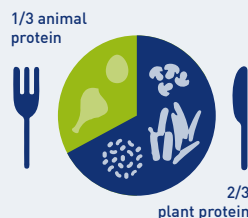
Our sustainability strategy contributes to creating long-term value for all ForFarmers stakeholders. Our sustainability activities are managed by the Sustainability Task Force, overseen by the Sustainability Advisory Board. The Advisory Board is chaired by our CEO and further consists of the Corporate and Legal Affairs Director, the ESG Director and external representatives. The full composition of the Advisory Board can be found in the sustainability appendix to this report.

The role of animals in a sustainable diet

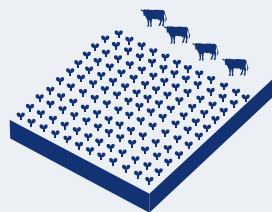
Required proteins
We need **50 - 60** grams of protein on average per day



Sustainable diet
Animals can provide **1/3** of our daily protein requirement, without causing competition for land between food and feed

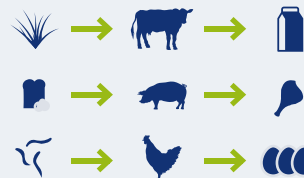


Animals contribute to optimal land use
When **1/3** on the required proteins are of animal sources, **25%** less land is needed than with a diet that is fully plant-based



Animals convert co-products into high-quality proteins for us to eat

Animals graze land that is not suitable to grow crops



The purpose of the Advisory Board is to provide insights into ForFarmers' sustainability results and gather input from key external stakeholders. The Sustainability Advisory Board is supported by the Going Circular Task Force, a working group broadly represented from across our organisation. We work with concrete objectives and clearly defined responsibilities to make sustainability a truly integral part of operations.

Progress on sustainability is one of the qualitative targets for the long-term variable remuneration of the members of the Executive Board. All countries report on key performance indicators (KPIs) in their quarterly updates to the Executive Board and propose initiatives to improve results. An annual review of forecasts and progress against 2025 targets is held with all KPI owners.

Preparing for upcoming regulations

ForFarmers is preparing for the CSRD (Corporate Social Responsibility Directive) regulations, which will apply to ForFarmers from the financial year 2024. In this annual report we report on the steps we have taken with regard to the CSRD regulations. We have applied the principle of double materiality in our materiality analysis, as described in the section 'Our dialogue with stakeholders'.

We are currently working on a next step in the implementation of the CSRD, which is to tighten existing and set new targets (KPIs). It is important to us that our targets are concrete and can be monitored in a consistent manner. In accordance with the CSRD, we will report on our new KPIs in the 2024 annual report.

We have chosen to adopt the Science Based Targets initiative (SBTi) to measure our goals that relate to CO₂ emissions. Science-based KPIs provide companies with a clearly defined pathway to reduce greenhouse gas (GHG) emissions. Targets are considered to be 'science-based' if they are in line with what the latest climate science deems necessary to meet the goals of the Paris Agreement to limit global warming to 1.5°C above pre-industrial levels.



Pavo Planet for a happy earth

ForFarmers is active in the global horse feed market with the specialised brand PAVO. All of Pavo's solutions are aimed at promoting horse welfare. With the Pavo Planet Program, Pavo focuses on making its activities more sustainable. Pavo has set clear targets, including reducing CO₂ emissions by 10% by 2025 (per tonne of feed produced). All business processes are set up as efficiently as possible to minimize the consumption of water and energy, and raw materials, including soy (meal), are purchased sustainably. Pavo has also been offering refill packs made from FSC paper since 2022. In 2023, 22% of customers used the paper refill pack instead of plastic buckets. All materials used by Pavo are 100% recyclable.



Sustainable Development Goals

We have aligned Going Circular with four United Nations Sustainable Development Goals (SDGs): SDG 2 (zero hunger), SDG 12 (responsible production and consumption), SDG 13 (climate action) and SDG 15 (life on land). The SDGs are subdivided into articles, some of which apply to ForFarmers.



SDG 2 – Zero hunger

2.4 *By 2030, ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production, that help sustain ecosystems, that strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and that progressively improve land and soil quality.*

Our contribution

ForFarmers contributes to feeding a growing world population in a sustainable and affordable way. We support livestock farmers to improve their efficiency and resilience. We contribute to more production with less feed. In addition, we focus on improving animal welfare and reducing emissions of greenhouse gases such as carbon dioxide and methane as well as phosphate and ammonia.



SDG 12 - Responsible production and consumption

12.2 *By 2030, achieve the sustainable management and efficient use of natural*

resources.

12.3 *By 2030, halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses.*

Our contribution

Our target is to source all palm oil and soybean meal responsibly by 2025 and we have the ambition to source all raw materials responsibly and transparently by 2030. Furthermore, we reduce food loss by feeding animals low-value ingredients to convert into high-quality food for human consumption. Many ingredients in our animal feed are co-products from the production processes of the food, beverage and biofuel industries. Ruminants are able to eat forage which is grown on land that cannot be used for any other purpose. While cereals remain an important feed material for pigs and poultry in particular, we mainly use cereal lots which are unsuitable for use as, for example, baking wheat or malting barley. We have calculated that in 2023 69% of the feed ingredients we used (excluding Poland) were 'non-human-edible' according to FAO definitions. Our ambition is to substantially increase our percentage of circular raw materials.



SDG 13 – Climate action

Take urgent action to combat climate change and its impacts.

Our contribution

Reducing carbon emissions is central to our Going Circular agenda. This involves looking at feed production, where we target a 75% reduction of CO₂ per tonne of feed (scope 1 and 2) by 2030 compared to 2015. Our largest mill in Lochem will be climate-neutral by 2025. Our sustainability agenda also includes carbon emissions in the chain. Our ambition is to reduce upstream emissions (i.e. in the supply chain) by 30% in 2030 compared to 2020. In 2023, we started mapping CO₂ emissions downstream (on-farm).



SDG 15 - Life on land

15.2 By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally.

15.5 Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and prevent the extinction of threatened species.

Our contribution

As part of the 2025 strategy, we are putting more emphasis on sustainable solutions that address social issues, such as sourcing responsible soy and using alternative raw materials to combat deforestation. We will be even more active in promoting cooperation between supply chain parties in the various markets. This is important both ecologically and economically. For instance, we are working with various dairy companies to develop programmes to make dairy more sustainable from the perspective of farmers, and we are participating in projects to standardise carbon footprint calculations and monitoring in the swine sector. These measures and research can contribute to decreasing soybean use. We are also a member of the Round Table on Responsible Soy (RTRS) and the Round Table on Sustainable Palm Oil (RSPO). We are involved in research projects aimed at developing alternative proteins, such as the use of insects and algae in animal feed.

Three key themes

Our sustainability strategy is based on three key themes: feed resources, feed production and feed solutions, and we have formulated a number of KPIs for each theme. The table on the next page shows the short-term targets for 2025 and longer-term ambitions for 2030 for these KPIs.



Feed resources

A large proportion of the CO₂ emissions associated with the production and delivery of feed comes from the cultivation, harvesting, processing, storage and transport of feed materials. ForFarmers purchases most of its raw materials sustainably. In addition, we increasingly use co-products which are not suitable for human food production. By doing so, we both add value to these flows and contribute significantly to circularity.



Feed production

We aim to produce and supply feed whilst limiting the adverse impact on the environment as much as possible. At around 1.6%, emissions from our own operations are relatively small compared to total supply chain emissions. We are on track to make our largest mill carbon neutral by 2025 and are working towards making all our factories and transport carbon neutral. We also have numerous initiatives in place to reduce energy consumption, whilst an increasing share of the energy we use is from renewable sources.



Feed solutions

ForFarmers wants to ensure a balanced use of resources throughout the supply chain. A key on-farm objective is to improve nitrogen and phosphate efficiency in the animal chain. ForFarmers develops new feed concepts that help livestock farmers reduce their nitrogen and phosphate emissions without losing sight of animal health and welfare. ForFarmers also advises farmers on matters such as animal housing, animal management and growing forage crops on their land, with the reduction of CO₂ emissions also playing a role in this.

	Objectives 2025	Ambitions 2030
	100% responsibly sourced palm oil and soy bean meal	100% responsible and transparent sourcing of all ingredients
	85% suppliers signed Sedex code of conduct	
	Take leadership position on reduction CO ₂ emissions of feed materials (scope 3 – upstream)	
	Take leadership position on % non-human edible feed materials in diets	
	Largest mill carbon neutral as proof of concept	75% reduction of CO ₂ per tonne of feed (scope 1 and 2) compared to 2015
	50% renewable energy	
	10% energy/fuel reduction per tonne feed compared to 2020	
	Take leadership position on % phosphate efficiency	Take leadership position in circular livestock farming
	Take leadership position on % nitrogen efficiency	
	Lost Time Incident frequency rate @ 0.5 (pe 100 FTE) and a 50% reduction ¹⁾ in Number of Lost Time Incidents	Creating a Zero LTI Culture
	Reduction of 50% of Feed Safety Incidents ²⁾	Creating a Zero Feed Safety Incident Culture

¹ Baseline 2019

² Baseline 2017 Feed safety = External audit gaps, control authority warnings or fines

Results for each KPI



Feed resources

1. Percentage of responsibly sourced soybean meal and palm oil

The cultivation of feed materials such as soy and palm oil comes with the risk of deforestation and conversion of natural ecosystems. Our objective is to source only sustainable soy by 2025. We consider soy meal to be sustainable when it is certified based on the [FEFAC-guidelines](#) for soy procurement. In addition the certificates we buy for dairy farming include a declaration that no land

has been deforested by the certified farms in the past 20 years. This reduces the carbon footprint of our feeds and we aim to extend it to other sectors in the coming years.

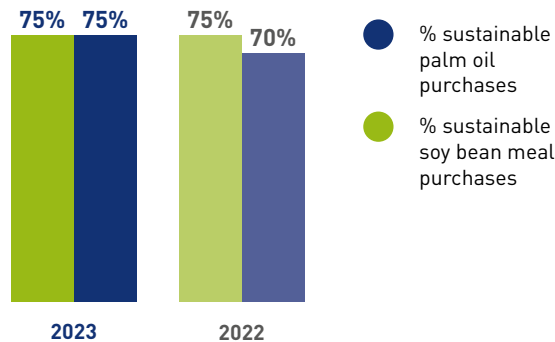
By 2025 we will only purchase sustainable palm oil and related derivatives. This means that we will buy RSPO certificates (the quality mark of the Roundtable on Sustainable Palm Oil) for the equivalent quantity of palm oil and derivatives purchased. Certification is an effective way of incentivising and rewarding producers in origin countries for producing crops in a responsible way. Certification covers more than just deforestation, also monitoring human rights and the use of pesticides.

ForFarmers endorses the 2006 Amazon Soy Moratorium. This ensures that no soy originating from land in the Amazon region deforested after 2008 is used in European animal feed. We have also signed the 2019 Responsible Soy Declaration, by which European feed producers state their commitment to buy responsibly grown soy. In addition we are members of the Round Table on Responsible Soy (RTRS) and the Round Table on Sustainable Palm Oil (RSPO).

Physical soy supply chain



Percentage sustainable soy bean meal and palm oil purchases



What was done in 2023

In 2023, 75% of all soybean meal purchased by ForFarmers was certified (2022: 75%). 75% of the palm oil and derivatives that we purchased in 2023 was certified with RSPO certificates (2022: 70%). We have thus taken a further step towards the goal of 100% responsible sourcing by 2025 for both soybean meal and palm oil. We are preparing for the implementation of the EU Deforestation Regulation (EUDR), which companies must apply to 30 December 2024. This new legislation will require certain products (including soy and palm oil) destined for sale in European markets to be demonstrably deforestation-free. Together with our suppliers and other supply chain partners, we are making the necessary preparations – including gathering the required information and conducting a risk analysis – to enable us to comply with this regulation in time.

We also have our own supplier code of conduct, developed in cooperation with Sedex. This contains ethical standards aimed at preventing bribery, discrimination and fraudulent business practices as well as standards for matters such as transparency, environmental protection and working conditions. Among other requirements, we demand that suppliers respect freedom of association and the right to collective bargaining, that they prohibit child labour and that they pay their workers a living wage. Our code of conduct serves as a reference for suppliers.

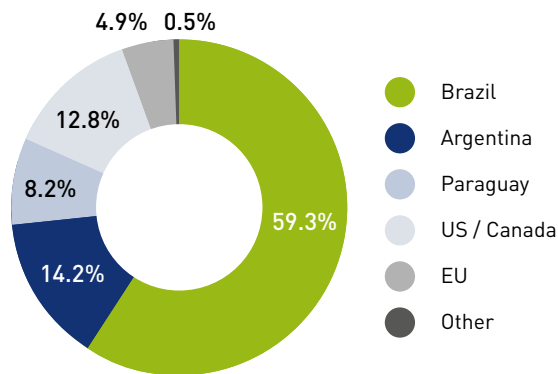
Percentage of suppliers – members of Sedex

	2023	2022
Total	85%	85%

What was done in 2023

Our objective for 2025 is for 85% of our raw material suppliers to be members of Sedex and to have signed our supplier code of conduct. We have managed to meet this target consistently since 2021 and 85% is the maximum achievable percentage. The remaining 15% of our suppliers are individual farmers and growers whose organisations are too small to qualify for this. We maintain direct relationships with these suppliers, including in the field of corporate social responsibility.

Country of origin soy – 2023



2. Percentage of suppliers that have signed the Sedex supplier code

We aim to source raw materials in accordance with recognised social, ethical and environmental standards. For example, we require our raw material suppliers to be members of Sedex, a platform that helps companies operate responsibly and sustainably and aims to improve working conditions in global supply chains. If suppliers are judged to have a ‘high risk qualification’ on certain points we ask them to address these. If this does not happen we terminate the relationship with the supplier in question. This creates a basis for transparent supply chains.

3. CO₂ emissions from feed ingredients (scope 3, upstream)

Producing animal feed and supplying it to livestock farmers causes greenhouse gas emissions. A large proportion of these are scope 3 emissions which are generated upstream in the chain, released for example by the cultivation of crops as well as during their harvesting, processing and transportation to our mills. Our objective for 2025 is to have a leading position in terms of reducing scope 3 greenhouse gas emissions, for example by reporting annually on these. Our ambition is to reduce these emissions by 30% by 2030 compared to 2020. Customers and supply chain partners are increasingly interested in the carbon footprint of the feed that we supply. In some cases, we provide this information for each batch of feed, based on actual composition of the feed. We are making preparations to enable us to report the carbon footprint for each feed delivery, based on actual composition, in all countries. In a number of

situations, livestock farmers are also rewarded for reducing CO₂ emissions, such as dairy in the Netherlands (RFC).

What was done in 2023

In 2023, we began the process of setting and measuring our objectives using the Science Based Targets initiative. We will also use these to start mapping scope 3 downstream emissions (on-farm emissions). This will provide the basis for further tightening our short-term and long-term objectives.

We are continuously working to reduce the CO₂ emissions of our feed, including in collaboration with our suppliers. In 2023, we once again saw an increase in the share of the soy we processed that was certified 20-years deforestation-free, lowering CO₂ emissions per tonne of feed. The differences per country are mainly due to variations in the product mix in individual countries.

4. Percentage of feed ingredients not suitable for human consumption

Animals are able to convert waste streams from the biofuels, food and beverage industries into animal proteins. This principle is at the heart of Going Circular: instead of going to waste, the co-products remain part of the food chain. In this way livestock farming makes a vital contribution to the circular economy and ecology. It also reduces the amount of land needed to grow feed crops, thus freeing up land for other purposes.

Land use is a major factor in the debate surrounding the impact of meat consumption on climate change. Research by Wageningen University & Research shows that animals can provide a third of our daily protein requirement without causing competition for land use between animal feed and food production. ForFarmers is a frontrunner in terms of using co-products, as is evidenced by the roughly 3 million tonnes of co-products we supply to livestock farmers every year.

CO₂ emissions scope 3 (upstream)

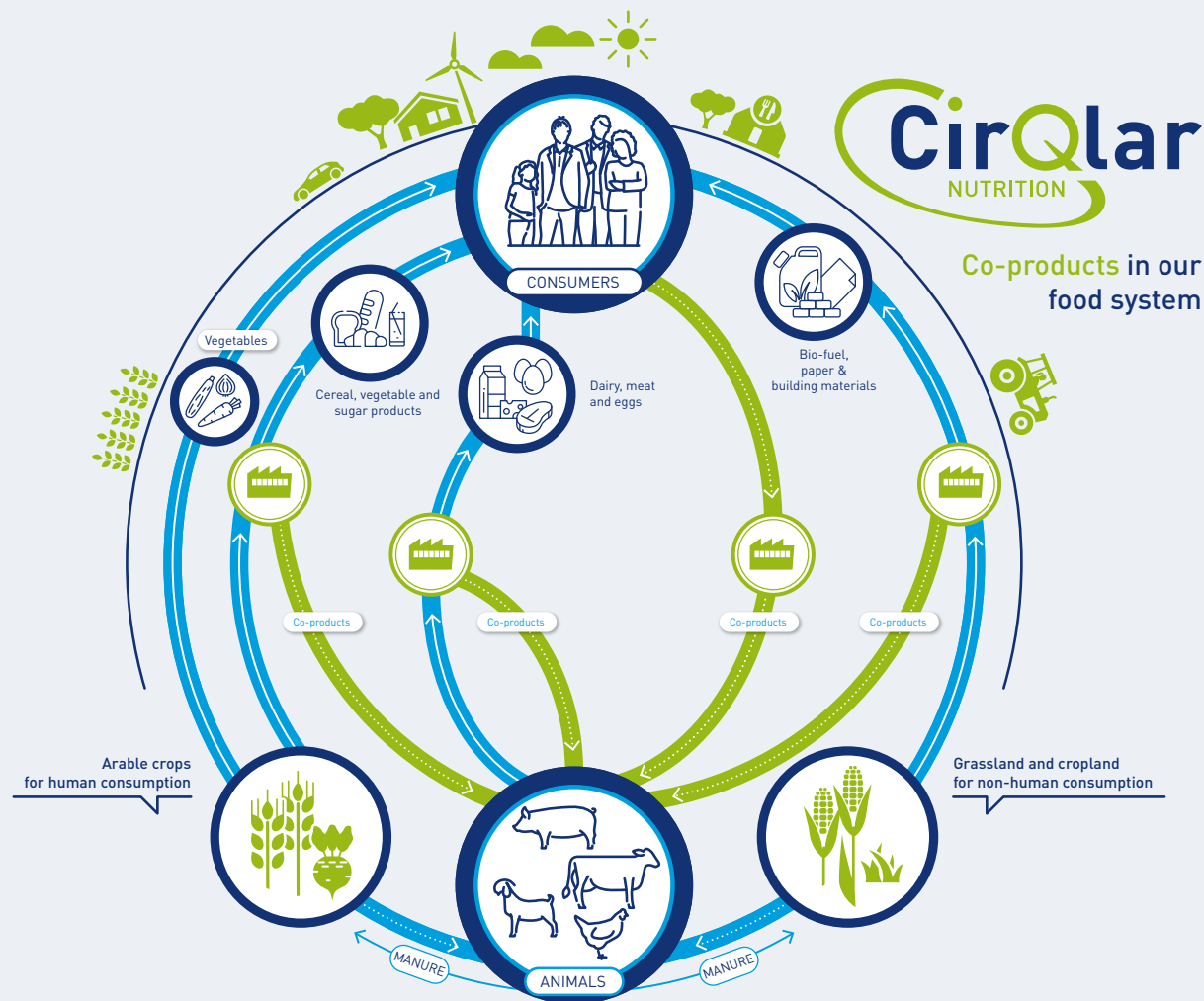
	2023		2022	
	Including land use change		Including land use change	
	Kg CO ₂ per tonne feed	Total Tonnes CO ₂	Kg CO ₂ per tonne feed	Total Tonnes CO ₂
The Netherlands	952	2,595,056	977	2,967,523
Germany	908	757,666	1,077	317,336
Belgium*	1,050	224,065	934	628,919
Poland	1,477	1,008,068	1,386	955,484
United Kingdom	1,117	1,757,444	1,177	1,876,171
Total/Average	1,052	6,342,298	1,073	6,745,433

* Belgium included until October 2023

What was done in 2023

ForFarmers participates in several groups regarding the use of circular and previously unused raw materials, such as SUSINCHAIN (applicability of insects) and MULTISTR3AM (research into algae as a component of animal feed). We continuously invest in our production sites so that we can make more use of co-products. For example, at our Lochem site we invested in tanks, pipes and dosing, enabling us to expand our use of liquid co-products from dairy and other industries. Consequently, the site can now process whey, which is a by-product of cheese production.

In 2023, 69% of the ingredients we used in the Netherlands, Belgium, Germany and the United Kingdom were non-human edibles as defined by the Food and Agriculture Organisation (FAO). This compares with 67% in 2022.



Adding value to co-products

ForFarmers supplies co-products from the food and other industries under the name CirQlar Nutrition. Co-products resulting from the production of products such as beer and cheese that are not suitable for human consumption are very suitable for use as animal feed. For example, brewers' grains (malt residue from the brewing process) make a valuable

and healthy concentrate for cattle, meaning co-products are converted into essential proteins. Another example is manure, which can be recycled as fertiliser for arable land. Animals thus play a key role in making our food more sustainable. The figure shows how the various food streams find their way from farmer to consumer and back again.



Feed production

5. Largest mill carbon-neutral as proof of concept

We aim to make our largest feed mill, located in Lochem, carbon-neutral by 2025. This will serve as a proof of concept for other sites. The local management teams have initiated several other projects aimed at reducing our carbon emissions. At our Lochem factory, we operate a biomass boiler that runs on wood chips sourced from forest management in the local region. The boiler, which we optimise continuously, replaces gas-fired power generation.

We have three key parameters for reducing our scope 1 and 2 greenhouse gas emissions: energy saving per tonne of feed produced, own generation of sustainable energy, and access to renewable energy via the grid (biogas) and green energy certificates.

What was done in 2023

In 2023, energy consumption of our mill in Lochem was further reduced, especially in the pressing process of our feeds and even more precise control of the physical quality of feeds. In 2023, we took good steps towards our goal of a CO₂ neutral factory by 2025.

6. Renewable energy

We aim to use 50% renewable energy in our transport and logistics by 2025. This will be achieved by generating renewable energy via solar panels and, for example, through our biomass plant in Lochem and the biogas

pipeline in Deventer (see below). In addition, we work together with local producers. A share of the electricity and diesel used by ForFarmers is already renewable.

What was done in 2023

In December 2021, we joined forces with five dairy farmers in the Netherlands to start building a gas pipeline in Oxe, near the city of Deventer. As of 2023, the gas pipeline supplies our mill in Deventer with biogas generated on the livestock farmers' farms using manure from their own businesses. This biogas meets almost all of the mill's gas needs and is a good, sustainable and even circular alternative to natural gas. In addition, it makes a concrete contribution to our objectives to make our production even more sustainable through the use of renewable energy. We are looking into whether a similar initiative can be launched with farmers to supply biogas to our factories in Delden and Lochem.

The renewable energy percentage has remained constant over the past year. The use of biogas has increased, but the production of our biomass power plant was not optimal because of regular maintenance and the energy mix with regard to electricity was less favourable. The steps taken have not yet led to sufficient results. We continue to work towards our target of a 50% share of renewable energy. However, our main focus is on CO₂ reduction.

	2023	2022
Percentage renewable energy	15.44%	15.54%



Oxe Geeft Gas

As of 2023, our mill in Deventer runs on locally produced biogas. Biogas is a good, sustainable and circular alternative to natural gas. The biogas for our mill is supplied by five dairy farms in Oxe, which produce the gas by fermenting farm manure as part of the initiative 'Oxe geeft gas' (Oxe provides gas). The biogas is supplied via a network of pipelines and meets virtually all of the Deventer mill's gas needs. This initiative makes a concrete contribution to our objectives to use renewable energy to make our production even more sustainable. We are looking into whether we can launch a similar initiative with farmers for our factories in Delden and Lochem.

7. Energy and fuel reduction

ForFarmers has various certifications. In Germany and the United Kingdom we are ISO 50001 certified, which helps us improve our energy performance using an energy management system. In the United Kingdom we are also ISO 14001 certified, which helps us improve our sustainability performance using the related environmental management system.

In addition, we use an energy saving matrix to reduce our energy and diesel consumption. The matrix comprises over 150 projects, many of which relate to optimising or replacing existing equipment. We also conduct measurements to refine processes and use tools to optimise process settings in our factories so that we can deliver the desired quality at the lowest energy consumption.

What was done in 2023

Energy availability and prices were very volatile in 2023.

Energy consumption per tonne of feed increased slightly in 2023 compared to 2022. This is mainly caused by a change in the delivery form, more pellets and less meal, which requires more energy. This has also had an effect on the ratio of gas and electricity used in production.

Gas emissions have increased this year. Gas emissions have decreased in the Netherlands due to the use of biogas, among other things. However, in Poland in particular, gas consumption has risen sharply due to less use of coal. Use of coal, on the other hand, has clearly decreased.

Despite the use of transport with cleaner and more economical engines, diesel consumption has increased, which is caused by more kilometers driven per tonne due to the rationalization of production locations. The objective remains to further reduce energy/fuel consumption per tonne of feed.

GHG emissions per tonne of feed increased slightly last year. This is mainly caused by the energy mix (higher CO₂/KWh) for electricity; especially for the Netherlands and Poland due to less availability of nuclear energy. Achieving our target of a 10% reduction in energy/fuel consumption per ton of feed compared to 2020 has our full attention.

Greenhouse gas emissions (Kg of CO₂ per tonne of feed)

		2023					2022						
		Total weighted					Total weighted						
		Netherlands	Belgium	Germany	Poland	UK	average	Netherlands	Belgium	Germany	Poland	UK	average
Scope 1: Production	Gas	3.52	2.70	3.22	4.97	4.88	3.97	3.81	1.85	3.05	2.07	4.69	3.64
	Kerosene					1.18	0.29					1.40	0.35
	Gas oil				1.24	0.06	0.17				1.00	0.07	0.14
	Coal				2.67		0.33				5.72		0.67
Scope 1: Logistics	Diesel**	5.43		5.04	8.82	11.49	8.19	5.47		4.85	8.86	10.98	8.00
Scope 2: Production	Electricity*	4.44	3.76	7.64	12.25	14.36	8.21	1.22	3.82	7.99	20.12	13.11	7.24

* Greenhouse gas emissions in scope 2 are based on the market method

** Due to an incorrect calculation of diesel use in 2022, the comparative figure has been adjusted to the current calculation methodology

The Energy Consumption table and the conversion factors used to translate energy consumption into CO₂ in 2023 can be found in the [sustainability appendix](#).

Greenhouse gas emissions (total tonnes CO₂)

		2023						2022					
		Netherlands	Belgium	Germany	Poland	UK	Total	Netherlands	Belgium	Germany	Poland	UK	Total
Scope 1: Production	Gas	9,496	487	2,135	3,392	6,793	22,302	10,716	530	1,964	1,427	6,831	21,469
	Kerosene					1,648	1,648					2,034	2,034
	Gas oil				850	81	931				688	108	797
	Coal				1,825		1,825				3,941		3,941
Scope 1: Logistics	Diesel**	5,761		1,564	4,144	12,531	24,000	6,086		1,659	4,272	12,843	24,860
Scope 2: Production	Electricity*	11,966	678	5,064	8,366	19,991	46,064	3,434	1,094	5,155	13,853	19,102	42,638

Energy consumption per tonne (KwH)

		2023						2022					
		Netherlands	Belgium	Germany	Poland	UK	Total weighted average	Netherlands	Belgium	Germany	Poland	UK	Total weighted average
('000)													
Scope 1: Production	Gas	19.26	14.84	17.70	27.29	26.66	21.75	21.10	10.35	16.82	11.39	25.68	20.11
	Kerosene					4.81	1.19					5.65	1.40
	Gas oil				5.19	0.23	0.69				4.16	0.29	0.56
	Coal				8.73		1.06				18.67		2.19
Scope 1: Logistics	Diesel**	23.35		21.68	37.94	48.53	34.88	23.37		20.79	38.00	45.52	33.68
Scope 2: Production	Electricity*	34.70	26.11	24.81	29.73	39.55	33.86	36.02	26.03	26.05	31.73	39.48	34.81

Energy (fuel and diesel) use (KwH)

		2023						2022					
		Netherlands	Belgium	Germany	Poland	UK	Total weighted average	Netherlands	Belgium	Germany	Poland	UK	Total weighted average
('000)													
Scope 1: Production	Gas	51,890	2,675	11,729	18,636	37,120	122,049	58,977	2,916	10,808	7,841	37,432	117,973
	Kerosene					6,699	6,699					8,240	8,240
	Gas oil				3,541	320	3,861				2,868	422	3,290
	Coal				5,963		5,963				12,858		12,858
Scope 1: Logistics	Diesel**	24,767		6,722	17,814	52,929	102,232	2,460		670	1,727	5,021	9,878
Scope 2: Production	Electricity*	93,487	4,706	16,440	20,305	55,072	190,009	101,611	7,332	16,737	21,850	57,580	205,110

* Greenhouse gas emissions in scope 2 are based on the market method

** Due to an incorrect calculation of diesel use in 2022, the comparative figure has been adjusted to the current calculation methodology



Feed solutions

8. Take a leading position in phosphate efficiency

We believe it is important to help our customers improve their phosphate efficiency. This reduces losses of and hence the need for phosphate, which is an increasingly scarce raw material worldwide. In addition, better phosphate efficiency can help reduce emissions to surface water.

Too little phosphate, on the other hand, can lead to health problems and poorer animal performance. Improving phosphate efficiency must therefore be done responsibly.

What was done in 2023

Phosphate efficiency results are always one year behind due to data availability. Given that the data required to calculate phosphate efficiency is only available and reliable in the Netherlands, the scope is limited to the Netherlands.

Phosphate efficiency shows a mixed trend in 2022. Dairy farmers' efficiency has remained at a stable high level, and further reduction of input is challenging in relation to animal needs.

The increasing number of sows results in higher phosphate efficiency. For finisher pigs, the increasing use of residual products, due to their lower digestibility, leads to lower phosphate efficiency.

In broilers, the use of PAPs results in lower phosphate utilisation. Due to better feed conversion, phosphate utilisation for laying hens has increased.

The development of phosphate efficiency shows that sustainability should always be an integral consideration. The use of PAPs is an example of how the use of co-products can partly replace other raw materials such as soy, which has an overall positive environmental effect, but which is partly at the expense of phosphate efficiency.

Phosphate efficiency (only for The Netherlands)

	2022		2021	
	%	Number of farms in sample	%	Number of farms in sample
Dairy	38.0%	1,982	38.3%	2,074
Finisher pigs	53.8%	170	56.2%	147
Sows	42.3%	77	41.8%	61
Closed herds (sows and finishers)	48.3%	35	50.3%	31
Broilers - regular	70.5%	279	72.3%	138
Broilers - animal welfare concepts	59.3%	479	60.0%	539
Layers - regular barn	18.1%	19	16.8%	31
Layers - animal welfare concepts	16.7%	27	15.6%	16





9. Taking a leading position in nitrogen efficiency

Nitrogen efficiency is a key parameter for measuring the environmental impact of the livestock farming industry. High levels of nitrogen in the air result in pollutants such as ammonia, which can impact biodiversity, soil quality and waterways as well as human health. Reducing nitrogen deposition near nature areas is an important issue on the political agenda in the Netherlands. This follows a 2019 ruling by the Dutch Council of State stating that the implementation of the Integrated Approach to Nitrogen (PAS) did not comply with EU nature legislation. One of our objectives is to take a leading position in nitrogen efficiency.

What was done in 2023

Nitrogen efficiency results are always one year behind due to data availability. Given that the data required to calculate nitrogen efficiency is only available and reliable in the Netherlands, the scope is limited to the Netherlands. The data shows a mixed trend in nitrogen efficiency for 2022.

For all animal groups, nitrogen efficiency has remained the same or has improved compared to previous years, mainly due to a reduction in the protein percentage in our feed solutions, partly thanks to the use of high-quality raw materials and additives. This is with the exception of broilers, mainly caused by the lower protein digestibility of PAPs. It is important that nitrogen efficiency continues to increase. ForFarmers has committed itself to the Dutch covenant to substantially reduce the nitrogen percentage in dairy cattle rations.

Nitrogen efficiency (only for The Netherlands)

	2022		2021	
	%	Number of farms in sample	%	Number of farms in sample
Dairy	29.7%	1,982	29.6%	2,074
Finisher pigs	42.9%	170	42.9%	160
Sows	40.4%	77	39.3%	65
Closed herds (sows and finishers)	41.6%	35	41.8%	29
Broilers - regular	62.1%	279	63.1%	138
Broilers - animal welfare concepts	53.2%	479	53.0%	539
Layers - regular barn	35.7%	19	35.3%	31
Layers - animal welfare concepts	34.7%	27	33.7%	16

10. Feed safety incidents

A feed safety incident occurs when animal feed does not comply with legal requirements and voluntary codes. All feed safety incidents are monitored and managed, and our goal is zero incidents.

We check feedstuffs and compound feed in accordance with the requirements of EU legislation, [GMP+ International](#), the [Feed Chain Alliance](#), [UFAS](#) and QS quality standards, the [SecureFeed](#) control plan and our own risk analyses. In each country we ascertain whether regulations are being complied with. This is done by means of our own inspections, audits by parties such as retailers, and external checks by competent authorities and external certification bodies.

In the United Kingdom there is an 'earned recognition' agreement between UFAS and the national regulator, the Food Standards Agency. As a result, the UK has a different emphasis on risk analysis compared to continental European countries, where the national control bodies play a more proactive role.

















What was done in 2023

There were seven feed safety incidents in 2023, slightly more than in 2022. In the case of each incident, measures were taken to correct the reported inadequacies with follow-up inspection resulting in approval for the steps taken in each case. Improvements have been made for each incident and have been assessed and approved by governments and/or agencies.

We are sticking to our target of a 50% reduction in the number of feed safety incidents compared to 2017. With the current level, we are meeting the target.



Connectivity table

Theme	Focus area (link to materiality matrix) ¹	Link to SDG	Impact in the value chain	Objective 2025 ³	Associated risks	Result ²
Feed Resources 	Responsible and transparent sourcing of feed materials (5,8)	 12.2  15.2  15.5	Supply chain, ForFarmers, Customers	1 100 % responsibly sourced palm oil and soy bean 2 85% of suppliers have signed the Sedex Code of Conduct	Environmental legislation and regulations & Climate change	=
	Limit carbon emissions (1)	 12.2  13  15.5	Supply chain, ForFarmers, Customers	3 Take leadership position on reduction CO ₂ emissions of feed materials (scope 3 upstream)	Environmental legislation and regulations & Climate change	-
	Use of non-human edible feed materials (6)	 2.4  12.3	Supply chain, ForFarmers, Customers	4 Take leadership position on % non human edible feed materials in diets	Environmental legislation and regulations & Climate change	+
Feed Production 	Reduction in carbon emissions (1)	 13  15.5	Supply chain, ForFarmers, Customers	5 Largest mill carbon neutral as proof of concept	Environmental legislation and regulations & Climate change	+
		6 50% renewable energy		+		
		7 Energy/fuel reduction per tonne feed: 10% compared to 2020		+		
Feed Solutions 	Nutrient utilisation optimisation in the total value chain (10)	 2.4  15.5	ForFarmers, Customers	8, 9 Take leadership position on % phosphate and nitrogen efficiency	Environmental legislation and regulations & Climate change	=
People & Society 	Food and feed quality and safety (11)		Supply chain, ForFarmers, Customers	10 Reduction of 50% of Feed Safety Incidents compared to 2017	Feed safety	-
	Ensure safe and good working conditions (8)		Supply chain, ForFarmers Employees, Customers	11 LTI ⁴ Frequency Rate <0.5 per 100 FTE; 50% reduction in number of LTIs compared to 2019	Health & Safety	+

¹ The Materiality Matrix is presented in the Chapter The dialogue with our stakeholders: the material themes
² Explanation: (+) the results have improved; (=) the results are stable; (-) the results have deteriorated
³ Link to KPI
⁴ LTI means Lost Time Incidents

EU-taxonomy

The EU Taxonomy Regulation, adopted by the European Commission in 2020 (Regulation EU 2020/852), is a classification system that defines which economic activities contribute to specific environmental objectives. The aim is to promote transparency and comparability by establishing a common definition of the extent to which economic activities can be considered environmentally sustainable. The regulation covers the following environmental objectives:

1. Climate change mitigation;
2. Climate change adaptation;
3. Sustainable use and protection of water and marine resources;
4. Transition to a circular economy;
5. Pollution prevention and control; and
6. Protection and restoration of biodiversity and ecosystems.

Delegated acts have been drawn up for the objectives, with which companies must assess whether their economic activities are in scope of the regulation. For the economic activities that are in scope, ForFarmers is required to report on how much of its turnover, capital and operational expenditures can be environmentally sustainable activities ('eligible') and are sustainable ('aligned'). Activities are aligned with the EU Taxonomy if they make a substantial contribution to one or more environmental objectives, do no significant harm to other environmental objectives and comply with certain minimum safeguards.

Developments in 2023

General

In June 2023, delegated acts were adopted by the European Commission describing the economic activities that contribute to environmental objectives 3 to 6 and amending existing and adding economic activities that contribute to climate change mitigation or climate change adaptation.

In 2023, ForFarmers (re)assessed for all economic activities listed in the EU Taxonomy and its implemented Delegated acts whether ForFarmers carries out these economic activities or contributes to these activities with its capital or operational expenditures. The unchanged conclusion is that the agricultural sector and therefore ForFarmers' main turnover-generating economic activity is not included in the current parts of the EU Taxonomy Regulation. Our ambitions with regard to sustainability, such as our focus on circular use of ingredients by using non-human-edible moist and liquid feeds, or our continuous efforts to reduce energy consumption per tonne of feed, are therefore not within the scope. As long as the Taxonomy Regulation does not focus on the sector in which ForFarmers operates, the share of qualifying economic activities in the taxonomy will remain limited.

A part of our capital and operational expenditures are focused on climate change mitigation or adaptation and are eligible since 2021. Eligible expenditures are related to taxonomy-eligible economic activities, such as investments in bulk trucks, passenger transport and investments in energy-efficient installations and their

maintenance. None of our capital and operating expenditures are eligible economic activities that contribute to environmental objectives 3 to 6.

In 2023 none of our eligible economic activities are fully aligned with the EU Taxonomy Regulation. This is the result of that not all requirements for conducting human rights due diligence are met, in line with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for MNEs on Responsible Business Conduct. ForFarmers considers human rights to be important and has taken several measures, such as the use of the SEDEX code and its own supplier code of conduct rules, to ensure human rights in the value chain. Partly in view of the upcoming introduction of the Corporate Sustainability Reporting Directive (CSRD) and Corporate Sustainability Due Diligence Directive (CSDDD), ForFarmers has taken measures to implement a full due diligence cycle by 2024. In 2023 steps were taken to develop a Human Rights Policy. In addition, we started identifying adverse human rights risks in our activities, value chain and business relationships. Where we identify potential risks for human rights violations in our operations and in our value chain, we will implement, monitor and mitigate mechanisms.

The following percentages of total turnover, capital expenditure, and operating expenditures are taxonomy eligible and aligned:

(in millions of euro unless indicated otherwise)	2023			2022		
	Total	Taxonomy eligible	Taxonomy aligned	Total	Taxonomy eligible	Taxonomy aligned
Turnover	2,974.7	0.0%	0.0%	3,315.0	0.0%	0.0%
Investments in property, plant and equipment and intangible assets	96.0	21.1%	0.0%	85.0	7.0%	0.0%
Operating expenses in scope for Taxonomy	38.0	6.4%	0.0%	38.2	4.3%	0.0%

The condensed tables for 2023 as included in article 2.2 (Regulation EU 2021/2178) are included in the annex: "About ForFarmers' sustainability reporting in 2023".

Turnover

Turnover within the EU Taxonomy is equal to 'Turnover' as included in the Consolidated Financial Statements.

The part of the turnover that qualifies is calculated by determining which part of the turnover is generated from products or services associated with the economic activities as included in the EU Taxonomy Regulation. Other non-revenue related activities are not classified as a taxonomy qualifying activity.

The turnover generated by ForFarmers (2023: €2,974.7 million, note 8 in the consolidated financial statements) consists of the production and sale of compound feed and the supply of straight liquids and liquid feeds, other commercial products and services. As mentioned earlier in this chapter, ForFarmers does not have any economic activities that are classified as a taxonomy qualifying activity in the current EU Taxonomy Regulation.

Capital and operating expenditures

The percentages are calculated, on the basis of the accounting policies set out in the consolidated financial statements, by determining the proportion of capital expenditures and relevant operating expenditures belonging to assets or processes associated with the economic activities included in the EU Taxonomy Regulation.

ForFarmers analyses individual capital and operational expenditures by type in order to avoid double counting of economic activities.

Capital expenditures

Eligible capital expenditures in fixed assets are mainly related to investments in bulk trucks, investments in energy-efficient installations and investments related to lease cars. These expenditures include the following items from the consolidated financial statements:

- Additions to, new leases and acquired through business combinations of property, plant and equipment with rights of use (2023: €49.3 million, note 17);
- Additions to and acquired through business combinations of intangible fixed assets (2023: €3.1 million, note 18);
- Purchases of poultry, feed and care (2023: €43.7 million, note 22).

The increase in eligible capital expenditures in fixed assets from 7.0% to 21.1% relates mainly to an increase in additions related to new lease trucks and (electric) lease cars.

Operating expenditures

Eligible operational expenditures relate to the following categories of ForFarmers' operating expenditures: direct non-capitalized costs incurred for the day-to-day servicing of assets, consisting of research and development costs, short-term leases, maintenance and repair costs and other similar costs.

The increase in eligible operating expenditure from 4.3% to 6.4% relates mainly to an increase of research and development costs and an increase of variable and short-term lease payments for lease cars.

Financial and operational review 2023, dividend proposal

Report 2023

Consolidated key figures

In millions of euro (unless indicated otherwise)	2023	2022	Total change in %	Like-for-like ⁽²⁾
Total volume (incl. co-products & others; x 1.000 tonnes)	8,428	9,032	-6.7%	-5.1%
Of which compound feed (x 1.000 tonnes)	5,870	6,284	-6.6%	-5.2%
Revenue	2,974.7	3,315.0	-10.3%	-9.8%
Gross profit	477.3	494.8	-3.5%	-2.4%
Underlying ⁽¹⁾ operating expenses	-445.7	-456.6	-2.4%	-0.9%
Underlying ⁽¹⁾ EBITDA	70.0	76.1	-8.0%	-8.6%
Underlying ⁽¹⁾ EBIT	32.7	38.9	-15.9%	-18.8%
Underlying ⁽¹⁾ profit	22.7	30.0	-24.3%	-25.6%
Underlying earnings per share (x €1)	0.25	0.33	-24.2%	
Net cash from operating activities	86.5	48.2		
Dividend per share	0.15	0.20		
Net debt position	21.4	68.6		
Underlying EBITDA / Gross profit	14.7%	15.4%		
ROACE ⁽³⁾ on underlying EBIT	7.1%	7.8%		
Reported				
Revenue	2,974.7	3,315.0	-10.3%	-9.8%
Gross profit	477.3	494.8	-3.5%	-2.4%
Operating expenses	-475.7	-471.1	1.0%	2.4%
EBITDA	62.8	72.5	-13.3%	-13.8%
EBIT	4.6	24.4	-81.1%	-84.8%
Profit/(loss) attributable to shareholders of the Company	-1.0	18.0		
Basic earnings per share (x €1)	-0.01	0.20		

¹ Underlying means excluding incidental items (see Note 16 regarding the Alternative Performance Measures (APMs))

² Like for like is the change excluding currency impact and acquisitions and divestments

³ ROACE means underlying EBITDA (EBIT) divided by 12-month average capital employed

General note: percentages are presented based on the rounded amounts in millions of euros. This may result in slight differences when numbers are added

Market developments

In 2023 livestock farmers were confronted with:

- Additional and changing legislation and regulations in Western Europe, particularly in the area of sustainability;
- Changeable weather conditions, with a wet spring and a very wet autumn;
- The effects of avian flu outbreaks, mainly in the first half of 2023;
- Low milk prices, with some recovery towards the end of the year;
- Relatively high prices for meat and eggs in Europe.

Other market conditions:

- Shrinking trend in livestock in Northwest Europe;
- Prices of raw materials, energy and fuel declined in 2023 but remain volatile;
- Continued high inflation, impacting consumer demand for meat and dairy products; falling demand for organic products in 2023.

Notes to the consolidated results for 2023

Total volume decreased by 6.7% to 8.4 million tonnes, with 1.6% of the decline due to the sale of the Belgian compound feed activities. Organically volume fell by 5.1% compared to the previous year. **Compound feed volume**, as part of total volume, fell by 6.6% (with an organic fall of 5.2%) to 5.9 million tonnes. Adjusted for Belgian volumes, compound feed volume in the second half of 2023 was in line with the first half (-1%), indicating that ForFarmers was able to strengthen its position in a slightly contracting market in the second half of 2023.

Total revenue declined by 10.3% to €2,975 million, mainly due to the decline in raw material and energy prices and lower volumes.

Gross profit fell by 3.5% to €477.3 million. Gross profit development improved in the course of the year with gross profit rising in the second half, both compared to the first half of 2023 and the second half of 2022. The fall in raw material prices and the local approach contributed to this development in all clusters.

The Netherlands/Belgium cluster saw a decrease in gross profit for the full year as a result of tighter feed prices, lower volumes (especially in Belgium) and the decline in fertilizer prices. Germany/Poland showed an improvement, partly as a result of a better product mix, while gross profit in the United Kingdom remained stable.

Total operating expenses (underlying), including depreciation and amortisation, fell slightly compared to the previous year and amounted to €445.7 million. Production costs fell in 2023 as a result of lower volumes and lower energy costs. The total number of employees fell by around 200 (FTEs) to 2,269 in 2023 (2022: 2,468), with the average number of FTEs for 2023 down by 63 compared to 2022. Despite this, total staffing costs increased slightly due to wage indexation. There was a positive effect from a release from the provision for bad debts in 2023, mainly as a result of the higher pig prices which meant that customers were more able and quicker to pay. There was a slight decrease in costs not allocated to the clusters as a result of various cost savings, including lower consultancy fees.

Depreciation¹ (underlying) remained stable compared to 2022 and equalled €37.3 million.

Operating profit (EBIT) (underlying) amounted to €32.7 million (2022: €38.9 million) and **EBITDA (underlying)** was €70.0 million (2022: €76.1 million). The improvement in gross profit during the year, combined with the lower operating expenses, resulted in a sharp improvement in both underlying EBIT and EBITDA in the second half of 2023. Consequently underlying EBIT and EBITDA in the second half of 2023 were higher compared to both the first half of 2023 and the same period a year earlier.

¹ In this context depreciation means including amortisation

Net financing expenses (underlying) increased to €7.3 million (2022: €5.3 million). Interest expenses were higher due to the higher increased variable interest rates and the increased debt position, in particular in the first half of the year. The net debt position as at 31 December 2023 fell to €21.4 million, with the decrease mainly due to the sale of the Belgian compound feed activities and a significant improvement in working capital.

The **share of profit of equity accounted investees, net of tax**, (the German joint venture HaBeMa) rose to €5.2 million (2022: €4.3 million). The storage and transshipment activities in particular showed an improvement compared to 2022.

The **effective tax rate (underlying)** fell to 19.9% in 2023 (2022: 22.7%), mainly due to a tax relief relating to research and development (R&D) expenses in Poland.

Net profit (underlying) was €22.7 million (2022: €30.0 million), putting earnings per share (underlying) at €0.25 (2022: €0.33).

Alternative Performance Measures (APMs)

ForFarmers uses APMs to provide a better insight into the business development and financial performance of the group. APMs are key non-IFRS metrics which are presented as 'underlying' (excluding incidental items) and are reported and explained at the level of operating expenses, EBITDA, operating profit (EBIT) and profit attributable to shareholders. Further information on the APMs can be found in note 16 to the 2023 financial statements.

The following incidental items were recognised at EBITDA level:

Restructuring costs amounted to €7.2 million, partly related to the redesign of the organisation. In addition there was a net expense of €0.2 million relating to business combinations and divestments. Other gains equalled €0.2 million. The balance of APM items at EBITDA level was a loss of €7.2 million in 2023 (2022: a loss of €3.6 million).

At EBIT level (relates to non-cash items):

In addition to €7.1 million in amortisation of acquired intangible assets the following incidental items were included at EBIT level: a goodwill impairment of €4.7 million resulting from the divestment of the Belgian compound feed activities, which was already recognised in the first half of the year. In addition an impairment of €9.1 million was taken on property, plant and equipment in the United Kingdom. The impairment was the result of a downward trend in volumes in the poultry and swine sectors in the United Kingdom, partly due to increasing chain integration. The balance of APM items at EBIT level was a loss of €20.9 million in 2023 (2022: a loss of €10.9 million).

At net financing level (relates to non-cash items):

The €2.4 million loss relates mainly to the annual interest accrued on and revaluation of the put option liability in respect of Tasomix in Poland (2022: a loss of €1.1 million).

At tax level:

In 2023 there was a tax relief relating to research and development (R&D) expenses in Poland. The part relating to previous years has been recognised as a one-off gain (€1.8 million). The impact in 2023 has been recognised in underlying profit.

Financial position and cash flow

Summary consolidated statement of financial position

	31 December 2023	31 December 2022
in millions of euro		
Total assets	840.8	1.020.4
Equity	320.4	344.2
Solvency ratio ⁽¹⁾	38.1%	33.7%
Net working capital	1.9	38.8
• Current assets ⁽²⁾	356.7	490.4
• Current liabilities ⁽³⁾	355.0	451.6
Overdue receivables	8.6%	10.6%
Net debt / (Cash) ⁽⁴⁾	21.4	68.6
IFRS 16 Lease liabilities	40.6	29.8

¹ Solvency ratio is equity divided by total assets

² Current assets excluding cash and cash equivalents and assets held for sale

³ Current liabilities excluding bank overdrafts, loans and borrowings and lease obligations

⁴ Excluding IFRS 16 lease liabilities

General remark: additions may lead to small differences due to rounding

Group equity decreased by €23.8 million to €320.4 million. The drop is attributable to the balance of the addition of group profit for the 2023 financial year (€1.9 million, including non-controlling interests) less the distribution of dividend (€21.0 million, including non-controlling interests), the repurchase of shares (€1.7 million) and other comprehensive income recognised directly in equity (€3.2 million), mainly as a result of net revaluations of the pension liability due to a lower discount rate compared to 2022.

Net working capital fell to €1.9 million at 31 December 2023 (end-2022: €38.8 million), thanks to lower raw material and energy prices and fewer overdue receivables, despite continued challenging market conditions.

The **net debt position** was €21.4 million at 31 December 2023 (end-2022: net debt position of €68.6 million).

The decrease is mainly due to the aforementioned favourable developments in working capital and the proceeds from the sale of the Belgian compound feed activities.

ROACE based on underlying EBIT fell to 7.1% from 7.8% in 2022 due to the decline in underlying EBIT.

Summary consolidated statement of cash flows

in millions of euro	2023	2022
Net cash from operating activities	86.5	48.2
Net cash used in investing activities	-7.2	-34.8
Net cash used in financing activities	-66.9	-17.8
Net increase/decrease in cash and cash equivalents	12.4	-4.4
Cash and cash equivalents at 1 January ⁽¹⁾	26.3	33.8
Effect of movements in exchange rates on cash held	-0.2	-3.1
Cash and cash equivalents at 31 December ⁽¹⁾	38.5	26.3

¹ Net of short term bank debts

Net cash flow from operating activities increased by €38.3 million to €86.5 million, mainly due to the aforementioned favourable developments in working capital and raw material prices. **Investment activities** declined by €27.6 million to €7.2 million due to the sale of the Belgian compound feed activities, while other capital expenditure remained virtually unchanged.

Net cash flow for investment activities was an outflow of €66.9 million (2022: outflow of €17.8 million) with the increased outflow compared to 2022 mainly due to the aforementioned reduction in net debt due to the repayment of the credit facility.

Results by cluster

Netherlands / Belgium

in millions of euro (unless stated otherwise)

	2023	2022	Totaal mutatie in %
Total volumes (compound feed, co-products and others) (x 1.000 tonnes)	4,213	4,705	-10,5%
Revenue	1,500.5	1,747.8	-14,1%
Gross profit	244.0	269.3	-9,4%
Underlying operating expenses	-218.0	-233.6	-6,7%
Underlying EBIT	26.0	35.8	-27,4%
Underlying EBITDA	38.4	48.2	-20,3%
Underlying EBITDA / Gross profit	15.7%	17.9%	
ROACE on underlying EBIT	12.9%	17.3%	

Operational and financial developments in the Netherlands / Belgium

Total volume in the cluster fell to 4.2 million tonnes. The decline was partly due to the sale of the Belgian compound feed activities, which was completed in the third quarter; in light of this the results of these activities have been consolidated up to the end of the third quarter. The Belgian sales activities relating to co-products, Reudink organic feed and Pavo horse feed were not part of the transaction.

The acquisition of new customers in the swine sector prompted a recovery of the market position in this declining market. Factors including the high quality of forage led to a slight decline in the compound feed volume in the ruminant sector in 2023, with the decline levelling off in the fourth quarter. The continued focus on 'Beter Leven' concepts in the poultry market resulted in a decline in the number of chickens.

The uncertainty surrounding the nitrogen plans and hence the future prospects for livestock farmers in the Netherlands continues. Two exit schemes have been in force in the Netherlands since July 2023, aimed in part at farming businesses that emit large quantities of nitrogen, with around 1,000 farmers having signed up to the schemes so far. However it is too soon to estimate the concrete impact this will have on the feed market.

Volumes at Reudink and Pavo were under pressure due to the impact of inflation.

The development of volume and gross profit in the second half of 2023 shows that with its local approach ForFarmers is more successful in operating closer to the market and thus more effective in its purchasing and sales. Underlying operating expenses decreased due to substantially lower energy costs and the effect of cost savings. The number of FTEs decreased, resulting in lower staffing costs despite wage indexations qualification. Furthermore the costs of the divested Belgian compound feed activities were no longer included in operating costs from the fourth quarter of 2023. Although underlying operating profitability in 2023 was therefore lower than in 2022 there was a sharp improvement in the second half of 2023 compared to both the second half of 2022 and the first half of 2023.

Germany / Poland

in millions of euro (unless stated otherwise)	2023	2022	Totaal mutatie in %
Total volumes (compound feed, co-products and others) (x 1.000 tonnes)	1,944	1,993	-2.4%
Revenue	772.9	829.2	-6.8%
Gross profit	106.5	98.6	8.0%
Underlying operating expenses	-85.4	-82.4	3.6%
Underlying EBIT	22.0	16.5	33.3%
Underlying EBITDA	29.5	23.1	27.7%
Underlying EBITDA / Gross profit	27.7%	23.4%	
ROACE on underlying EBIT	15.7%	10.5%	

Operational and financial developments in Germany / Poland

ForFarmers managed to achieve a strong result in the German and Polish markets despite challenging market conditions. Volume in this cluster fell by 2.4% on balance to 1.9 million tonnes. Growth in poultry feed was offset by a decline in pig feed due to market contraction and a decrease in ruminant feed due to the cessation of third-party production. Volumes stabilised in the German swine sector in the second half of the year, helped by stable pig prices. Increasing sales of feed containing processed animal proteins (PAPs) resulted in positive volume development in the German poultry sector. However the Polish market in particular had to cope with the consequences of bird flu in the first half of the year. In both markets ForFarmers managed to strengthen its market position in the poultry segment.

Gross profit showed a steady upward trend in 2023, increasing by 8% for the full year. The structure of the German and Polish markets is well suited to improving gross profit through a local approach. Underlying operating expenses increased slightly. In Germany ForFarmers succeeded in making its production and logistics costs more flexible to enable it to align better with market demand.

These developments led to a significantly higher underlying EBITDA result in 2023 compared to 2022.

United Kingdom

in millions of euro (unless stated otherwise)	2023	2022	Δ%
Total volumes (compound feed, co-products and others) (x 1.000 tonnes)	2,271	2,334	-2.7%
Revenue	747.2	788.8	-5.3%
Gross profit	126.3	126.4	-0.1%
Underlying operating expenses	-126.9	-124.2	2.2%
Underlying EBIT	-0.5	2.3	-121.7%
Underlying EBITDA	12.4	15.9	-22.0%
Underlying EBITDA / Gross profit	9.7%	12.6%	
ROACE on underlying EBIT	-0.4%	1.9%	

Operational and financial developments in the United Kingdom

In the United Kingdom ForFarmers achieved success with its specialist approach in the dairy sector, managing to improve its position in this market. Despite the high availability of good forage and lower milk prices at the end of 2023 the market saw volume growth for the full year.

The non-integrated market for pigs and broilers is contracting amid increasing chain integration. This trend continued, resulting in a loss of volumes.

Poultry volumes were impacted by the effects of avian flu, particularly in the first half of the year.

On balance gross profit showed a stable development over the year, partly due to a higher share of ruminant feeds in the product mix. Underlying operating expenses increased as a result of inflation and higher production costs, partly offset by lower energy costs. The number of FTEs decreased during the year, in line with the tighter choices. Underlying operating profitability declined.

In early 2023 ForFarmers UK and 2Agriculture abandoned their proposed joint venture announced in 2022. This joint venture was the response to the increasingly integrated poultry market in the United Kingdom. Similar chain integration is happening in the swine sector. ForFarmers has recently been considering the best solution for the future of its customers and operations in the United Kingdom.

Dividend proposal

ForFarmers' dividend policy is aimed at distributing a dividend of between 40% and 60% of underlying net profit after tax. In 2023 underlying net profit amounted to €22.7 million.

ForFarmers proposes to distribute a dividend of €0.15 per ordinary share, based on 88,776,454 ordinary shares outstanding (2022: €0.20). This represents a payout ratio of 60% of the underlying net profit. The financial statements will be submitted to the Annual General Meeting of Shareholders for adoption on 11 April 2024. The dividend will be made payable on 24 April 2024.

Subsequent events

The acquisition of Piast Pasze Sp. z.o.o. ("Piast") announced in July 2023 was completed in early January 2024.

On 11 January 2024 Pavo, which comprises ForFarmers' activities in the horse feed sector, acquired Thunderbrook Equestrian Limited ("Thunderbrook"). Thunderbrook operates in the United Kingdom and Ireland and its range fits seamlessly with that of Pavo. The acquisition gives

Pavo access to Thunderbrook's extensive distribution network.

Financial objective

ForFarmers aims to achieve a consolidated return on average capital employed (at the level of underlying operating profit (EBIT)) of at least 10% in 2025, barring any unexpected events.

In view of the ongoing geopolitical, macroeconomic and policy-related uncertainties the company is refraining from making any statements about other financial prospects.

ForFarmers' shares

The ordinary shares of ForFarmers N.V. have been listed on Euronext Amsterdam since 24 May 2016 under the symbol FFARM. ForFarmers has been included in the AScX index of Euronext Amsterdam's index since September 2016.

As at 31 December 2023, the issued capital of the company amounted to € 892,838.18. This is divided into 89,283,817 issued ordinary shares and one priority share, each with a nominal value of € 0.01. The priority share is held by Coöperatie FromFarmers U.A. On 31 December 2023, ForFarmers held 507,363 treasury shares, bringing the number of shares in issue at that time to 88,776,454 ordinary shares.

Share information

In euro	2023	2022
Earnings per share ⁽¹⁾	-0.01	0.20
Dividend ⁽²⁾	0.15	0.20
Number of ordinary shares outstanding (x 1 million) as of 31 December	88.78	89.40
Market capitalisation (€million) on 31 December ⁽³⁾	211.3	261.9
Highest price	3.33	4.28
Lowest price	2.26	2.32
Closing price	2.38	2.93

¹ Earnings per share is calculated based on the weighted average of the number of ordinary shares outstanding. In 2023 this number was 88,776,454 (2022: 89,805,719)

² Dividend is calculated based on the number of ordinary shares outstanding as at 31 December (2023: 88,776,454; 2022: 89,384,795)

³ Market capitalisation is calculated based on the number of ordinary shares in issue as of 31 December

Dividend policy

We aim to pay dividends. In doing so, we take into account long-term value creation and a sound financial structure in order to be able to execute our strategy. The Dividend policy aims to pay a dividend of between 40% and 60% of the underlying profit after tax.

Proposed dividend 2023

We will submit to the AGM of 11 April 2024 the proposal to pay a nominal dividend of €0.15 per ordinary share with a nominal value of € 0.01, based on 89,384,795 million ordinary shares in issue. This corresponds to 60% of underlying net profit (2022: €0.20 per ordinary share).

Notification of capital interest

On 31 December 2023, the following shareholders with a substantial participation (>3%) were registered with the AFM, in accordance with the reporting obligation under the Financial Supervision Act (Wft).



Share buyback program

On 13 April 2023, ForFarmers announced that it would start a regular share buyback programme for up to 625,000 shares, for a maximum amount of €3.125 million. For the purpose of ForFarmers fulfilling its obligations under the (depository receipts for) share-related remuneration plans and obligations from employee participation plans 2022a. For this buy-back programme, ForFarmers made use of the authorisations to repurchase a maximum of 10% of the issued treasury shares. This authorisation was given by the AGM on 13 April 2023. The buyback programme started on 18 April 2023 and was executed by an independent financial intermediary. Progress of the buyback programmes was announced in a weekly press release.

In addition, in line with the intention we announced at the start of the 2021 buyback programme, ForFarmers cancelled 5,935,004 shares on 27 June 2023 for a total amount of €23.2 million.

Specification of shares

As at 31 December 2023, ForFarmers held 507,363 treasury shares, which neither attract dividends nor have voting rights. Therefore, as of 31 December 2023, the number of ordinary shares in issue was 88,776,454.

Based on the number of issued shares, on 31 December 2023, Coöperatie FromFarmers had a direct capital interest of 20.7% and an indirect interest of 27.35%, for which the cooperative has issued participation accounts to individual members.

	Capital interest ⁽¹⁾	Registration date
Coöperatie FromFarmers U.A. (direct and indirect) ⁽²⁾	59.50%	18 October 2017
Stichting Beheer- en Administratiekantoor ForFarmers ⁽²⁾	11.53%	31 March 2017
Kempen Capital Management N.V. ⁽³⁾	3.08%	24 February 2022
D. Lindenbergh ⁽⁴⁾	5.33%	11 April 2022

¹ Notifications made before 11 September 2020 were made on the basis of 106,261,040, i.e. the number of issued ordinary shares at the time of the notification to the AFM. On 11 September 2020, repurchased treasury shares were cancelled. As a result, 95,218,821 ordinary shares in ForFarmers were issued as of that date and the notifications were made on the basis of this number as of that date. On 27 June 2023, repurchased treasury shares were cancelled. As a result, 89,283,817 ForFarmers ordinary shares were issued as of that date and the notifications were made on or after that date on the basis of this number. If a participant's capital interest does not exceed or fall below a threshold value, a new notification does not have to be made to the AFM. The withdrawals on 11 September 2020 and 27 June 2023 did not result in thresholds being exceeded or below for the Coöperatie FromFarmers U.A. and the Stichting Beheer- en Administratiekantoor ForFarmers, as a result of which the reported capital interest to the AFM may deviate from the actual interest as long as it remains within the existing thresholds

² As at 31 December 2023, the interest of Coöperatie FromFarmers U.A. is 48.07%, of Stichting Beheer- en Administratiekantoor ForFarmers 9.04% based on 89,283,817 issued ordinary shares

³ As at 31 December 2023, ForFarmers N.V.'s interest is 0.57%, based on 89,283,817 issued ordinary shares

⁴ As at 31 December 2023, D. Lindenbergh's interest is 5.33% based on 89,283,817 issued ordinary shares

The cooperative retains the priority share as long as certain conditions are met, as laid down in the [articles of association](#). The priority share gives the cooperative certain rights, which are determined, among other things, by the number of shares for which the cooperative can exercise the voting rights on the reference date of 1 January of each year and give voting instructions to [Stichting Beheer- en Administratiekantoor ForFarmers](#). Members of the cooperative can request the voting rights of their individual depositary receipts for shares at any time.

On the reference date of 1 January 2024, the cooperative was able to exercise voting rights on 42,921,656 shares that it held directly and indirectly, and give voting instructions for the 8,069,571 shares held by Stichting Beheer. As a result, the cooperative had a joint voting interest of 57.1% as of that date, based on the number of issued ordinary shares.

Shares / Depositary receipts

	Shares / Depositary receipts	Capital interest	Shares / Depositary receipts	Capital interest
	31 December 2023		31 December 2022	
Total of ordinary shares issued	89,283,817	100.00%	95,218,821	100.00%
Held by ForFarmers	507,363	0.57%	5,834,026	6.13%
Number of ordinary shares outstanding	88,776,454	99.43%	89,384,795	93.87%
Shares Coöperatie FromFarmers U.A. (Direct)	18,498,469	20.72%	18,498,469	19.43%
Participation accounts of members (Indirect)	24,423,187	27.35%	24,772,125	26.02%
Coöperatie FromFarmers U.A.	42,921,656	48.07%	43,270,594	45.45%
Depositary receipts of members	5,850,113	6.55%	6,121,057	6.43%
Depositary receipts in lock-up	515,613	0.58%	699,093	0.73%
Depositary receipts other holders ⁽¹⁾	1,703,845	1.91%	1,667,982	1.75%
Shares Stichting Beheer- en Administratiekantoor ForFarmers	8,069,571	9.04%	8,488,132	8.91%
Shareholders (external)	37,785,227	42.32%	37,626,069	39.51%
Total of ordinary shares outstanding	88,776,454	99.43%	89,384,795	93.87%

¹ These concern (former) employees of ForFarmers for whose depositary receipts of shares no lock-up exists (anymore) and third parties which did not (yet) convert their depositary receipts into shares

Trade

During 2023, the ForFarmers share trading volume averaged around 103,000 per day. In 2022, this was approximately 219,000 per day.

Liquidity provider

As a liquidity provider, ABN AMRO supports the trading of ForFarmers ordinary shares on Euronext Amsterdam by issuing permanent buy and sell orders. As a liquidity provider, ABN AMRO operates independently of the company and must comply with the guidelines of the AFM.

Annual General Meeting of Shareholders

The Annual General Meeting of Shareholders (AGM) will be held on 11 April 2024 in Laren (Gelderland). We have announced further information about the AGM via a press release and on our website.

Financial calendar

February 22, 2024	Publication annual results and annual report 2023
April 11, 2024	General meeting of Shareholders
April 15, 2024	Ex-dividend date
April 16, 2024	Registration date for dividend entitlements
April 24, 2024	Dividend Payout date
May 2, 2024	Q1 Trading update 2024
August 8, 2024	Publication of half-year results 2024
October 31, 2024	Q3 Trading update 2024

The company has its registered office in Lochem (the Netherlands) and is registered in the trade register of the Chamber of Commerce under number 08159661.

Profile ForFarmers for Investors



ForFarmers is an attractive company for investors. We have good local market positions that are crucial in the transition to sustainable livestock farming.

Key takeaways for investors

- We have a clear and expressive mission: For the Future of Farming;
- We have unique access to the farmyard as a feed supplier;
- We have an ambitious sustainability agenda. We are committed to reducing the CO₂ footprint of our activities and those of our customers. We are bringing more and more co-products back into the chain and stimulating circularity. And we are committed to protecting biodiversity;
- We focus on sustainable concepts with which we address social themes;
- We support livestock farmers with good feed and good advice at a competitive price, so that they can optimise the (technical) return on farm with healthy animals and reduce the impact on climate and nature;
- Thanks to our local operating companies, we are agile and able to respond quickly, while reaping the benefits of central expertise, core values and governance;
- We are distinctive with our offer tailored to specific markets and segments;
- We are strongly positioned to collaborate across the value chain for greater efficiency and transparency;

- We have a healthy balance sheet to be able to strengthen and broaden our positions through M&A in both our home markets and in new regions that fit in terms of culture (country and company).

Financial profile

- We have a healthy balance sheet and recurring free cash flow;
- We aim for a consolidated return on average capital employed (at the level of underlying operating income (EBIT)) of at least 10% in 2025, excluding unexpected events;
- We pay dividends (40 to 60% of underlying net profit);
- We are partly mitigating the impact of strongly fluctuating raw material and energy prices.

Contact with investors

We value good and open contact with shareholders, holders of depositary receipts, investors, analysts and other financial stakeholders (hereafter: investors). Our goal is to provide investors with transparent, accurate and timely information about developments at ForFarmers. We make information available through press releases, annual reports, qualitative quarterly reports,

presentations and audio recordings. All information is available through our [website](#).

We organise audio webcasts to present the half-year and annual results, we visit shareholders and participate in conferences organised for investors by banks. All information we share with investors is based on public information. This is laid down in the [policy on bilateral contacts with shareholders](#). In view of the significant participation of the Coöperatie FromFarmers U.A. in ForFarmers, there is a [relationship agreement](#) with that party.

Three shareholders' meetings were held in 2023. The general shareholders' meeting took place on 13 April 2023 and extraordinary shareholders' meetings were held in both January (for the appointment of Theo Spierings as CEO) and June (for the appointment of Rob Kiers as COO). In addition, we actively engaged in one-on-one discussions with various investors throughout 2023. In bilateral contacts with investors, the aforementioned policy has always been adhered to.

Disclosure

The provision of information to investors is in accordance with the requirements of the Financial Supervision Act and the European Market Abuse Regulation. We inform investors in a timely, simultaneous and complete manner about relevant developments. We do this by sending a press release that is also published on the website and submitted to the AFM. In consultation with the disclosure committee, the board will assess whether and when the disclosure obligation applies.

Analysts

In 2023, ForFarmers was followed by financial analysts from four different organisations, namely ABN AMRO – ODDO BHF, Bank Degroof Petercam, the Idea-driven Equities Analyses Company, KBC and Kepler Cheuvreux. KBC decided at the end of 2023 to no longer actively monitor ForFarmers.

Ratings and nominations

In 2023, ForFarmers retained the AA rating (on a scale of CCC-AAA) in the MSCI ESG Ratings rating. We again participated in the CDP Climate Change Disclosure programme in 2023 and our score remained D. We achieved a C grade twice for the CDP Forest Disclosure program and a D- for the Water Security program. In addition, we have participated in ESG studies conducted by S&P Global, Gaia Research, Corporate Knights, Vigeo-Eiris and Sustainalytics.

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How we safeguard long-term value creation

Organisation

A decisive organisation is important to properly implement the company's strategy. The organisational structure must offer the right balance between entrepreneurship in the local markets and the use of the knowledge and experience available within the ForFarmers organisation.

ForFarmers' organisational structure is therefore set up according to the principle of 'primarily local, close to the customer, supported by central', so that local commercial opportunities and threats can be responded to quickly and adequately. Each operating company is managed by a managing director, who is integrally responsible for local performance.

Executive Team ForFarmers



* Roeland Tjebbes has left ForFarmers on 31 December 2023

* Hans Kerkhoven started on November 27, 2023 and will remain in office until the new CFO is appointed

■ statutory ■ non-statutory

Composition of the Executive Board

ForFarmers' Board of Directors consists of three members: the CEO, CFO and COO. On 17 January 2023, Theo Spierings took office as a member of the Board of Directors and CEO. On 3 April 2023, he announced that he was stepping down from his position as a member of the Board of Directors and CEO due to health reasons. At the same time, Pieter Wolleswinkel was appointed CEO by the Supervisory Board. The vacant position of COO that arose as a result was filled on 5 June 2023 with the appointment of Rob Kiers.

Since then, the Board of Directors has consisted of Pieter Wolleswinkel (CEO), Roeland Tjebbes (CFO) and Rob Kiers (COO). On 31 August 2023, Roeland Tjebbes announced that he would leave ForFarmers on 31 December 2023. His position will be filled in the near future. The Supervisory Board has appointed an interim CFO. Hans Kerkhoven started on 27 November 2023 and will remain in office until a new CFO has been appointed by the shareholders' meeting.



Pieter Wolleswinkel

*CEO
(Chief Executive Officer)*

Pieter Wolleswinkel (1977, Dutch nationality) joined ForFarmers in 2014 as director of the North business unit at ForFarmers Germany. In 2018, he became director of the Pigs business unit at ForFarmers Netherlands. On 1 January 2019, he was appointed Director of ForFarmers Netherlands. Later, ForFarmers Belgium also became part of his portfolio. On 14 April 2022, he was appointed member of the Executive Board and COO of ForFarmers. On 3 April 2023, he was appointed CEO of ForFarmers. His current term will end at the Annual General Meeting of Shareholders in 2026. At that time, he will be eligible for reappointment for another period of four years.

Pieter Wolleswinkel grew up on a mixed farm. He holds a degree in veterinary medicine and an MBA from the TIAS School for Business and Society. After his studies, he worked as a veterinarian for a number of years and then in international leadership positions at Provimi (now Cargill).



Rob Kiers

*COO
(Chief Operating Officer)*

Rob Kiers (1980, Dutch nationality) joined ForFarmers in 2021 as Director Strategy and Mergers & Acquisitions (M&A) and became a member of the executive team in September 2021. On 5 June 2023, he was appointed member of the Executive Board and COO of ForFarmers. His current term will end at the Annual General Meeting of Shareholders in 2027. At that time, he will be eligible for reappointment for another four-year period.

Rob holds a Master's degree in International Business from the Catholic University of Nijmegen. After graduating, he started his career as a business and project control consultant. Subsequently, he gained broad international experience in various commercial and leadership positions held at Nutreco International, including in Eastern Europe, Middle East, Latin America and most recently in Africa and Asia.

Roeland Tjebbes*

CFO (Chief Financial Officer)

Roeland Tjebbes (1969, Dutch nationality) joined ForFarmers on 1 March 2020. As of 24 April 2020, he was appointed as a member of the Executive Board of ForFarmers for a period of four years. As CFO, he manages the Control/Finance, Information Technology (IT), Risk Management and Investor Relations departments. Roeland left ForFarmers on 31 December 2023 to continue his career elsewhere.

Roeland holds a degree in business economics from Maastricht University and is trained as a chartered accountant at Tilburg University. He worked as an accountant for a number of years. Subsequently, he held financial management positions at various companies in the food and animal feed sector, including Perfetti Van Melle, Nutreco, Vion and the Hoogwegt Group. He is also a member of the Supervisory Board of Royal Koopmans.

* Roeland Tjebbes has left ForFarmers on 31 December 2023

	Pieter Wolleswinkel	Rob Kiers	Roeland Tjebbes*
Year of birth	1977	1980	1969
Gender	Male	Male	Male
Nationality	NL	NL	NL
Year of most recent appointment	2022	2023	2020
Eligible for reappointment in	2026	2027	n.v.t
Knowledge and experience:			
National and international business experience	Yes	Yes	Yes
International management experience	Yes	Yes	Yes
Specific knowledge of agricultural sector	Yes	Yes	Yes
Financial knowledge	Yes	Yes	Yes
M&A experience	Yes	Yes	Yes
Sustainability	Yes	Yes	Yes
Corporate governance experience	Yes	Yes	Yes

* Roeland Tjebbes has left ForFarmers on 31 December 2023

Composition of the Supervisory Board and Commissions

In 2023, the Supervisory Board consisted of six members. During the AGM of 13 April 2023, Erwin Wunnekink was reappointed.

The composition of the Board is as follows:



Jan van Nieuwenhuizen has been a member of the Supervisory Board since 2021. He is eligible for reappointment in 2025. He has extensive international management experience, including as a member of Rabobank's Executive Board and as a senior executive at JP Morgan, Morgan Stanley and NIBC. In 2022, he was appointed Chairman of the Supervisory Board of Wealth Management Partners, an asset manager in Amstelveen. In 2023, he was appointed Chairman of the Supervisory Board of Basic-Fit in Hoofddorp and supervisory director of CED in Alphen aan de Rijn. In addition, he joined the Supervisory Board of the Dutch Heart Foundation in 2023. He is also a member of the Audit Committee at the Leiden University Fund. In the past, he has also held various supervisory board positions, including at FGH Bank and Bouwfonds Property Development. As at 31 December 2023, he did not hold any (depository receipts for) shares in ForFarmers N.V.



Erwin Wunnekink has been a member of the Supervisory Board since 2015, joining on the recommendation of Coöperatie FromFarmers. At the General Meeting of Shareholders of April 13, 2023, he was reappointed until 2027. He is a dairy farmer and, since March 2022, chairman of the dairy farming department at LTO Nederland. Until 22 September 2021, he was a member of the Supervisory Board of Royal FrieslandCampina and a member of the Board of Zuivelcoöperatie FrieslandCampina. He does not hold any (depository receipts for) shares in ForFarmers N.V. and, as a member of Coöperatie FromFarmers, does not have a balance on a participation account issued by the cooperative.



Marijke Folkers-in 't Hout joined the board in 2022 on the recommendation of Coöperatie FromFarmers. She is eligible for reappointment in 2026. She is the owner of arable, poultry and pig farm Mevar Meeden and previously worked as head of purchasing at Nedmag Industries Mining and Manufacturing. She is Chairman of the Supervisory Board of Coöperatie Koninklijke Avebe U.A. She has no depository receipts or shares in ForFarmers N.V. She has a participation account through Mevar Meeden, which was issued by Coöperatie FromFarmers. The interest corresponds to 24,243 shares and can be converted into (depository receipts for) ForFarmers N.V. shares.



Roger Gerritzen has been a member of the Supervisory Board since 2018 and reappointed until 2026 at the AGM of 14 April 2022, he has been a board member of the FromFarmers Cooperative since 2017. He is actively involved in his family's agricultural business and is a partner at Yeald, a company operating in the horticultural sector. He has held various financial and organisational management positions at companies including Syngenta and Unilever and he was chairman of the board of Agro-Polen, a company active in arable and dairy farming in Poland. He holds no shares or depositary receipts for shares in ForFarmers N.V. and is a member of Coöperatie FromFarmers with no balance in a participation account issued by the Cooperative.



Vincent Hulshof has been a member of the Supervisory Board since 2014 and was reappointed in 2022 until 2026. He is a pig farmer and board member of Coöperatie FromFarmers. He was previously Chairman of the Supervisory Board of KI Nederland, member of Coöperatie Topigs and board member of the regional pig farming department GLTO. He does not hold any shares or depositary receipts in ForFarmers. As a member of Coöperatie FromFarmers, he has a balance corresponding to 8,640 shares in a participation account issued by the Cooperative that can be converted into (depositary receipts for) or shares in ForFarmers N.V.



Annemieke den Otter has been a member of the Supervisory Board since 2020. She is eligible for reappointment in 2024. Since June 2022, she has been CFO at Renewi. Prior to that, she was CFO at ERIKS NV. During her career, she has held various financial positions at Royal VolkerWessels Stevin, Macquarie Capital Advisors in the United Kingdom and ING, among others. She does not hold any (depositary receipts for) shares in ForFarmers N.V.

Composition:

	Jan van Nieuwenhuizen	Erwin Wunnekink	Marijke Folkers- in 't Hout	Roger Gerritzen	Vincent Hulshof	Annemieke den Otter
Year of birth	1961	1970	1983	1972	1962	1979
Gender	Male	Male	Female	Male	Male	Female
Nationality	NL	NL	NL	NL	NL	NL
Year last appointment	2021	2023	2022	2022	2022	2020
Eligible for reappointment in	2025	–	2026	2026	–	2024
Independent	Yes	Yes	Yes	No	No	Yes
Core Committees (see below)	RC and S&BC	AC and RC	S&BC	AC and RC	S&BC	AC

Knowledge and Experience:

(Inter)national business experience	Yes	Yes	Yes	Yes	Yes	Yes
International Management experience	Yes	–	–	Yes	–	Yes
Specific agri sector knowledge	Yes	Yes	Yes	Yes	Yes	–
Financial knowledge	Yes	Yes	–	Yes	–	Yes
M&A experience	Yes	–	–	Yes	–	Yes
Sustainability	Yes	Yes	Yes	Yes	Yes	Yes
Corporate Governance experience	Yes	Yes	Yes	Yes	Yes	Yes

The abbreviations stand for: AC = Audit Committee, RC = Remuneration Committee, S&BC= Selection and Appointment Committee

In the [Corporate Governance statement](#), we explain the D&I policy and its implementation. With regard to the reappointment terms for Supervisory Board members, ForFarmers deviates slightly from the [Dutch Corporate Governance Code](#) (the Code). We explain this in more detail in the Corporate governance chapter.

Two Supervisory Board members are also directors of Coöperatie FromFarmers, namely Vincent Hulshof and Roger Gerritzen. The Council considers them to be not independent within the meaning of the Code. Our starting point is that the other Supervisory Board members are independent within the meaning of the Code. In assessing

this, the Board takes into account, among other things, that there is no question of an important business relationship as long as there is no contractual obligation to purchase products or services from ForFarmers. The assessment was made by the individual members and the council itself.

None of the members of the Board holds more than five supervisory board positions of legal entities as referred to in the Supervisory Board's regulations. The Board is not aware of any form of conflict of interest between ForFarmers and members of the Board, nor between ForFarmers and natural or legal persons holding at least 10 percent of the shares or depositary receipts in ForFarmers N.V.

During the year under review, the following members of the Supervisory Board purchased feed from (a subsidiary of) ForFarmers under the same customary conditions as apply to other customers of (a subsidiary of) ForFarmers via the (family) business in which they are involved: Ms Folkers-In 't Hout and Messrs Gerritzen, Wunnekink and Hulshof. Under the Supervisory Board's regulations, these transactions do not automatically lead to a conflict of interest.

Committees of the Supervisory Board

The Supervisory Board has three core committees: an Audit Committee, a Selection and Appointment Committee and a Remuneration Committee. The council is responsible for decisions prepared by the committees. On the basis of the [regulations for the Supervisory Board](#), the Board has drawn up [regulations](#) for each core committee. In 2023, the Board received the minutes of the deliberations and findings from each committee.

Audit Committee

Since the AGM of 14 April 2022, the Audit Committee consists of Erwin Wunnekink (chair), Roger Gerritzen (member) and Annemieke den Otter (member). The Audit Committee supports the Board in its [supervisory tasks and responsibilities](#) in the areas of external financial and non-financial reporting, auditing and the application of guidelines for annual reporting. The Committee also supports the Board in the appointment and functioning of the external auditor and supervises the quality and effectiveness of internal financial and management reports and of internal risk control and control systems. Finally, this Committee monitors compliance with internal procedures and laws and regulations and the operation of codes of conduct.

Selection and Appointment Committee

Since the AGM of 14 April 2022, the selection and appointment committee consists of Marijke Folkers-in 't Hout (chair), Vincent Hulshof (member) and Jan van Nieuwenhuizen (member). As laid down in the [Regulations of the Selection and Appointments Committee](#), this Committee makes proposals to the Board with regard to, among other things, the selection criteria and appointment procedures, the plan for succession, (re) appointments and the assessment of the performance of directors and supervisory directors.

Remuneration Committee

Since the AGM of 14 April 2022, the Remuneration Committee consists of Roger Gerritzen (chair), Erwin Wunnekink (member) and Jan van Nieuwenhuizen (member). In addition to other duties, the Committee makes proposals to the Board about the [remuneration policy](#) and the remuneration of individual board members.

Corporate Governance

ForFarmers' governance structure is based on the mitigated structure regime for large (listed) companies. The Executive Board and Supervisory Board are responsible for the implementation of ForFarmers' corporate governance structure. This structure is determined by law, the [Dutch corporate governance code](#), our articles of association and regulations. The regulations have been drawn up on the basis of the latest version of the Dutch Corporate Governance Code, as last published in December 2022.

Our [Corporate Governance statement](#) is included at the end of this annual report and can also be found as a separate document on ForFarmers' website. The statement explains how the company applies the Dutch Corporate Governance Code (hereafter: the Code). It also provides information on decisions concerning Article 10 of the EU Takeover Directive and Article 3 of the EU Directive on disclosure of non-financial information. The statement also contains information on the execution of the company's [Diversity Policy](#).

The statement provides information about the internal risk management and control systems surrounding ForFarmers' financial reporting process, the composition and performance of the Executive Board, Executive Team and Supervisory Board, and the functioning of the General Meeting of Shareholders.

The competencies required to create [long-term value](#) for all ForFarmers stakeholders are taken into consideration in the composition and functioning of both the Executive Board and the Supervisory Board. This is expanded on in more detail in the sections [Composition of the Executive Board](#) and [Composition of the Supervisory Board and Committees](#).

Deviations from the Code

In principle ForFarmers closely follows the provisions of the Code, but occasionally it deviates from them. These deviations are listed below.

2.1.5 Diversity and Inclusion Policy (D&I Policy)

The Board has adopted and published a Diversity & Inclusion Policy for the Executive Board and the Supervisory Board. The board has set targets for the executive team (sub-top). The Diversity & Inclusion Policy for the executive team (sub-top) and other employees related to this is still under development and is expected to be adopted by the Board in 2024 after prior approval by the Board.

2.1.7 and 2.1.8 Independence of Supervisory Board members

The Board does not consider members of the Supervisory Board (the 'Board') who are also directors of Coöperatie FromFarmers U.A. (the 'Cooperative'), namely Messrs Vincent Hulshof and Roger Gerritzen, to be independent. This is explained in more detail in the Report of the Supervisory Board. These Board members have been nominated for appointment on the recommendation of the Cooperative, being the holder of the priority share in the capital of ForFarmers.

2.2.2 Term of appointment and reappointment of Supervisory Board members

In order to guarantee continuity, ForFarmers deviates from this provision with regard to the persons who were members of the Board on 1 January 2017; for those persons, the Company applies the principle that they can be reappointed for a third period of four years. For persons who have been or will be appointed after the said date, this provision of the Code will be applied.

2.3.4 Composition of committees (Supervisory Board)

ForFarmers reserves the right to deviate from this provision for practical reasons. The regulations of the relevant committees state that at least half of the members of the committees are independent within the meaning of best practice provision 2.1.8.

4.4.5 Exercise of voting rights

Insofar as no voting rights have been requested with regard to the shares held by the Stichting Beheer- en Administratiekantoor ForFarmers ('Stichting Beheer') and no voting instruction has been given by the Cooperative in accordance with the provisions of Article 8 of the administration conditions, Stichting Beheer will determine the manner in which the voting rights attached to those shares are exercised at its own discretion, on the understanding that it will primarily be guided by the interests of the depositary receipt holders and will take into account the interests of ForFarmers and its affiliated enterprise. Since the listing of the ordinary shares of ForFarmers on Euronext Amsterdam, the Cooperative has the opportunity to give voting instruction as intended above. This partly determines the rights that the Cooperative can exercise as the holder of the priority share in ForFarmers.

4.4.8 Proxy votes

Only depositary receipt holders who are also employees of ForFarmers or members of the Cooperative can request voting rights as stipulated in the administration conditions of Stichting Beheer. Other depositary receipt holders cannot request voting rights but have the option to convert their depositary receipts into shares. Only the Cooperative can give a binding voting instruction for the shares held by Stichting Beheer (and for which shares no voting rights have been requested). Depositary receipt holders cannot give a binding voting instruction. Furthermore, the restrictions as included in the aforementioned administration conditions apply. At the time, this arrangement was included in the administration conditions with a view to the listing of the ordinary shares of ForFarmers on Euronext Amsterdam.

Key aspects of Corporate Governance

Executive Board and Executive Team

The Executive Board is responsible for the Executive Board and the continuity of ForFarmers and its affiliated business. The Executive Board has developed a vision on sustainable long-term value creation and has formulated a corresponding strategy in consultation with the Supervisory Board. The [value creation model](#) outlines the contribution that ForFarmers makes on a social, sustainable and economic level.

ForFarmers maintains an ongoing dialogue with stakeholders about the implementation of the strategy and themes that require more or less attention. The most important themes are listed as material topics in a double materiality matrix, which can be found on page 23. They were also taken into account when determining the strategy.

The Executive Board works with an Executive Team that manages the operational activities of ForFarmers. The Executive Team consists of the members of the board, the managing directors for the United Kingdom, Germany, Poland and the directors for HR, Legal & Corporate Affairs and Centre of Excellence & Procurement. This is in line with the strategy, in which the focus is more explicitly on local companies. Executive Team members who are not members of the Board regularly provide explanations on specific topics for which they are responsible. They usually do this during meetings of the Executive Team and, occasionally, also during meetings of the Supervisory Board.

In carrying out its duties, the board ensures that it has sufficient information for good decision-making and, in that light, does what is necessary to keep its knowledge and skills up to date, for example by training and education on current themes such as the global transition in the field of sustainability and digitalisation.

In 2023, the composition of the Board varied. On 17 January 2023, Theo Spierings took office as a member of the Executive Board and CEO. On 3 April 2023, Theo Spierings announced that he would step down from his position as member of the Executive Board and CEO due to health reasons. At the same time, Pieter Wolleswinkel was appointed CEO by the Supervisory Board. The vacant position of COO that arose as a result was filled on 5 June 2023 with the appointment of Rob Kiers. Rob Kiers has been appointed for a period of 4 years ending at the Annual General Meeting of Shareholders in 2027.

Since then, the Executive Board has consisted of Pieter Wolleswinkel (CEO), Roeland Tjebbes (CFO) and Rob Kiers (COO). On 31 August 2023, Roeland Tjebbes announced that he will be leaving ForFarmers on 31 December 2023. His position will be filled in the near future. The Supervisory Board has appointed Hans Kerkhoven as interim CFO.

There is no limit to the number of times members of the Executive Board can be reappointed, with each reappointment applying for a period of up to four years. In 2023, the Executive Board assessed its own performance.

The following appointment schedule applies to the members of the Executive Board:

Naam	Year of latest appointment	Eligible for reappointment in
R.J. Tjebbes	2020	–*
P.E. Wolleswinkel	2022	2026
R. Kiers	2023	2027

* *Roeland Tjebbes has left ForFarmers on 31 December 2023*

Supervisory Board

The Supervisory Board monitors the policy pursued by the Executive Board and the general course of affairs at ForFarmers and provides advice to the Executive Board. The Supervisory Board consists of six people and has three core committees: the Audit Committee, the Remuneration Committee and the Selection and Appointment Committee. A [Profile of the Supervisory Board](#) is published on the ForFarmers website. This profile describes, among other things, what the Council expects in terms of knowledge, background and experience. In addition, the Board annually evaluates the need for training and education to keep knowledge up to date, including training on current themes such as digitalisation, sustainability and ESG. There you can also read the [Regulations of the Supervisory Board and its committees](#).

Diversity

The Supervisory Board has drawn up a Diversity & Inclusivity Policy for the composition of the Board and the Board. In accordance with the Code, the Supervisory Board has drawn up a Diversity & Inclusion Policy for the composition of the Board and the Board. The Board,

in turn, has formulated a Diversity & Inclusion (D&I) Policy for the Executive Team. The Council considers these aspects of diversity to be of particular importance to ForFarmers because together they contribute to a varied perspective in the development of ideas and thus support innovation. They also contribute to giving and receiving supported feedback and to careful decision-making. The targets set by the Council relate (primarily) to gender diversity and age. The target for gender diversity has been established as at least 30% men and at least 30% women for both the Executive Board and the Supervisory Board. With regard to age, the aim is to achieve a balanced mix between young and old. These targets will be reviewed annually as part of the D&I Policy, also taking into account changes in legislation and regulations. For example, this will also take into account the European rules that require 40% women on the Supervisory Board from 30 June 2026 (which for ForFarmers will actually amount to 50% of the Supervisory Board members, given that there are 6 Supervisory Board members).

Annual General Meeting of Shareholders

The Supervisory Board and the Executive Board shall ensure adequate provision of information and information to the AGM. ForFarmers has formulated a [policy](#) on bilateral contacts with shareholders and/or stakeholders. Additional agreements have been laid down in a [relationship agreement](#) about the relationship between ForFarmers and Coöperatie FromFarmers (hereinafter: the Cooperative). For transactions with related parties, including the Cooperative, reference is made to note 33 in the notes to the financial statements.

The share capital of ForFarmers consists of ordinary shares, preference shares and one priority share. Since 24 May 2016, the ordinary shares have been listed on Euronext Amsterdam. Depositary receipts for ordinary shares have also been issued with the cooperation of ForFarmers. No preference shares have been issued. The Cooperative is the holder of the priority share. The issued share capital amounts to €892,838.18, consisting of 89,283,817 ordinary shares and 1 priority share of €0.01 nominal each.

ForFarmers Trust Office Foundation

After the ForFarmers shares were listed on Euronext Amsterdam, Stichting Beheer- en Administratiekantoor ForFarmers (hereafter: the ForFarmers Trust Office Foundation) retained the shares for which depositary receipts had been issued, in line with the existing infrastructure and the listing on Euronext Amsterdam in 2016. Holders of depositary receipts have time to decide if and when they want to convert their depositary receipts into shares and whether they want to sell the shares for which the depositary receipts were issued.

The board of the ForFarmers Trust Office Foundation operates independently of ForFarmers. The Trust Office Foundation holds ordinary shares in ForFarmers and has a number of purposes, such as holding ordinary shares, issuing depositary receipts and granting proxies to exercise voting rights. The Cooperative can only issue binding voting instructions for shares held by the Trust Office Foundation for which the voting rights have not been requested. The [trust conditions](#), [Articles of Association](#)

and [Report](#) of the Trust Office Foundation can be found on our website.

Priority shareholder

The priority share is held by the Cooperative under the proviso that on 1 January of each calendar year it can exercise voting rights or issue voting instructions for at least 20% of the total number of ordinary ForFarmers shares. The [Corporate Governance Statement](#) sets out the other conditions for holding the priority share.

On the most recent reference date the cooperative was able to exercise voting rights on over 50% of its shares and issue voting instructions on the shares held by the Trust Office Foundation. This meant that the Cooperative, among other things, had a right of recommendation for four of the six members of the Supervisory Board, that it could appoint a Supervisory Board member as chairman, and that it had a right of approval with regard to various Executive Board decisions.

As a result, the Cooperative also holds one priority share bearing the rights stated in the ForFarmers Articles of Association. The appointment of Executive Board members is made exclusively on the binding recommendation of the Supervisory Board and material decisions taken at the AGM, such as with regard to the issuance of shares, distributions and mergers, can only be taken on the proposal of the Executive Board with the approval of the Supervisory Board.



Protective measures

ForFarmers has entered into a call option agreement with Stichting Continuïteit ForFarmers (the ForFarmers Continuity Foundation) with regard to preference shares. The aim of the foundation is to protect the interests of ForFarmers and its stakeholders against threats to the company's identity, strategy, independence and continuity. The ForFarmers Continuity Foundation is a fully independent entity with an independent board. As mentioned, ForFarmers has one priority share that is currently held by the Cooperative.

Culture, Code of Conduct and Whistle-blower policy

ForFarmers expects its employees to act with integrity and to abide by local rules and procedures. Endorsed by the Supervisory Board, the core values underpin a culture aimed at long-term value creation. ForFarmers has a [Code of Conduct](#) and a [Whistle-blower Policy](#) in place. The values on which the Code of Conduct is based are universal and in line with the values stipulated in the Universal Declaration of Human Rights and the principles of the UN Global Compact. ForFarmers' core values and the Code of Conduct are actively communicated within the organisation. In addition, employees are encouraged to give and receive constructive feedback, for example via regular employee engagement surveys.

Ethical practices, training and awareness

Employees are trained and made aware of the business ethics and culture at ForFarmers by means of e-learning modules. New employees take an e-learning course covering all aspects of the Code of Conduct such as privacy, business communications and the prevention of harassment. E-learning modules are regularly presented to draw more attention to several topics in the Code of Conduct. Employees can contact a legal business partner or the compliance officer for questions or advice on legal and/or ethical dilemmas.

Incident reports

Five incidents or suspected incidents were reported in the year under review. In each case a high degree of confidentiality was maintained and the procedure set out in the Whistle-blower Policy was followed. Given the nature and/or impact of the incidents reported there was no need to disclose these publicly. The overview of reported incidents and their follow-up is discussed periodically with the Supervisory Board and the Audit Committee.

Corporate Social Responsibility

ForFarmers provides feed and advice to farmers to help them achieve optimal returns with a decreasing carbon footprint. The company sees its corporate social responsibility as an integral part of its day-to-day business operations. In this context, ForFarmers has set objectives that contribute to sustainable, socially accepted livestock farming and society at large. The dialogue conducted with stakeholders on the subject forms the basis of a further recalibration of the company's sustainability strategy.

Risk management

Risk management approach

ForFarmers emphasises the importance of internal risk management for achieving our strategic, operational and financial goals. Across the organisation risks are proactively identified and managed under the responsibility of the Executive Board and overseen by the Supervisory Board. We continuously monitor risk management and fraud risks, take initiatives to raise awareness and appoint

key people who are responsible for managing major risks and implementing control measures.

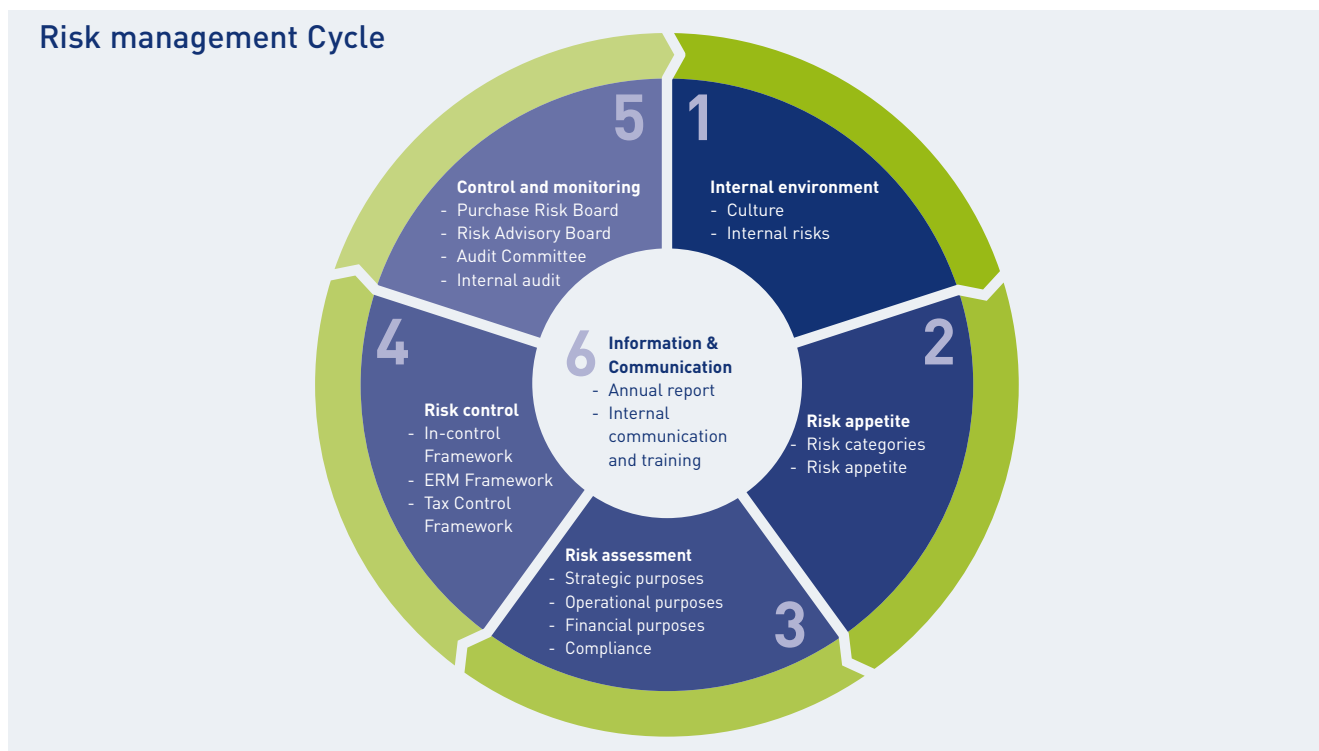
At ForFarmers we apply a dynamic risk assessment process based on the COSO framework. The accompanying figure provides a visual overview of this process.

Internal environment

Effective risk management measures are applied in our internal environment through various bodies, including the Risk Advisory Board (RAB) and the Purchase Risk Board (PRB). In addition, we apply measures such as the Code of Conduct, the Whistle-blower Policy and the planning & control cycle. The Executive Board bears ultimate responsibility for risk management and is accountable to the Supervisory Board.

The task of the RAB, which is composed by the Executive Board with a delegation of two managing directors on behalf of the operating companies, is to monitor and report on risks. The PRB is responsible for approving the procurement of raw materials, the use of derivatives, the hedging of energy contracts and the conclusion of pre-sales contracts that exceed local authorisation or risk limits. Both boards consist of members of the Executive Board, the Centre of Excellence director and the Group Controller. The internal auditor sits in on RAB meetings as an observer.

ForFarmers has a [Code of Conduct](#) and [Whistle-blower policy](#) in place to ensure ethical conduct. The planning & control cycle minimises financial and commercial risks as well as risks relating to sustainability and fraud. The cycle comprises monthly reports, rolling forecasts, sustainability KPI reports, annual budgets, five-year plans including scenario analyses, and an update of the strategic plan every five years. The Executive Board discusses these reports with the local management teams, as well as holding in-depth discussions with the Supervisory Board on the financial performance and all KPIs (including non-financial ones).



Risk appetite

The risk profile and risk acceptance are reviewed periodically by the Executive Board and risk managers, and where necessary adjusted to reflect changing market conditions or a revision of the strategy. The outcomes are reported to the Audit Committee and the Supervisory Board. In our decision-making we aim to strike the optimum balance between commercial/strategic/ESG goals and the associated risks and opportunities. In doing so, we distinguish between operational business risks, which we can actively influence, and other risks (including certain ESG-related risks) on which we have minimal influence. In both cases, we ensure a thorough evaluation of risk appetite and assessment, whereby the effectiveness of control measures and scenario analyses of the potential consequences are key.

Risk appetite with regard to operational business risks:

Risk appetite	Very low	Low	Average	High	Very high
Strategic					
Mergers & Acquisitions (M&A)					
Going Circular Sustainability policy					
Reputational damage					
Size of animal herd and animal diseases					
Operational & social					
Health & Safety					
Availability, price and origin of raw materials					
Development of energy prices and fuel prices					
Feed quality					
Business continuity					
Cyber security					
Attracting employees and retaining talent					
Financial					
Currency and interest risks					
Credit risks and liquidity risks at contract parties					
Liquidity risks					
Pension risks					
Compliance					
Changes in (environmental) legislation and regulations					
Tax					

Notes on risk appetite

Strategic objectives

- We invest in growth, with acquisitions playing an important role in this. We have a high risk appetite with respect to this, provided the acquisitions meet our sustainability and ROACE standards, among others.
- Going Circular, a key aspect of our strategy, aims for circularity in raw materials for feed, feed production and feed solutions. Taking account animal health and future prospects of livestock farmers it reduces environmental impact throughout the chain, whereby we adopt a low risk appetite. How we control this risk is described in the [‘Going Circular’](#) section.
- We place strong emphasis on two areas with a low level of risk acceptance: reputation and animal health/welfare.
 - Reputation is crucial for the trust placed in ForFarmers by customers, shareholders, employees and society in general.
 - ForFarmers sees contributing towards improving animal health and welfare as a prerequisite for developing animal feed and providing advice. Providing sustainable feed solutions contributes to returns for livestock farmers with a focus on the health and welfare of animals.

Operational objectives

- We aim to provide a safe working environment with ambitious targets for limiting accidents. Consequently we have a very low risk acceptance level with respect to health & safety.
- We have a medium risk appetite with regard to risks associated with the sourcing of raw materials and energy, with defined limits and risk boundaries at corporate level.
- We adopt a low risk appetite with respect to sourcing raw materials, and a very low risk acceptance level with regard to the quality of products and feed, which are vital for food safety.
- ForFarmers is vigilant with regard to cybercrime and hence adopts a very low risk appetite in this area. The same applies to business continuity.
- We have a medium to low risk appetite with respect to attracting employees and retaining talent, whereby we are prepared to take risks in a competitive labour market but adopt a low risk appetite in terms of corporate culture, standards and values.

Financial objectives

- We have low to very low risk acceptance with regard to risks that may have a considerable impact on our financial results.

Compliance

- We have a very low risk acceptance level with regard to risks relating to compliance with legislation and regulations, including taxation.
- We apply the [Code of Conduct](#) and the [Sedex](#) code to ensure ethical business practices with our suppliers.

Assessment and management of risks

General

We have various tools, including the Enterprise Risk Management (ERM) framework, In-Control Framework (ICF) and Tax Control Framework (TCF), at our disposal to assess risks and test control measures on an annual basis. The tests are discussed and reviewed by the RAB and the Executive Board. The results are then discussed by the Audit Committee and in Executive Board meetings. Annual reviews of ICF audits include a self-assessment by managers followed by an assessment by the risk controller and spot checks by the internal auditor. ERM risks and control measures are evaluated by risk managers and owners, in collaboration with the risk controller and the internal auditor. The TCF is used to control risks relating to corporate income tax, VAT and wage tax. Thanks to the implementation of the TCF in the Netherlands ForFarmers has a horizontal supervision agreement with the Dutch tax authorities.

At ForFarmers, 2023 was primarily a year of transition, with the focus on implementing our strategy and in particular the restructuring of the organisation. While the standard control measures remained largely unchanged, we made significant efforts to transform the organisational structure and strengthen local engagement.

Process improvements were also implemented during this transition year, including the introduction of a revised RACI and authorisation matrix within the new organisational

structure. The main purpose of this was to reduce process risks. In addition special emphasis was placed on tightening measures related to the procurement of raw materials, energy prices and credit risks, all in line with our revised strategy.

See **Notes on the risks** at the end of this chapter for a detailed analysis of what each risk entails, how we manage it and what developments occurred during the past year, along with any measures taken.

Control and monitoring

During the year under review the internal risk management and control systems were systematically assessed by the Executive Board using reports drawn up by the internal auditor and the risk controller as part of the approved internal audit programme for 2023. The Executive Board discussed the effectiveness of these systems with the Audit Committee, the Supervisory Board and the external auditor.

The internal auditor performs audits (subject to the approval of the Supervisory Board) of the risks, control measures and procedures within the company. The financial statements are audited by the external auditor, due diligence checks are carried out by external experts and external legal assistance is sought in the event of complex legal issues.

The Board assesses annually after consultation with the Audit Committee the manner in which the Internal Auditor performs his duties. The performance of the Internal

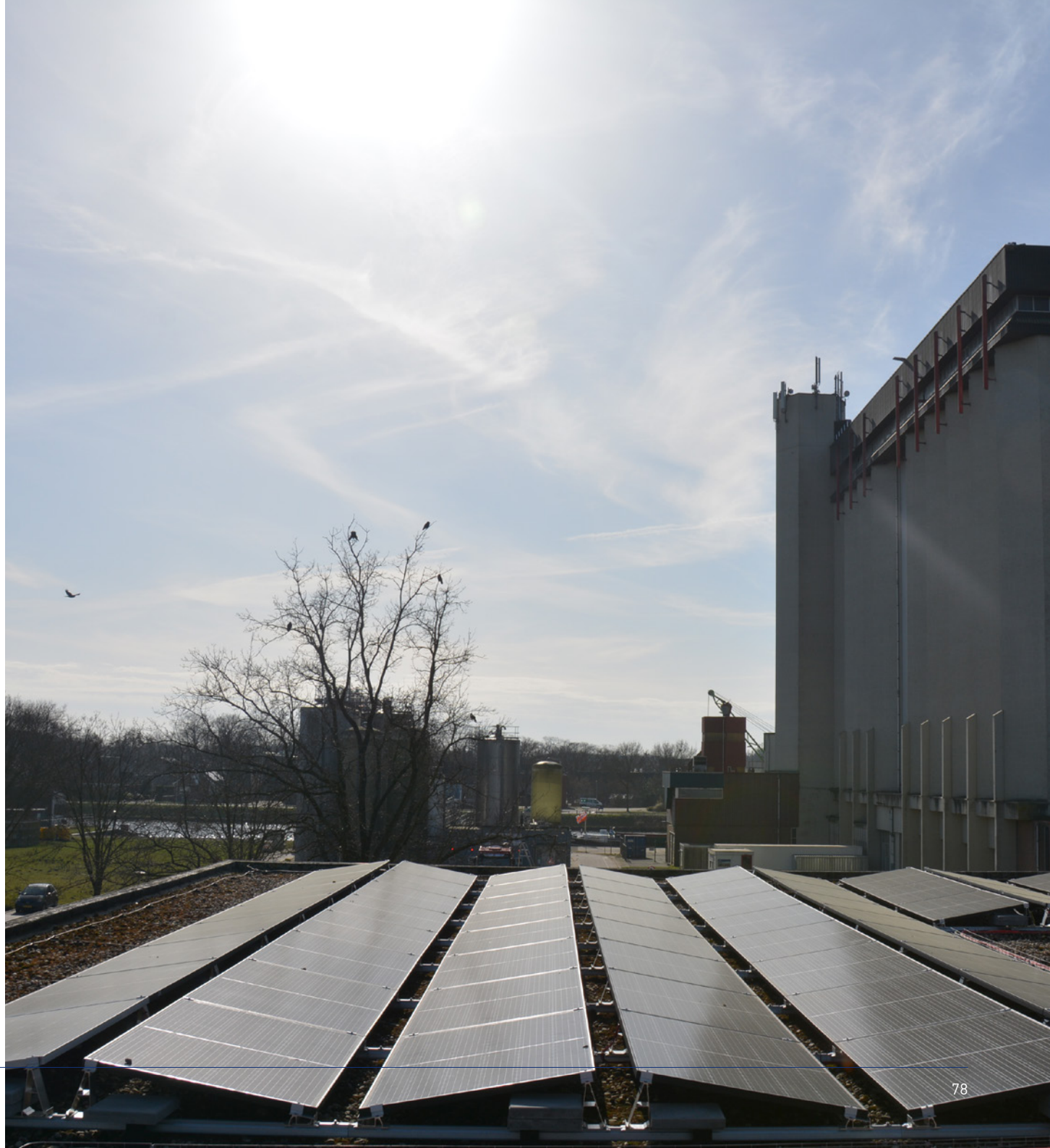
Auditor is reviewed by an independent third party at least every five years, in accordance with the Code.

Twice a year the directors of ForFarmers' business units sign a Letter of Representation (LOR) in which they declare their compliance with legislation, internal control rules and the Code of Conduct. The LOR and the Whistle-blower policy are used to report potential fraud and incidents. In 2023, 5 reports were submitted under the Whistle-blower policy, a decrease of 4 reports compared to 2022. Where found to be justified, these incidents were discussed and resolved individually with those involved.

Notes on the risks

The chart below shows the key operational business risks and associated control measures, including climate risks and the associated Environmental (E), Social (S) and Governance (G) control measures. We also show the TCFD¹ classification, where applicable. While the risk management policy functioned adequately in 2023, some areas for improvement were identified. Where necessary these are explained in the developments for each topic during the past year, along with any measures taken. Risk trends are described compared to the previous year. Financial risks relating to pensions are explained in note 14 to the financial statements, and credit, currency and interest rate risks in note 29 to the financial statements.

¹ TCFD = Task force on Climate-related Financial Disclosures



Strategic risks

What is the risk?	How do we control it?	What was the risk trend and what developments were there in 2023 (and what, if any, measures were taken)?	Effectiveness	Trend
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Mergers & acquisitions (M&A)				
<p>Entering into mergers & acquisitions comes with inherent risks. Integration challenges may arise and there is a potential risk of losing key employees and customers. Obtaining approval from the relevant competition authorities may also complicate the process.</p> <p>TCFD classification:</p> <ul style="list-style-type: none"> no direct link to TCFD risks 	<p>We have a dedicated M&A team that works closely with the Executive Board and other relevant parties. Consultants conduct thorough due diligence and integration takes place according to a carefully prepared roadmap, assessed by the Executive Board and the Supervisory Board.</p>	<p>Stable. We learn and improve on an ongoing basis by integrating insights from previous acquisitions.</p> <p>In 2023 we abandoned our intention to merge ForFarmers UK and poultry feed company 2Agriculture into a joint venture after the UK competition authority (CMA) decided to refer the planned joint venture to an extensive Phase 2 investigation. Given the impact on the business and the duration and costs involved the decision was taken to abandon the proposed joint venture.</p>	<p>E S G</p> <p>Likelihood Average</p> <p>Impact High</p>	


Reputational damage				
<p>ForFarmers acknowledges the consequences of reputational damage to the company specifically or as part of the feed and food sector in general due to scandals or changes in public opinion.</p> <p>TCFD classification:</p> <ul style="list-style-type: none"> no direct link to TCFD risks 	<p>We continuously monitor both the traditional and social media and maintain an open dialogue with our stakeholders. Where necessary we comment publicly.</p>	<p>Increasing, because the growing influence of social media and changing public opinion requires a swift response. We remain vigilant, continuously screening social and traditional media for developments related to ForFarmers and/or the industry and respond quickly to changing circumstances.</p>	<p>E S G</p> <p>Likelihood Average</p> <p>Impact High</p>	

Herd size and animal diseases				
<p>Changes in livestock numbers as a result of animal diseases or legislation may affect demand for raw materials and/or compound feed. Outbreaks of diseases such as avian flu and African swine fever can affect animal numbers and lead to temporary export and transport restrictions.</p> <p>TCFD classification:</p> <ul style="list-style-type: none"> Reputation transition risk 	<p>Under our 2025 strategy we diversify both geographically and across animal species, aiming for a better balance between markets and regions. In the event of an outbreak of an animal disease we immediately activate an (international) crisis team. Our five-year plan includes scenarios and measures to deal with such outbreaks. We effectively manage the impact of local animal diseases by spreading our feed production across several countries and animal species.</p>	<p>Stable. We adapt to changing conditions and constantly monitor developments in the livestock herd. During the year under review our customers and operations were affected by outbreaks of animal diseases such as avian flu in Poland and the UK in the first half of the year (and in Germany also by transport restrictions on our own layer populations), albeit without a heightened risk compared to 2022. Export restrictions on pig meat from Germany affected pig meat prices both within and outside Germany, as was the case in 2022. For specific impacts relating to herd size due to changes in legislation, please refer to the '(Environmental) legislation and regulations' risk section.</p>	<p>E S G</p> <p>Likelihood Average</p> <p>Impact Average</p>	

Trend → Stable risk ↗ Increasing risk ↘ Decreasing risk

Effectiveness
 Limited risk mitigated
 Risk partly mitigated
 Risk largely mitigated
 Risk (almost) completely mitigated

Strategic risks

What is the risk?	How do we control it?	What was the risk trend and what developments were there in 2023 (and what, if any, measures were taken)?	Effectiveness Trend
Climate			
<p>Global warming is associated with potential economic and social damage, including a rise in CO₂ prices which pushes up costs for the entire feed chain, including ForFarmers.</p> <p>TCFD classification:</p> <ul style="list-style-type: none"> Physical, acute and chronic risk Market transition risk 	<p>ForFarmers monitors the impact of climate change on raw materials and uses a hedging strategy to ensure energy price stability. If necessary, fluctuations in purchasing and other costs are passed on in our sales prices. To reduce the sector's impact on the climate we aim to significantly reduce the greenhouse gas emissions of our own production, logistics, supply chain and farms, and have set specific targets for 2025 and 2030 to achieve this ambition. A more detailed explanation can be found in the next section, 'Notes on managing climate risks and opportunities.'</p>	<p>Increasing. For further comment on specific events, supply logistics and price developments in the raw materials market during the year under review, please refer to 'Price development, availability and origin of raw materials (including energy and fuel prices)' under Operational and social risks.</p>	<p>E S G</p> <p>Likelihood High</p> <p>Impact High</p> 

(Environmental) legislation and regulations

<p>Business operations may be affected by changes in legislation and regulations, including in the areas of the environment, feed and food safety, production processes and HR aspects. Increasing political pressure, such as the EU Green Deal and nitrogen measures in the Netherlands, highlights the need to reduce the impact of livestock farming on the climate and on nature. Increased scale and innovation are increasingly important.</p> <p>TCFD classification:</p> <ul style="list-style-type: none"> Policy transition risk Legal transition risk 	<p>We closely monitor any developments in legislation and regulations that are relevant to our business and adjust our processes if necessary. ForFarmers works closely with supply chain interest groups and partners to promote the interests of the livestock farming industry in home markets. Joint innovation efforts are used to reduce the sector's environmental impact. Our Technical Innovation Team and business development consultant FarmConsult constantly work on developing concepts to promote sustainable livestock farming. In addition, the local teams maintain good contact with competent authorities in, among other things, licensing processes and, if necessary, look for solutions together with them.</p>	<p>Increasing. With increasing changes in legislation and regulations it is crucial that we remain proactive and flexible in adapting processes and promoting innovation. We have taken organisational measures in view of the entry into force of the EU taxonomy in 2022 and the final CSRD standards in 2023, which will apply from 2024. These measures involved Corporate affairs / ESG and Corporate Communication, merged into one team, namely Corporate affairs, managed by the director corporate & legal affairs, with specific focus on ESG. In addition, we set up a separate CSRD team, which in 2023 conducted a renewed double materiality assessment based on CSRD standards. We will expand the team in 2024 and prepare it for the next steps. We liaise with the sector and the food industry with regard to positioning and measures other than reporting requirements, supported by consultants and external experts where necessary.</p>	<p>E S G</p> <p>Likelihood High</p> <p>Impact High</p> 
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Strategic risks			
What is the risk?	How do we control it?	What was the risk trend and what developments were there in 2023 (and what, if any, measures were taken)?	Effectiveness Trend
Consumer trends			
<p>Growing demand for meat substitutes and a possible decline in the consumption of animal proteins in Western Europe may reduce demand for traditional animal feed. In addition, consumers will more frequently opt for food that has been produced in a sustainable way.</p> <p>TCFD classification:</p> <ul style="list-style-type: none"> • Market transition risk 	<p>In our five-year plan we calculate the consequences of various scenarios and define specific measures in response to changing consumer trends. We aim for responsible sourcing of 100% of our palm oil and soy by 2025, with the ambition to source all raw materials responsibly by 2030. Our research into alternative protein sources is an investment in sustainable feed strategies.</p>	<p>Increasing. We focus on developments in the agricultural sector, paying specific attention to both traditional animal feeds and non-human edible food sources and alternative protein sources. The aim of this is to make animal feed progressively more sustainable in line with developing consumer trends.</p>	<p>E S G</p> <p>Likelihood High</p> <p>Impact High</p> 

Operational and social risks			
What is the risk?	How do we control it?	What was the risk trend and what developments were there in 2023 (and what, if any, measures were taken)?	Effectiveness Trend
Health & Safety			
<p>Our employees are exposed to safety risks during operating activities.</p> <p>TCFD classification:</p> <ul style="list-style-type: none"> no direct link to TCFD risks 	<p>Safety plans are in place for all our sites. In addition we provide training courses to raise safety awareness as well as carrying out regular risk reviews and monitoring safety aspects.</p>	<p>Stable. We continue to pay constant attention to safety issues and implement improvements. As of 2023, we also monitor risk assessments locally rather than centrally, giving us a better understanding of where the specific risks and issues are. Local risk managers and risk owners have been appointed for this purpose, enabling us to respond to these matters more directly.</p>	<p></p> <p>Likelihood Average</p> <p>Impact Average</p> <p></p>
Price development, availability and origin of raw materials (including energy and fuel prices)			
<p>ForFarmers' performance is highly sensitive to external factors such as price fluctuations, availability and origin of raw materials, and changes in energy and fuel prices. These variables affect both our production costs and our transport costs. Climate change may affect the availability of raw materials by causing extreme weather conditions, which push up logistics supply costs.</p> <p>TCFD classification:</p> <ul style="list-style-type: none"> Physical, acute and chronic risk 	<p>To manage this risk we implement active monitoring and a comprehensive risk management process, and we aim to source raw materials responsibly. We constantly monitor market developments for energy and fuel prices and adjust our procurement policy dynamically, using financial instruments where necessary. In addition, ForFarmers spreads procurement of raw materials geographically and over time to mitigate the impact of climate fluctuations. Risks such as low water levels and contingency plans are continuously monitored by our procurement logistics department, with weekly monitoring of water levels integrated into our financial targets.</p>	<p>Stable. Despite continuously adjusting our procurement policy to market changes in raw material, energy and fuel prices, we saw significant price declines as availability stabilised in the raw material and energy markets. These prices had previously risen sharply, partly due to the war in Ukraine. The declines in the first half of 2023 occurred while we still had open positions to ensure feed availability prior to the price decline. This impacted profitability and was particularly true of our fertiliser position. At the same time, where there was limited liquidity in the raw materials market and, where possible, we used derivatives/futures to mitigate the price risk. In 2022, there were climate change challenges, such as a shortage of rainfall and supply disruptions. While the impact of these challenges was less in 2023, they are expected to become more prevalent in the future.</p>	<p></p> <p>Likelihood High</p> <p>Impact Average</p> <p></p>
Feed quality			
<p>The quality of raw materials is of crucial importance to safe and reliable feed solutions. The production process entails the risk of product contamination or cross-contamination, which could jeopardise compliance with set requirements. This could in turn lead to risks such as claims, recall costs and potential loss of customers.</p> <p>TCFD classification:</p> <ul style="list-style-type: none"> no direct link to TCFD risks 	<p>We work in various partnerships, such as SecureFeed, to ensure maximum food safety. Feed safety incidents are monitored as one of our KPIs and we apply the Sedex code, both internally and for suppliers. Knowledge is shared in the areas of monitoring, quality control, tracking and tracing, and crisis management. We perform analyses to detect any contamination at an early stage and take appropriate measures.</p>	<p>Stable. The risk of product contamination is kept at a stable level through ongoing improvements in processes and collaborations. We continue to improve processes and partnerships for ongoing risk reduction.</p>	<p></p> <p>Likelihood Low</p> <p>Impact High</p> <p></p>

Operational and social risks

What is the risk?	How do we control it?	What was the risk trend and what developments were there in 2023 (and what, if any, measures were taken)?	Effectiveness	Trend
Business continuity				
<p>Operational disruptions may cause problems for logistics chains, production or personnel. Delays or failure in the granting of permits for our production sites may also adversely affect our business processes.</p> <p>TCFD classification:</p> <ul style="list-style-type: none"> no direct link to TCFD risks 	<p>Disruptions are minimised by disaster recovery protocols, crisis managers and factory inspections in conjunction with the insurer.</p>	<p>Stable. Nevertheless, we continue to actively evaluate and refine our business continuity measures. Our 'local in the lead' approach decentralises responsibilities, strengthening our local focus in both management and planning. We will also adjust our approach and update our group procedures accordingly. Permit processes have become more challenging, partly as a result of the nitrogen issues in the Netherlands.</p>	<p>E S G</p> <p>Likelihood Low</p> <p>Impact High</p>	
Cyber security				
<p>Cybercrime can result in disruption to business operations, unauthorised transactions and data loss.</p> <p>TCFD classification:</p> <ul style="list-style-type: none"> no direct link to TCFD risks 	<p>We constantly enhance our cyber security by means of tests, access control (PAM), monitoring, security training, network segmentation, external data centres with back-up process facilities and continuous cyber security-screening.</p>	<p>Increasing. We adapt to the constantly changing cyber security threats. During the year under review, the Instagram account of our German PAVO operations was hacked. And again, we noted an increase in the number of attempts at CEO and Executive phishing during the year. Led by our information security manager, we work tirelessly to improve our cyber security and have made it mandatory for our employees to complete three cyber security training modules.</p>	<p>E S G</p> <p>Likelihood Average</p> <p>Impact High</p>	
Attracting staff and retaining talent				
<p>Building and retaining top teams requires careful recruitment, talent development, succession planning and employee coaching. When choosing an employer, potential employees are increasingly emphasising the importance of sustainability. A shortage of vital knowledge, skills and experience may hinder the realisation of our business model and the achievement of our goals.</p> <p>TCFD classification:</p> <ul style="list-style-type: none"> Reputation transition risk 	<p>Our 2025 strategy, including the 'Going Circular' sustainability agenda and our ambition to develop talent for future generations in the livestock farming sector, is appealing to (young) candidates.</p>	<p>Increasing. This is mainly due to current circumstances in society. We acted by paying extra attention to this topic in our Employer Branding, for example posing the question 'How do you contribute to the Future of Farming?'. Moreover, in 2022 <u>we were already fully focused on taking advantage of opportunities for carbon-neutral production.</u></p>	<p>E S G</p> <p>Likelihood Average</p> <p>Impact Average</p>	

Financial risks			
What is the risk?	How do we control it?	What was the risk trend and what developments were there in 2023 (and what, if any, measures were taken)?	Effectiveness Trend
Liquidity risks			
<p>Inability to meet financial obligations may jeopardise the continuity of business operations.</p> <p>TCFD classification:</p> <ul style="list-style-type: none"> no direct link to TCFD risks 	<p>We continuously monitor our liquidity and bank covenants to ensure all financial obligations are met in a timely manner.</p>	<p>Stable. We dynamically adapt to changing financial conditions. Developments in prices for raw materials and energy, and improvements in our working capital positions, enabled us to further strengthen our cash position, which had a positive effect on our leverage ratio. Additionally, in 2022 we already extended the financing agreement until July 2026; please refer to notes 25 and 26 to the financial statements for more information.</p>	<p>E S G</p> <p>Likelihood Low</p> <p>Impact Average</p> 

Compliance risks			
What is the risk?	How do we control it?	What was the risk trend and what developments were there in 2023 (and what, if any, measures were taken)?	Effectiveness Trend
Reporting requirements			
<p>Growing demand for non-financial reporting, including ESG and CSRD reporting, may reduce the accessibility and clarity of the reporting.</p> <p>TCFD classification:</p> <ul style="list-style-type: none"> Policy transition risk 	<p>Every year, ForFarmers aims to report non-financial information more transparently by means of integrated reporting, in anticipation of future guidelines. These efforts are supported by our participation in ESG surveys and certifications.</p>	<p>Increasing. Measures relating to CSRD reporting and compliance are described above under '(Environmental) legislation and regulations' in the category of Strategic risks. These measures include the establishment in 2023 of a dedicated CSRD team with responsibility for ensuring the implementation of CSRD requirements.</p>	<p>E S G</p> <p>Likelihood High</p> <p>Impact High</p>
Emissions			
<p>Strict rules for reducing emissions may lead to additional costs and unfair competition.</p> <p>TCFD classification:</p> <ul style="list-style-type: none"> Transition policy risk Legal policy risk 	<p>As part of our <u>Going Circular</u> sustainability agenda, we constantly strive to reduce our energy consumption and associated greenhouse gas emissions. Our goal is to achieve a 75% decrease in CO₂ emissions per tonne of feed (scope 1 and 2) by 2030 compared to 2015.</p>	<p>Increasing, mainly due to current circumstances in society and the growing demand for sustainable solutions. In response we take measures to reduce our carbon footprint and have signed up to the SBTi¹ order to take concrete steps towards achieving our goals of increasing the use of sustainable energy and reducing greenhouse gas emissions. We will also report more extensively on this topic next year in line with the introduction of CSRD.</p>	<p>E S G</p> <p>Likelihood High</p> <p>Impact Average</p>
Taxes and transparency			
<p>We operate in countries with different tax systems, which means that there is a risk of failing to comply with local requirements. Increasing requirements and social pressure in favour of socially responsible taxation may lead to reputational risks.</p> <p>TCFD classification:</p> <ul style="list-style-type: none"> Transition policy risk 	<p>We see paying taxes as a social responsibility and we ensure compliance by means of our tax policy, anticipate changes and maintain open communication with the tax authorities. ForFarmers emphasises social responsibility in tax payments and provides transparency on this in the <u>Tax Strategy</u> document on the corporate website.</p>	<p>Increasing. We continuously monitor tax regulations and maintain proactive communication with tax authorities. The BEPS² 2.0 Pillar Two global income tax reform is scheduled for worldwide implementation in 2024, potentially involving a redistribution of the right to levy tax and a global minimum level of income tax. While we expect the impact on ForFarmers to be limited, we are actively monitoring these developments, evaluating their impact and, where necessary, adjusting our tax policy to the new standards.</p>	<p>E S G</p> <p>Likelihood Average</p> <p>Impact Average</p>

¹ Science Based Targets initiative

² Base Erosion and Profit Shifting

Notes on managing climate risks and opportunities

In addition to manageable risks, we have effective measures in place for inherent risks that are difficult to influence. Continuous monitoring of external industry trends and threats remains essential. We identify and analyse new risks, applying the concept of double materiality. This considers both ForFarmers' impact on climate change in a broad sense and the financial impact that the changing climate may have on ForFarmers' assets and profitability, for example.

Climate risks

Changes in climate and extreme weather conditions can affect the volatility of raw material prices, in particular due to revised harvest forecasts and shortages of certain raw materials. Hot summers in the countries where we operate may affect animals' feed consumption, while warm winters and mild springs may affect the quantity and quality of grass, which in turn can affect demand for concentrated feed. Extreme weather conditions may also affect our supply costs, especially when river water levels are low, which can negatively affect logistics supply costs in countries such as the Netherlands and Germany. The risk of low water levels and stock positions is continuously monitored by our procurement logistics department.

While we cannot make a reliable quantitative assessment of the potential impact of climate change on our future results at this time, we closely monitor the fluctuating raw material prices depending on our purchasing positions compared to those of our competitors. It is important to note that, as was the case in 2022, estimated future

climate change has no bearing on the 2023 financial statements. There is no indication to date that individual assets were at risk of impairment at the end of 2023 due to insufficient continuity of future economic activity as a result of climate change.

Climate opportunities

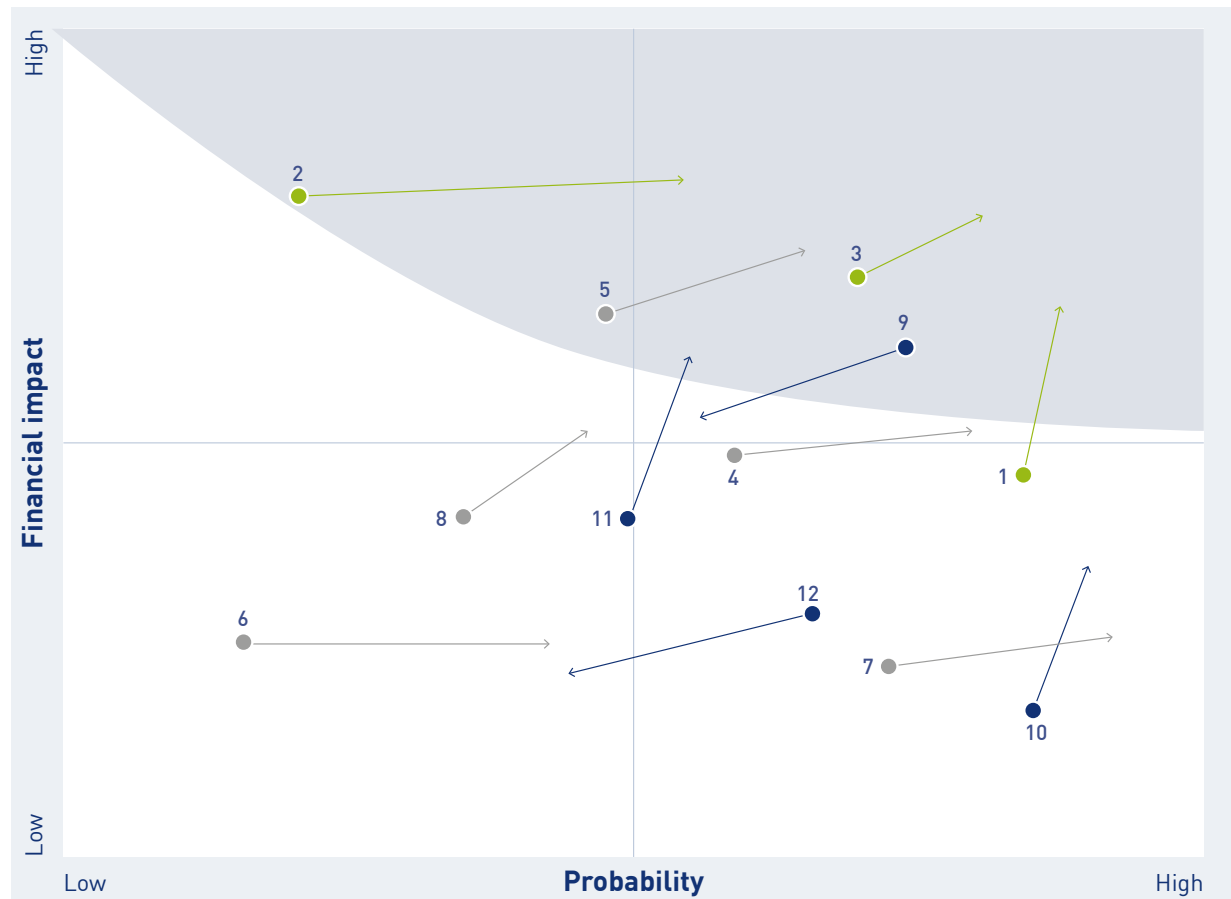
At ForFarmers, we see the current climate debate and climate change as presenting not just risks but also significant opportunities. We aim to play a leading role in reducing climate impact through innovation in raw materials and feed efficiency. With our financial strength and the expertise of our Centres of Excellence, we are well-positioned to improve feed efficiency and reduce the use of raw materials that impact the environment. This presents opportunities compared to smaller competitors and contributes to a more sustainable agricultural sector in Northwest Europe. Our focus on co-products from the food industry offers the opportunity to evolve towards a more circular food chain. Our financial strength, technical expertise and the size of our mills allow us to make capital-intensive investments that enable us to work with chain partners to develop new concepts aimed at reducing the climate impact of animal proteins. In addition we are able to comply with the increasingly stringent regulations.

Climate change scenario analysis

The effect of these risks and opportunities depends on the frequency with which they may occur and the impact they may have under different climate change scenarios. Our analysis is based on two scenarios:

1. Global warming of 1.5 to 2°C: in the best-case scenarios of the Intergovernmental Panel on Climate Change (IPCC) the goals of the Paris Agreement will be achieved in 2050 or not long after. Despite this success further global warming will present new challenges, including accelerated introduction of regulations for the agricultural sector, a potential drop in animals' appetites, changes to how barns are organised, changes in the rules for the transportation of animals in hot weather, and more frequent flooding or water shortages with possible consequences for low water levels in rivers. However, this scenario also presents opportunities, for example in terms of innovation and helping to reduce the environmental impact of the agricultural sector. Moreover, agricultural crops may move from the more affected areas in South America to less affected areas in Europe;
2. Global warming of 3.5 to 4.5°C: in the IPCC's worst-case scenarios the climate goals will not be achieved and CO₂ emissions will continue to rise, accelerating the pace of climate change. Both the probability and the impact of the aforementioned risks will increase, including potentially longer and more intense heatwaves. In the event of an overall failure to achieve the climate goals, local introduction of stricter regulations in the agricultural sector in Northwest Europe will mainly result in additional risks – rather than additional opportunities – for ForFarmers. However it is possible that additional opportunities may arise, for example in the form of crops that are more drought-resistant, farm animals that are better able to cope with high temperatures and the adoption of innovation and knowledge transfer on-farm.

The Executive Board has made a qualitative assessment for these two scenarios. The assessment has taken into account in strategic and capital investment decisions, with such decisions being adjusted depending on which future climate scenario is considered the more likely.



The position shown is for scenario with global warming of 1.5-2°C, arrows point to the position under scenario with warming of 3.5-4.5°C.

Strategic risks

- 1 Rising energy prices due to rising costs of CO₂ emissions;
- 2 Environmental impact on raw materials for the animal feed industry or on consumer finished products;
- 3 Increasing regulations to reduce the impact of livestock farming on the climate;

Operational risks

- 4 Lower yield harvests and higher raw material costs due to extreme precipitation or extreme drought or temperatures;
- 5 Higher cost to supply factories due to extreme water levels;
- 6 Flooding hazard of factories located on rivers;
- 7 Reduced feed consumption of animals during periods of very high temperatures;
- 8 Increasing regulation on how animals can be kept or transported;

Chances

- 9 Leading role in reducing climate impact through innovation in feed efficiency;
- 10 Increasing use of co-products to achieve a circular food chain, in addition to freeing up land to grow crops for food instead of feed;
- 11 Better able to comply with stricter regulations than smaller competitors;
- 12 Leading role in the production of feed without CO₂ emissions from the factories.

Declaration by the Executive Board

The Executive Board has made an assessment of the effectiveness of the design and operation of the internal control and risk management systems. The [risk section](#) expands on the systems and explains how they were implemented in the company and affiliated business.

It should be noted that the systems provide no assurance as to the realisation of objectives. Nor do they guarantee that they are able to prevent any misstatements, errors and/or violations. Nevertheless, the Executive Board declares that:

- the internal risk management and control systems provide a reasonable degree of assurance that the Executive Board is informed in a timely manner of the degree to which the company's strategic, operational and financial objectives are being achieved;
- the report provides sufficient insight into any shortcomings in the operation of the internal risk management and control systems;
- these systems provide a reasonable degree of assurance that the financial reporting does not contain any material misstatements;
- drawing up the financial reporting on a going concern basis is justified based on the current state of affairs; and that
- the report states any material risks and uncertainties that are relevant as regards the expectation of continuity of the company for a period of twelve months after drawing up the report.

The Executive Board makes this declaration based on this report, the aforementioned assessment and the current state of affairs. It does so in accordance with best practice provision 1.4.3 of the Dutch Corporate Governance Code of December 2016 and article 5:25c paragraph 2 under c of the Dutch Financial Supervision Act (Wft).

In view of the above, the Executive Board declares that:

- the annual accounts give a true and fair view of the assets, liabilities, financial position and results of the company and the enterprises included in their consolidation; and
- the management report gives a true and fair view of the situation as at 31 December 2023 and of the state of affairs of the company and its affiliated enterprises in the 2023 financial year, the details of which are included in its annual accounts; and that
- the management report describes the main risks faced by the company.

Lochem, 21 February 2024

The Executive Board of ForFarmers N.V.

Pieter Wolleswinkel, CEO

Rob Kiers, COO

Report of the Supervisory Board

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Letter from the chairman of the Supervisory Board



The announced transition of ForFarmers from a more centrally led organisation to a decentralised one was largely implemented in 2023, with much more localised responsibilities. This restructuring had a major impact on the organisation and so I would like to start by thanking all employees for their efforts and resilience in making the transition to 'local in the lead'. With their specialised knowledge the local teams are even better able to respond to local markets and know even better what our customers need. Thanks to this, ForFarmers was able to improve its underlying result amid challenging conditions, with volumes clearly impacted by inflation, volatile raw material prices and the uncertainty surrounding the nitrogen discussion in the Netherlands.

We held strategic consultations with the Executive Board on various occasions and were thus closely involved in the strategic principles and the further implementation of the new organisational structure. The progress of the organisational restructuring, the creation of CirQlar Nutrition and fleshing out the strategy were among the topics that were also discussed during a visit of several days we made to the factory in Zelhem and a chain partner in the poultry sector.

The past year was also one of many changes to the Executive Board. We started the year with Theo Spierings as CEO, only for him to announce at the beginning of April that he had to step down due to health reasons. I want to thank Theo for his contribution to ForFarmers. Based on our confidence in his qualities as a director we then appointed Pieter Wolleswinkel – already a member of the Executive Board and responsible for ForFarmers Netherlands – as CEO. At the same time we nominated Rob Kiers as COO, with his appointment by the shareholders in June once again completing the Executive Board. Regrettably Roeland Tjebbes, who has been CFO since April 2020, announced his wish to pursue his career elsewhere and left ForFarmers at the end of 2023. We are very grateful to Roeland for his commitment to ForFarmers and wish him all the best in his new position. The members of the Supervisory Board immediately initiated the search for a new CFO, with an express focus on diversity. At the end of November Hans Kerkhoven was hired as acting CFO to perform the relevant duties until a new CFO is appointed. The AGM of 2023 reappointed Erwin Wunnekink to the Supervisory Board, meaning that the composition of the Supervisory Board was unchanged over the past year.

During 2023, the Supervisory Board paid attention to formulating the diversity and inclusion policy for the Supervisory Board and the Executive Board. As well as setting gender targets for both boards we set diversity targets for the Executive Team in consultation with the Executive Board, with spearheads including gender, nationality and age. We also support the importance of diversity for the wider ForFarmers organisation, a subject that is very close to my heart. While I realise that increasing diversity and inclusion within the agricultural environment is challenging it starts with expressing the ambition. I am therefore pleased that implementation of the organisation-wide diversity policy will be a spearhead for ForFarmers in the coming year.

We also see sustainability playing an increasingly central role in the ForFarmers organisation, with many initiatives that focus on making both the raw materials for our feed solutions and our own production increasingly sustainable. Development towards a sustainable food system in a broad sense – with good and affordable food, with the lowest possible impact on the environment and at the same time a healthy farming business – is essential. As one of the larger players in the food chain, ForFarmers has both the ambition and the capabilities to play a key role in this.

In 2023 farmers once again faced many challenges such as volatile markets, margin pressure and uncertainty about the future of the sector. As an organisation we stand side-by-side with farmers and we are grateful for the trust they place in our organisation and our solutions. On behalf of the Supervisory Board I also want to express my thanks to all other ForFarmers stakeholders and especially to all our colleagues. Under the leadership of Pieter, Rob and Roeland everyone worked hard to supply our customers with good feed at competitive prices and to contribute to a sustainable and future-proof sector. And at the end of the day, that is what 'For the Future of Farming' is all about.

Jan van Nieuwenhuizen

Report of the Supervisory Board

The Supervisory Board supervises the management of ForFarmers and fulfils an advisory role where necessary. In this way, the Board ensures that the company properly implements its financial and strategic policy. All members of the Board sit on at least one of the three core committees: the Audit Committee, the Selection and Appointment Committee and the Remuneration Committee.

The Supervisory Board met 12 times in 2023, always in the presence of the Executive Board. Before or after these meetings, the Supervisory Board met without the members of the Executive Board present. In addition, the Supervisory Board met six more times without (representatives of) the Executive Board. During the

meetings, the Supervisory Board dealt with a number of topical themes, among other things. 2023 was marked by the continued volatility in the raw materials market, the sale of the Belgian compound feed business to Arvesta, and the expansion of the company's activities in Poland through acquisition of Piast.

Meeting	Jan van Nieuwenhuizen	Erwin Wunnekink	Marijke Folkers	Roger Gerritzen	Vincent Hulshof	Annemieke den Otter
Supervisory Board	18/18	17/18	17/18	3/18	3/18	14/18
Audit Committee		6/6		0/6		6/6
Remuneration Committee	3/3	2/3		1/3		
Selection & Appointment Committee	5/5		5/5		1/5	

Like every year, several *deep dives* have taken place. These are meetings in the context of one specific topic, such as market developments in a country or ForFarmers' general sustainability agenda. This year, a number of deep dives took place about the Centre of Excellence, Reudink B.V. and an explanation of CirQlar Nutrition, the new brand for co-products within ForFarmers, and HR (including the diversity and inclusion policy). All opcos, ruminants and pigs & poultry have also been subject to deep dives and there has been feedback on the sustainability strategy. In addition, in July, the Council paid a multi-day visit to the factory in Zelhem and a chain partner of ForFarmers. For example, the Supervisory Board was actively involved in the strategic principles and their further implementation, with an eye for long-term value creation.

Annual evaluation

Once every three years, the Supervisory Board discusses its functioning with an external advisor. This was the case in 2022, so in 2023 the Board carried out an evaluation without an advisor. In this context, the Board discussed its own functioning, both with regard to the Board as a whole and the individual members, and with regard to the individual committees. This included substantive aspects, mutual interaction and interaction with the Executive Board, learning opportunities, the desired profile, composition, diversity, competencies and expertise of the Board. The assessment of individual Supervisory Board members was done in one-on-one meetings. The Board has concluded that it is functioning well, both as a whole and its individual members, and that it is composed in line with the profile of the Supervisory Board. Furthermore, the Board evaluated its meetings in 2023 and discussed the

development and strategy of the company and the role of the Board in this. The conclusions of the self-evaluation were used to further improve the Board's working methods.

Audit committee

The Audit Committee met six times in a regular meeting in 2023. The external auditor was present at all meetings, as were the CFO, the internal auditor, the group controller and the corporate legal counsel and (partly) the legal director.

The Audit Committee discussed the 2022 annual report, the 2023 half-year results, operational progress reports with the relevant press releases, and the internal and external audit plan for 2023 with the Executive Board and the external auditor.

In the context of the 2023 financial statements, the Audit Committee considered the challenging market conditions and the energy and raw material cost developments on several occasions. Attention was also paid to the goodwill impairment test for the various clusters and to Enterprise Risk Management (ERM). The Committee is satisfied with the audit effectiveness score. The internal audit review did not reveal any significant findings. In addition, the Committee paid attention to CSRD and its implementation in reporting, health and safety, cybersecurity and an introduction to the use of hedging tools was provided.

During 2023, several members of the senior management team were invited to provide further clarification on topics such as internal audit, group control, tax, insurance and IT. An overview of legal claims and an overview of incident reports were always provided as a fixed appendix to the agenda. After each meeting, the Audit Committee met with the external auditor and shared with the Board its findings on the relationship with the external auditor. The Executive Board was not present.

When formulating the assignment to the external auditor, attention was paid to the scope of the audit, the materiality to be used and the fee of the audit. The Committee is of the opinion that the relationship with the external auditor is satisfactory and supports the proposal to appoint KPMG as auditor for the 2024 financial year.

The Audit Committee discussed with the Executive Board the effectiveness of the set-up and operation of the internal risk management and control systems. At the same time, issues of corruption and fraud were discussed. The Audit Committee has established that the Executive Board has identified the risks related to ForFarmers' strategy. Control measures have also been implemented against strategic, operational and social risks and against compliance and reporting risks. The Audit Committee has reported on this to the Supervisory Board.

Remuneration Committee

The Remuneration Committee met three times in 2023, all in the presence of the HR group director and the CEO. The Committee prepared the *Remuneration Report*, discussed the remuneration of Executive Board and Executive Team members and discussed objectives for the short-term and long-term variable remuneration plans. The objectives were then discussed and approved by the full Supervisory Board. The Remuneration Committee also discussed the remuneration ratios within ForFarmers. The Remuneration Report reports on the implementation of the Remuneration Policy in 2023.

Reward

In formulating the remuneration proposal for the Executive Board, the Remuneration Committee took note of the views of the individual directors with regard to the level and structure of their own remuneration. The Remuneration Committee discussed the achievement of the pre-agreed objectives for all members of the Executive Team and determined the variable remuneration. The Remuneration Committee based its decision on a report by the external auditor containing factual findings on the activities that are included in the calculation of the variable remuneration. The Supervisory Board then approved the proposed bonus amounts. The main elements of the contracts with the members of the Board are published on the ForFarmers website.

Remuneration policy

The Remuneration Policy for the Executive Board was adopted at the 2022 Annual General Meeting of Shareholders. The Remuneration Policy for the Supervisory Board was adopted at the 2023 Annual General Meeting of Shareholders.

Selection and Appointment Committee

The Selection and Appointment Committee met five times in 2023. There were no changes to the Supervisory Board in 2023. The Selection and Appointment Committee prepared the reappointment of Erwin Wunnekink as a member of the Supervisory Board. It was proposed to nominate him for reappointment on the recommendation of Coöperatie FromFarmers. The Supervisory Board proposed to the AGM to reappoint him as a member of the Supervisory Board. At the AGM of 13 April 2023, he was reappointed for a period of four years.

There were changes to the Executive Board in 2023. Unfortunately, Theo Spierings, who was appointed as a member of the Executive Board and CEO at an Extraordinary General Meeting of Shareholders on 17 January 2023, resigned on 3 April 2023 due to health reasons. On the same date, Pieter Wolleswinkel, at that time COO of ForFarmers, was appointed CEO by the Supervisory Board on the proposal of the Selection and Appointment Committee. As a result, the position of COO became vacant. On the Committee's proposal, the Supervisory Board proposed to the AGM to appoint Rob Kiers as COO. At an Extraordinary General Meeting of Shareholders on 5 June 2023, he was appointed for a period of four years.

On 31 August 2023, CFO Roeland Tjebbes announced that he would leave ForFarmers on 31 December 2023.

The Committee immediately started the search for a new CFO. The Board has appointed Mr. Hans Kerkhoven as interim CFO. Mr. Kerkhoven started at the end of November and will remain in office at least until a new CFO has been appointed by the shareholders' meeting.

Additionally, the Selection and Appointment Committee also held performance reviews with the Executive Board.

Remuneration report

The Supervisory Board draws up the remuneration policy for the Executive Board and the Supervisory Board. This is done on the proposal of the remuneration committee. In this chapter, we describe the implementation of the remuneration policy in 2023.

ForFarmers' remuneration policy is aimed at attracting qualified individuals who have an eye for the interests of stakeholders. They are able to support the success of the organisation and promote long-term value creation. They do this in a way that aligns with our identity, culture, mission and values.

Remuneration policy

In principle, the Supervisory Board has the remuneration package of the Executive Board reviewed by an external adviser once every three years to ensure that it complies with the principles of the remuneration policy. The last review took place at the beginning of 2022 and included, among other things, scenario analyses to compare the proposed remuneration package with the existing package. The proposed package was discussed with various stakeholders, including a selection of shareholders, a voting advisory organisation, and the works council in the Netherlands. Their feedback was included in the remuneration policy, which was submitted to and approved by the AGM in 2022. Important changes have been made in this revision, such as the payment of the long-term bonus. For plans started after 2021, this will no longer be paid out in cash, but in (depository receipts

for) ForFarmers shares. This approach is in line with current market practice and meets the long-term interests of shareholders. In addition, the performance bandwidth and reward range of the variable remuneration have been adjusted. The long-term variable remuneration plans started before 2022 will still be paid out in cash.

In the policy, ESG (Environmental, Social & Governance) objectives are linked to short- and long-term variable remuneration. The Supervisory Board will link a minimum of 50% of non-financial targets to ESG. Furthermore, it is no longer possible to give directors a guaranteed variable remuneration upon their appointment, as this is not in line with market practice.

In addition, the policy includes the possibility of increasing the fixed base salary of a director if his or her range of duties is expanded, whether or not temporarily. An overview of all provisions can be found in the [remuneration policy](#) on our website.

Remuneration 2023

Annual salary of the Executive Board

Roeland Tjebbes' fixed salary was indexed as of 1 January 2023. Chris Deen's (CEO) fixed salary was announced in 2022 ahead of his nomination for appointment as an Executive Board member. The percentages used and the salaries per director in 2023 were as follows.

In euro	Per year	Rise ⁽¹⁾
Chris Deen ⁽²⁾	565,000	0.0%
Theo Spierings ⁽³⁾	670,000	N/A
Pieter Wolleswinkel ⁽⁴⁾	584,775	N/A
Roeland Tjebbes ⁽⁵⁾	439,875	11.7%
Rob Kiers ⁽⁶⁾	372,600	N/A

¹ Increase as of 1 January 2023 compared to 1 January 2022

² Employment at ForFarmers ended as of 31 January 2023

³ Board member from 17 January 2023 to 3 April 2023

⁴ Annual salary as of 3 April 2023

⁵ Employment at ForFarmers ended as of 31 December 2023

⁶ Executive Board member and annual salary as of 5 June 2023

In 2023, the Supervisory Board did not award any additional remuneration to Executive Board members in connection with the performance of additional duties. No severance has been paid to board members.

Variable remuneration of the Executive Board

The Supervisory Board and the Executive Board have agreed on short-term goals for 2023 and long-term goals for 2021-2023. These objectives contribute to the implementation of ForFarmers' strategic agenda, long-term interests and sustainability agenda. They do not encourage inappropriate risks. The Supervisory Board has determined the amount of realised short- and long-term variable remuneration on the advice of the remuneration committee, using the following method.

Short-term financial target score (2023)

Achievement	Variable remuneration
< 80% of the target	No variable remuneration for that objective
≥ 80% - 100% of the target	Proportional allocation between 50% and 100% of the variable remuneration for that objective
≥ 100% - 120% of the target	Proportional allocation between 100% and 150% of the variable remuneration for that objective
≥ 120% of the target	Maximum variable remuneration of 150% for that objective

Long-term financial objective score (2021-2023) related to ROACE

Achievement	Variable remuneration
< 80% of the target	No variable remuneration for that objective
≥ 80% - 120% of the target	Proportional allocation between 0% and 120% of the variable remuneration for that objective
≥ 120% of the target	Maximum variable remuneration of 120% for that objective

Long-term financial target score (2021-2023) related to EPS

Achievement	Variable remuneration
< 90% of the target	No variable remuneration for that objective
≥ 90% - 110% of the target	Proportional allocation between 0% and 120% of the variable remuneration for that objective
≥ 110% of the target	Maximum variable remuneration of 120% for that objective

In order to determine the qualitative objectives, the Supervisory Board determined the minimum and maximum level of achievement in advance. The variable remuneration is awarded proportionally with a performance score in between. No variable remuneration will be awarded for targets for which the minimum level of achievement has not been reached.

In 2023, the Supervisory Board and the Executive Board reflected on the development of ForFarmers' results on several occasions. The financial scope for making payments and granting variable remuneration was discussed and, on that basis, the Supervisory Board awarded variable remuneration. The Supervisory Board based its decision on the results, including the impact of external factors, such as the development of raw material and energy prices and the nitrogen debate in the Netherlands.

Short-term variable remuneration of the Executive Board

For the CEO and CFO, 60% of the targets for short-term variable remuneration for 2023 are financial and 40% qualitative. For the COO, 70% of the objectives are determined financially and 30% qualitatively. At the end of the performance period, the Supervisory Board assessed the extent to which the objectives linked to this remuneration had been achieved for each board member.

Under the remuneration policy, the CEO receives short-term variable remuneration of 55% and a maximum of 82.5% as a percentage of the fixed base salary if all objectives are met. For the other Executive Board members, the percentages are 45% and a maximum of 67.5% respectively.

Theo Spierings and Chris Deen joined in 2023 and 2022 respectively, but both terminated their contracts with ForFarmers prematurely. As a result, in accordance with the Remuneration Policy, no variable remuneration is awarded.

The Supervisory Board assessed the short-term financial performance criteria for the other Executive Board members as follows.

The variable remuneration percentage granted on the basis of the underlying net profit of the ForFarmers group (for the entire Executive Board) was determined by the realisation in relation to the budget for the year as approved by the Supervisory Board prior to the financial year. For 2023, the budgeted underlying net profit

amounted to €21.8 million. This includes adjustments, where applicable, for currency translation effects of foreign operations, unbudgeted mergers and acquisitions, and non-budgeted tax effects resulting from additional changes in tax rates.

Short Term 2023 Performance Information ⁽¹⁾

Performance criterion	Pieter Wolleswinkel		Roeland Tjebbes ⁽³⁾		Rob Kiers	
	Target 52.5%	Max 78.75% ⁽²⁾	Target 45%	Max 67.50%	Target 40%	Max 60% ⁽²⁾
	Target (at target)	Actual	Target (at target)	Actual	Target (at target)	Actual
Underlying net profit ⁽³⁾	31.5%	35.2%	27.0%	30.2%	24.0%	26.8%
Working capital days					4.0%	0.0%
Implementation of strategy	7.9%	11.8%	4.5%	6.8%	3.0%	4.5%
Operational effectiveness	2.6%	2.6%	4.5%	4.5%	3.0%	3.8%
ESG	10.5%	13.1%	9.0%	13.5%	6.0%	6.0%
Total short term '23	52.5%	62.8%	45.0%	54.9%	40.0%	41.1%

¹ Percentages in relation to the applicable fixed salary

² The target and the maximum are the weighted average percentage of the whole year

³ No longer employed by ForFarmers as of 31 December 2023

⁴ Reference is made to note 16 of the financial statements on the Alternative Performance Measures (APM)

The Supervisory Board assessed the short-term qualitative performance criteria as follows.

Executive Board member	Performance criterion	Performance assessment
Pieter Wolleswinkel	<ul style="list-style-type: none"> - Execution of strategy - Operational effectiveness - ESG 	<ul style="list-style-type: none"> • Important steps forward in the transition year and restructuring successfully carried out with strong commitment • Progress on organisational improvement with talent appointments in the new organisational structure • Strong focus on CSRD rollout in 2024 with defined KPIs and future of agriculture determined through round table sessions with leadership commitment
Roeland Tjebbes	<ul style="list-style-type: none"> - Execution of strategy - Operational effectiveness - ESG 	<ul style="list-style-type: none"> • Successful implementation of new budget and reporting organisational structure in systems, including new overhead allocation system for 2024 • Effective execution of M&A activities (Piast in Poland and sale of Belgian compound feed activities) • Strong involvement within the finance team and creation of new roles within the new organizational structure, with a specific focus on business controllers • Significant progress made in CSRD, with leading position over peers and active involvement in ESG initiatives, with successful collaboration in CirQlar Nutrition
Rob Kiers	<ul style="list-style-type: none"> - Execution of strategy - Operational effectiveness - ESG 	<ul style="list-style-type: none"> • Successful implementation of the strategy in the new organisational structure • Launch of the Transformation Desk, including the implementation of the Business Balanced Scorecards and the implementation of changes to the organisational structures in the Netherlands and the United Kingdom • Start of the Innovation Fund in the Netherlands • Progress in the ongoing transformation in the Netherlands has been positive, with some personnel changes taking place in the team.

Long-term variable remuneration of the Executive Board

The targets for long-term variable remuneration in 2021-2023 consist of 60% financial and 40% qualitative elements, which apply during the three-year period. Afterwards, the Supervisory Board assesses the extent to which the objectives linked to this remuneration have been achieved for each Executive Board member.

Long-term 2021-2023 performance information

Performance criterion

	Pieter Wolleswinkel ⁽¹⁾		Roeland Tjebbes ⁽²⁾	
	Target 40% Max 48%		Target 40% Max 48%	
	Target	Actual	Target	Actual
	(at target)		(at target)	
Earnings per share development ⁽³⁾	7.2%	2.1%	7.2%	2.1%
Shareholder return (TSR) ⁽⁴⁾	8.4%	0.0%	8.4%	0.0%
Return on average capital employed ⁽⁵⁾	8.4%	6.1%	8.4%	6.1%
Implementation of the strategy	6.0%	7.2%	6.0%	7.2%
M&A	6.0%	6.6%	6.0%	6.6%
Implementation of sustainability targets	4,0%	4,4%	4,0%	4,4%
Total long-term '23	40.0%	26.4%	40.0%	26.4%

¹ The 2021-2023 performance plan has been assigned to the position of COO

² No longer employed by ForFarmers as of 31 December 2023

³ Earnings per share (EPS) (adjusted for share repurchases)

⁴ Total shareholder return (TSR) according to the scale included in this report

⁵ Return on average capital employed (ROACE)

The Supervisory Board assesses the long-term qualitative performance criteria as follows.

Performance criterion	Performance assessment
Implementation of the strategy	<ul style="list-style-type: none"> • Strong focus on all pillars: restructuring, acquisition in Poland, sale of assets in Belgium, cost-reduction programme, ESG agenda and proactive supply chain approach • Organisation restructuring defined and implemented • During organisational restructuring, several internal promotions were made • Barrett survey conducted in the Netherlands and other countries leading to an improvement plan
M&A	<ul style="list-style-type: none"> • Made several acquisitions to strengthen its position in all existing markets (De Hoop in the Netherlands, Mühldorfer in Germany, Piast in Poland and Thunderbrook Equestrian in the United Kingdom) • Compound feed activities in Belgium sold and proceeds used to invest in growth markets (Piast) • Implementation of M&A policy in line with revised strategy
Implementation of Sustainability Policy	<ul style="list-style-type: none"> • Strong focus on circularity in the strategy with focus on CSRD and SBTi in 2024 • Age distribution and diversity within the organisation improved, with two female members now in the Executive Team. In addition, two other female appointments were made for senior positions within the organisation • Achieved 4 out of 6 ESG goals, including LTI (Lost Time Injury) and Diversity Challenge

In connection with the TSR target, the Supervisory Board has identified in advance which companies are part of the reference group. The starting point was the ten companies that were ranked at numbers 15 to 25 of the AMX (mid-cap index) as of 1 October of the year prior to the performance period for the long-term target, plus the ten companies

that were ranked at numbers 1 to 10 of the AScX (small-cap index) of Euronext Amsterdam (based on market capitalisation) on the same date. The percentage of variable remuneration awarded on the basis of TSR is determined on the basis of ForFarmers' position within the reference group according to the following scale.

Position	11-20	10	9	8	7	4-6	1-3
Realisation %	0	50	66.7	83.4	100	110	120

Over the period 2021-2023, ForFarmers fell below position 10, so the realisation is 0%. The variable remuneration rate granted for EPS and ROACE respectively was determined by the evolution of earnings after tax per share (adjusted for share repurchases) and return on average capital employed (ROACE) relative to a predetermined, three-year average growth target, as approved by the Supervisory Board.

For the 2022-2024 and 2023-2025 long-term variable remuneration plans that have already been started, at least 50% of the qualitative criteria are linked to ESG and, as with the 2023 short-term variable remuneration, the payout ranges have been adjusted to 50%-150% in the event of the achievement of the objectives (see the [remuneration policy](#) for more information).

Employee participation plan

Up to and including 2021, directors could participate in the employee participation plan for senior management.

A discount of 20% was granted on the acquisition price.

As of 2022, this scheme for directors has been abolished.

Since then, directors have received long-term variable remuneration plans in shares and depositary receipts for shares. The shares and depositary receipts for shares acquired under these pre-2022 schemes cannot be traded

for five years, counted from the time of acquisition in that year. As at 31 December 2022, the following shares or depositary receipts were held by the members of the Executive Board.

Depositary receipts or shares held by members of the board

	Certificates in lock-up (5 years, release 2024)	Certificates in lock-up (5 years, release 2025)	Certificates in lock-up (5 years, release 2026)	Certificates in lock-up (5 years, release 2027)	Certificates in lock-up (5 years, release 2028)	Depositary receipts/ Shares (not in lock-up)	Total
Pieter Wolleswinkel	6,944	6,250	11,200			75,813	100,207
Roeland Tjebbes ⁽¹⁾		26,041	30,241			17,500	73,782
Rob Kiers			1,120				1,120

¹ No longer employed by ForFarmers as of 31 December 2023

Total remuneration of the Executive Board

The table below shows the total remuneration for members of the Executive Board.

Executive Board remuneration in 2023

In euro	Fixed remuneration		Variable remuneration				Total Reward	Fixed/ variable ratio
	Salary	Other reimbursements ⁽¹⁾	Short term (1 year) ⁽²⁾	Long Term (3 years) ⁽²⁾	Special Rewards	Pension contributions		
Chris Deen ^(3, 4)	47,083	3,056	-	-	-	9,417	59,556	100%-0%
Theo Spierings ^(3, 5)	223,333	14,122	-	-	-	44,667	282,122	100%-0%
Pieter Wolleswinkel	531,731	32,374	117,593	33,696	-	106,346	821,741	82%-18%
Roeland Tjebbes ⁽³⁾	439,875	106,598	193,323	77,667	-	87,975	905,438	70%-30%
Rob Kiers ⁽⁶⁾	214,527	20,836	-	-	-	42,905	278,268	100%-0%

¹ Concerns social security contributions, lease car and pension allowance for own scheme and, for Roeland Tjebbes, the third instalment for expired deferred remuneration from previous employment as explained in more detail in this report

² The amounts relate to the 2022 short-term and 2020-2022 long-term variable remuneration paid in 2023. The 2023 short-term and 2021-2023 long-term variable remuneration will be paid after the adoption of the financial statements for the 2023 financial year

³ No severance has been paid to board members

⁴ The amounts for Chris Deen relate to the period 1 January 2023 to 31 January 2023

⁵ The amounts for Theo Spierings relate to the period from 1 January 2023 to 3 April 2023

⁶ The amounts for Rob Kiers relate to the period 5 June 2023 to 31 December 2023

Share-based long-term variable compensation plans

Members of the Executive Board hold (depository receipts for) shares in ForFarmers to the value of at least twice the

target level of the long-term variable remuneration (i.e. 140% of the fixed base salary for the CEO and 110% for each of the other Executive Board members). This is subject to an accrual period of 5 years after the date of

conditional granting of the long-term variable remuneration. The conditionally granted (depository receipts for) shares relating to the long-term variable remuneration plan 2022-2024 are included in the table below.

Long-term remuneration plans - conditionally granted (depository receipts for) shares

Award year	Number of conditionally granted (depository receipts for) shares	Value of (depository receipts for) shares conditionally granted on the date of grant (€)	Number of shares that have expired (depository receipts for) shares	Establishment date	Number of (depository receipts for) shares established on the date of establishment - (before tax)	Number of (depository receipts for) shares established on the date of establishment - (after tax)	End of lock-up period (date available)	Value of (depository receipts for) shares at balance sheet date (31-12-23) - unvested or in lock-up (€)
Pieter Wolleswinkel	2023	123,105	358,236	–	5 June 2026	–	5 June 2028	292,990
	2022	65,131	197,998	–	29 April 2025	–	29 April 2027	155,012
Totaal		188,236	556,234	–		–		448,002
Roeland Tjebbes ¹⁾	2023	83,137	241,929	83,137	5 June 2026	–	5 June 2028	–
	2022	71,237	216,560	71,237	29 April 2025	–	29 April 2027	–
Totaal		154,374	458,489	154,374		–		–
Rob Kiers	2023	58,251	169,510	–	5 June 2026	–	5 June 2028	138,637
	2022	–	–	–	29 April 2025	–	29 April 2027	–
Totaal		58,251	169,510	–		–		138,637

¹ No longer employed by ForFarmers as of December 31, 2023

Compensation for contracts from previous employment

Roeland Tjebbes will receive €250,000 gross as compensation for expired remuneration from a previous employment. This amount will be paid out between 2021 and 2024 in four annual instalments of €62,500. Due to the premature termination of the contract by Mr. Roeland Tjebbes, the last term in accordance with the contract will not apply in 2024.

Remuneration ratios

The Supervisory Board has taken ForFarmers' remuneration ratios and other terms and conditions of employment into account when assessing the level and structure of directors' remuneration. To determine the remuneration ratios within ForFarmers, the Supervisory Board has based its decision on the ratio between the total annual remuneration of the CEO and the average annual remuneration of the employees and the companies whose financial data ForFarmers consolidates.

Performance and remuneration over the financial years 2019-2023

The following tables show the development of the remuneration ratios and the performance of ForFarmers within ForFarmers. The Supervisory Board believes that this development is balanced.

Total remuneration of the Executive Board

in thousands of euros	2019	2020	2021	2022	2023
CEO ⁽¹⁾	979	1,101	1,611	854	892
CFO	610	781	621	681	905
COO ⁽²⁾	622	597	979	559	549

¹ In 2023, this relates to the joint remuneration of Chris Deen, Theo Spierings and Pieter Wolleswinkel (as of 3 April 2023)

² In 2023, this relates to the joint remuneration of Pieter Wolleswinkel (until 3 April 2023) and Rob Kiers (from 5 June 2023)

Annual change in total remuneration of the Executive Board

In percentage	2019	2020	2021	2022	2023
CEO	-22.7%	12.5%	46.3%	-47.0%	4.5%
CFO	-17.6%	28.0%	-20.5%	9.7%	32.9%
COO	-19.8%	-4.0%	64.0%	-42.9%	-1.8%

Annual change in fixed base salary of the Executive Board

In percentage	2019	2020	2021	2022	2023
CEO ⁽¹⁾	2.5%	2.5%	0.0%	3.5%	n.a.
CFO	2.5%	2.5%	0.0%	5.0%	11.7%
COO ⁽²⁾	2.5%	2.5%	0.0%	n.a.	3.5%

¹ The annual change in 2023 does not apply to the CEO position because, as of 1 January 2023, none of the current board members were appointed as CEO

² The annual change in 2023 does not apply to the COO as the COO was appointed at the shareholders' meeting of 5 June 2023

ForFarmers' performance

in thousands of euros (unless otherwise stated)	2019	2020	2021	2022	2023
Underlying EBITDA ⁽¹⁾	88,520	96,232	78,199	76,112	70,045
Year-on-year % change	-11.5%	8.7%	-18.7%	-2.7%	-8.0%
Underlying profit ⁽¹⁾	42,139	46,266	28,353	30,024	22,650
Year-on-year % change	-31.8%	9.8%	-38.7%	5.9%	-24.6%
Average remuneration ForFarmers employees ⁽²⁾	66,281	65,119	67,893	70,486	75,639
Year-on-year % change	3.8%	-1.8%	4.3%	3.8%	7.3%
CEO Remuneration Ratio / Average Remuneration ⁽³⁾	14.8	16.9	14.9	12.1	11.8

¹ Reference is made to note 16 of the annual accounts regarding the Alternative Performance Measures (APM)

² Concerns the calculation as described above under "Remuneration Ratios"

³ Excluding any departure fees

Remuneration payable by subsidiaries and other companies

In 2023, part of the remuneration costs for each board member will be (indirectly) passed on to subsidiaries or other companies whose financial data ForFarmers consolidates. This charging is part of the overhead cost model.

Remuneration of members of the Supervisory Board

In 2022, the annual basic remuneration for the Supervisory Board was €60,000 for the chair, €46,000 for the vice-chair and €43,000 for the other Supervisory Board members. The additional fees amounted to €10,000 for the chair of the audit committee, €7,500 for the chairs of other committees, €7,000 for members of the audit committee and €6,000 for members of other committees.

Each member of the Supervisory Board receives an annual fixed expense allowance of €500.

In accordance with the remuneration policy for the Supervisory Board, in 2022 an external advisor evaluated the total remuneration of the Supervisory Board and found that the fixed remuneration was lower than the intended level, determined on the basis of the median of the reference group. In the past six years, there has been no adjustment of the remuneration for the Supervisory Board, as explained in the AGM of 13 April 2023.

However, given the current market and sector conditions, the Supervisory Board did not consider it appropriate to move directly to the median. In order to remain in line with the remuneration policy in the longer term, it has therefore been proposed to gradually bridge the gap. For the period

from 2023 to 2025, it has been proposed to increase the base remuneration by an average of 50% of the difference from the median, while no adjustments have been proposed for the remuneration of commissions.

In line with this, the following remuneration was awarded to members of the Supervisory Board in 2023.

Remuneration of the Supervisory Board in 2023

	Supervisory Board	Committees	Other reimbursements ⁽¹⁾	Total
Jan van Nieuwenhuizen	65,000	12,000	1,640	78,640
Erwin Wunnekink	49,000	16,000	500	65,500
Roger Gerritzen	45,000	14,500	500	60,000
Vincent Hulshof	45,000	6,000	1,544	52,544
Annemieke den Otter	45,000	7,000	500	52,500
Marijke Folkers - In 't Hout	45,000	7,500	2,581	55,081

¹ Concerns mileage allowances and fixed expenses

Total remuneration of the Supervisory Board over 5 years

in thousands of euros	2019	2020	2021	2022	2023
Chairman	77	73	74	73	79
Vice chairman	63	64	64	61	65
Other members ⁽¹⁾	54	55	52	54	55

¹ Relates to the average remuneration of the other members of the Supervisory Board

In 2023, the Board did not award any additional remuneration to members of the Board in connection with the performance of additional duties. As at 31 December 2023, the members of the Board held the following shares or depositary receipts for shares in ForFarmers or a balance in the participation account of Coöperatie FromFarmers U.A

	Depository receipts/shares	Participation accounts ⁽¹⁾	Total
Jan van Nieuwenhuizen			
Erwin Wunnekink			
Roger Gerritzen			
Vincent Hulshof		8,640	8,640
Annemieke den Otter			
Marijke Folkers - In 't Hout		24,243	24,243

¹ A balance in the participation account can only be held by a member of FromFarmers and can be converted into depository receipts or shares of ForFarmers N.V.

The members of the Supervisory Board with shares, depository receipts or participation accounts are also members of FromFarmers. They acquired their shares, depository receipts for shares or participation accounts by participating in FromFarmers' Registered Equity programme that ran in the period 2007-2017.

ForFarmers has not granted any options or depository receipts for shares to members of the Supervisory Board. The remuneration of the members of the Supervisory Board is not dependent on the results of ForFarmers, nor on a change of control in the company. No loans were granted to members of the Supervisory Board.

Advisory vote at the general meeting of shareholders

The remuneration report for the reporting year 2022 was submitted to the AGM of 13 April 2023 for an advisory vote. This vote of the AGM has been taken into account in the aforementioned review of the remuneration policy.

The consultative vote was cast as follows.

	Vote	Percentage
Before	58,826,761	99.3%
Against	416,331	0.7%
Abstinance	165,968	

This remuneration report will be submitted to the AGM of 11 April 2024 for an advisory vote. In the remuneration report for 2024, we explain how we dealt with this advisory vote.

Lochem, 21 February 2024

Supervisory Board ForFarmers N.V.

Financial statements 2023

Consolidated financial statements



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Consolidated statement of financial position

in millions of euro (before result appropriation)	Note	31 December 2023	31 December 2022
Assets			
Property, plant and equipment	17	304.4	311.8
Intangible assets and goodwill	18	90.0	105.2
Investment property		0.6	0.6
Trade and other receivables	20	1.5	3.4
Equity-accounted investees	19	36.4	32.0
Deferred tax assets	15	4.7	2.5
Employee benefits	14	–	5.8
Non-current assets		437.6	461.3
Inventories	21	98.8	152.1
Biological assets	22	9.9	6.1
Trade and other receivables	20	244.7	330.7
Current tax assets	15	3.3	1.5
Cash and cash equivalents	23	46.5	68.4
Assets held for sale		–	0.3
Current assets		403.2	559.1
Total assets		840.8	1,020.4

in millions of euro (before result appropriation)	Note	31 December 2023	31 December 2022
Equity			
Share capital		0.9	0.9
Share premium		143.6	143.6
Treasury share reserve		–	–
Translation reserve		–5.9	–10.5
Hedging reserve		–1.6	–1.2
Other reserves and retained earnings		175.5	184.3
Unappropriated result		–1.0	18.0
Equity attributable to shareholders of the Company	24	311.5	335.1
Non-controlling interests	31	8.9	9.1
Total equity		320.4	344.2
Liabilities			
Loans and borrowings	26	92.0	118.0
Employee benefits	14	16.4	16.7
Provisions	27	2.7	2.5
Trade and other payables	28	28.2	24.2
Deferred tax liabilities	15	9.6	14.2
Non-current liabilities		148.9	175.6
Bank overdrafts	29	8.0	42.1
Loans and borrowings	26	8.5	6.7
Provisions	27	3.1	1.7
Trade and other payables	28	349.7	449.9
Current tax liabilities		2.2	0.2
Current liabilities		371.5	500.6
Total liabilities		520.4	676.2
Total equity and liabilities		840.8	1,020.4

The notes 1 to 37 are an integral part of these consolidated financial statements.

Consolidated statement of profit or loss

in millions of euro	Note	2023	2022
Revenue	8	2,974.7	3,315.0
Cost of raw materials and consumables	9	-2,497.4	-2,820.2
Gross profit		477.3	494.8
Other operating income		3.0	0.7
Operating income		480.3	495.5
Employee benefit expenses	14	-174.7	-167.7
Depreciation, amortisation and impairment	17,18	-58.2	-48.1
Net (reversal of) impairment loss on trade receivables		1.3	-3.4
Other operating expenses	10A	-244.1	-251.9
Operating expenses	10	-475.7	-471.1
Operating profit		4.6	24.4
Net finance result	6,11	-9.7	-6.5
Share of profit of equity-accounted investees, net of tax	19	5.2	4.3
Profit (loss) before tax		0.1	22.2
Income tax expense	15	1.8	-4.0
Profit (loss) for the period		1.9	18.2
Profit (loss) attributable to:			
Shareholders of the Company		-1.0	18.0
Non-controlling interests	31	2.9	0.2
Profit (loss) for the period		1.9	18.2
Earnings per share in euro ⁽¹⁾			
Basic earnings per share	12	-0.01	0.20
Diluted earnings per share	12	-0.01	0.20

¹ Earnings per share attributable to the shareholders of the Company

The notes 1 to 37 are an integral part of these consolidated financial statements.

Consolidated statement of comprehensive income

in millions of euro	Note	2023	2022
Profit (loss) for the period		1.9	18.2
Other comprehensive income			
Items that will never be reclassified to profit or loss			
Remeasurement of defined benefit liabilities	14	-9.9	4.7
Equity-accounted investees - share of other comprehensive income	19	-0.0	0.1
Related tax		2.5	-0.9
		-7.4	3.9
Items that are or may be reclassified to profit or loss			
Foreign operations - foreign currency translation differences		5.0	-5.8
Cash flow hedges - effective portion of changes in fair value		-0.7	-0.9
Cash flow hedges - reclassified to statement of profit or loss / statement of financial position		-	-
Related tax		-0.1	0.7
		4.2	-6.0
Other comprehensive income, net of tax		-3.2	-2.1
Total comprehensive income		-1.3	16.1
Total comprehensive income attributable to:			
Shareholders of the Company		-4.2	15.9
Non-controlling interests	31	2.9	0.2
Total comprehensive income		-1.3	16.1

The notes 1 to 37 are an integral part of these consolidated financial statements.

Consolidated statement of changes in equity

in millions of euro	Share Capital	Share premium	Treasury share reserve	Translation reserve	Hedging reserve	Other reserves and retained earnings	Unappropriated result	Subtotal ⁽¹⁾	Non-controlling interest	Total
Balance as at 1 January 2023	0.9	143.6	-	-10.5	-1.2	184.3	18.0	335.1	9.1	344.2
Addition from unappropriated result	-	-	-	-	-	18.0	-18.0	-	-	-
Total comprehensive income										
Result	-	-	-	-	-	-	-1.0	-1.0	2.9	1.9
Other comprehensive income	-	-	-	4.6	-0.4	-7.4	-	-3.2	-	-3.2
Total comprehensive income	-	-	-	4.6	-0.4	-7.4	-1.0	-4.2	2.9	-1.3
Transactions with shareholders of the Company, recognised directly in equity										
Contributions and distributions										
Dividends	24	-	-	-	-	-17.9	-	-17.9	-3.1	-21.0
Purchase of own shares	24	-	-	-	-	-1.7	-	-1.7	-	-1.7
Equity-settled share-based payments	-	-	-	-	-	0.2	-	0.2	-	0.2
Tax movements directly in equity	-	-	-	-	-	-	-	-	-	-
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	-	-
Total transactions with shareholders of the Company	-	-	-	-	-	-19.4	-	-19.4	-3.1	-22.5
Balance as at 31 December 2023	0.9	143.6	-	-5.9	-1.6	175.5	-1.0	311.5	8.9	320.4

¹ Sub-total equity refers to equity attributable to the Company's shareholders

The notes 1 to 37 are an integral part of these consolidated financial statements.

Consolidated statement of changes in equity

in millions of euro		Share Capital	Share premium	Treasury share reserve	Translation reserve	Hedging reserve	Other reserves and retained earnings	Unappropriated result	Subtotal ⁽¹⁾	Non-controlling interest	Total
Balance as at 1 January 2022		0.9	143.6	-	-5.2	-0.5	209.7	12.0	360.5	5.7	366.2
Addition from unappropriated result		-	-	-	-	-	12.0	-12.0	-	-	-
Total comprehensive income											
Result	24	-	-	-	-	-	-	18.0	18.0	0.2	18.2
Other comprehensive income	24	-	-	-	-5.3	-0.7	3.9	-	-2.1	-	-2.1
Total comprehensive income		-	-	-	-5.3	-0.7	3.9	18.0	15.9	0.2	16.1
Transactions with shareholders of the Company, recognised directly in equity											
Contributions and distributions											
Dividends	24	-	-	-	-	-	-25.9	-	-25.9	-0.5	-26.4
Purchase of own shares	24	-	-	-	-	-	-15.4	-	-15.4	-	-15.4
Equity-settled share-based payments		-	-	-	-	-	-0.0	-	-0.0	-	-0.0
Tax movements directly in equity		-	-	-	-	-	-	-	-	0.1	0.1
Acquisition of a subsidiary		-	-	-	-	-	-	-	-	3.6	3.6
Total transactions with shareholders of the Company		-	-	-	-	-	-41.3	-	-41.3	3.2	-38.1
Balance as at 31 December 2022	24	0.9	143.6	-	-10.5	-1.2	184.3	18.0	335.1	9.1	344.2

¹ Sub-total equity refers to equity attributable to the Company's shareholders

The notes 1 to 37 are an integral part of these consolidated financial statements.

Consolidated statement of cash flows

in millions of euro

	Note	2023	2022
Cash flows from operating activities			
Profit (loss) for the year		1.9	18.2
Adjustments for:			
Depreciation	17	34.8	35.1
Amortisation	18	9.6	10.4
Net (reversal of) impairment loss	18	13.8	2.6
Change in fair value of biological assets (unrealised)		-1.1	1.7
Net (reversal of) impairment loss on trade receivables		-1.3	3.4
Net finance result	11	9.7	6.5
Share of profit of equity-accounted investees, net of tax	19	-5.2	-4.3
Gain on sale of property, plant and equipment / investment property		-2.1	-0.3
Equity-settled share-based payment expenses	13	0.3	0.6
Expenses related to post-employment defined benefit plans		0.7	1.0
Expenses related to long term incentive plans	14F	0.7	-
Income tax expense	15	-1.8	4.0
		60.0	78.9
Changes in:			
Inventories & biological assets		49.7	-34.6
Trade and other receivables		82.3	-65.4
Trade and other payables		-88.7	82.7
Provisions and employee benefits		-5.3	-9.8
		98.0	51.8
Cash generated from operating activities			
Interest paid		-7.3	-3.5
Income taxes paid		-4.2	-0.1
		86.5	48.2

The notes 1 to 37 are an integral part of these consolidated financial statements.

Consolidated statement of cash flows

in millions of euro

	Note	2023	2022
Cash flows from investing activities			
Interest received		0.9	0.7
Dividends received from equity-accounted investees		2.1	2.2
Proceeds from sale of property, plant and equipment / investment property		3.9	1.0
Proceeds from sale of participating interests, net of cash disposed	6	25.8	-
Acquisition of subsidiaries, net of cash acquired	6	-5.5	-3.4
Acquisition of property, plant and equipment		-31.4	-33.4
Acquisition of intangible assets		-3.0	-1.9
Net cash used in investing activities		-7.2	-34.8
Cash flows from financing activities			
Purchase of own shares		-	-15.4
Proceeds from sale of treasury shares relating to employee participation plan		-	0.2
Purchase of treasury shares relating to employee participation plan		-1.7	-0.4
Lease payments		-9.6	-8.8
Proceeds from borrowings	26	30.0	75.0
Repayment of borrowings	26	-65.0	-43.0
Transaction costs related to borrowings	26	-0.1	-0.1
Dividend paid	24	-20.5	-25.3
Net cash used in financing activities		-66.9	-17.8
Net increase/decrease in cash and cash equivalents		12.4	-4.4
Cash and cash equivalents at 1 January		26.3	33.8
Effect of movements in exchange rates on cash held		-0.2	-3.1
Cash and cash equivalents as at 31 December ⁽¹⁾	23	38.5	26.3

¹ Net of bank overdrafts

The notes 1 to 37 are an integral part of these consolidated financial statements.

Notes to the consolidated financial statements



Basis of preparation

1. ForFarmers N.V.

ForFarmers N.V. (the 'Company') is a public limited company domiciled in the Netherlands. The Company's registered office is at Kwinkweerd 12, 7241 CW Lochem. The consolidated financial statements for the financial year ended 31 December 2023 comprise ForFarmers N.V. and its subsidiaries (jointly the 'Group' or 'ForFarmers') and the Group's interest in its joint venture HaBeMa and equity-accounted investees.

ForFarmers N.V. is an internationally operating feed company that offers Total Feed solutions for conventional and organic livestock farming.

ForFarmers is registered at the Dutch Chamber of Commerce by number 081.59.661.

2. Basis of accounting

Statement of compliance

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as endorsed by the European Union (EU-IFRSs, hereafter stated as IFRS) and with Part 9 of Book 2 of the Dutch Civil Code.

The consolidated (and company) financial statements were approved for issuance by the Executive Board and Supervisory Board on 21 February 2024. The Group's financial statements will be subject to adoption by the Annual General Meeting of Shareholders on 11 April 2024.

Going concern

The consolidated financial statements are prepared in accordance with the going concern principle.

ForFarmers has a strong balance sheet and a solid financial position with sufficient cash and headroom in its credit facilities.

Changes in accounting policies in 2023

In 2023 a number of new standards and amendments came into effect. These have no significant impact on the financial statements of the Group.

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2024 and early adoption is permitted. These have no significant impact on the financial statements of the Group. The Group did not early adopt these standards.

Pillar Two legislation (Global minimum Top-Up tax)

The Group is active in countries where the new minimum tax (Pillar Two) legislation is enacted as of 1 January, 2024. The Group has internally assessed the new treaty-based legislation. The outcome of this assessment based on financial information 2023 is that the Pillar Two will not apply, because the Group qualifies to apply the safe harbour rule. Like in 2023, the board of the Group does not expect at this moment that the Group will be affected by the Pillar Two legislation in 2024, based on the safe harbour rule.

For the current year (2023), the Group made use of the temporary mandatory exemption to not recognise deferred taxes related to Pillar Two legislation and provide the new mandatory disclosures.

Comparative information

When necessary prior year amounts have been adjusted to conform to the current year presentation.

Accounting policies

Details of the Group's significant accounting policies are included in Notes 35 and 36.

3. Functional and presentation currency

These consolidated financial statements are presented in euro, which is the Group functional currency. All amounts have been rounded to the nearest million with one digit after period, unless otherwise indicated. The subsidiaries' functional currencies are mainly the euro, pound sterling and Polish zloty. Most of the transactions, and resulting balances, occur in the local and functional currency.

The following exchange rates have been applied during the year:

Rate as at 31 December	€ 1.00	€ 1.00
2021	£ 0,8403	zł 4,5969
2022	£ 0,8869	zł 4,6808
2023	£ 0,8691	zł 4,3395
Average rate	€ 1.00	€ 1.00
2022	£ 0,8528	zł 4,6861
2023	£ 0,8698	zł 4,5420

4. Use of judgements and estimates

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual valuation of assets and liabilities may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis, taking into account the opinions and advice of (external) experts. Changes to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

A. Judgements

Information about judgements made in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements is included in the following notes:

- revenue: whether the Group acts as an agent in the transaction rather than as a principal (Note 8);
- consolidation: whether the Group has de facto control over an investee (Note 30).

B. Assumptions and estimation uncertainties

The estimates and assumptions considered most critical are:

- measurement of defined benefit obligations: key actuarial assumptions (Note 14);
- useful life of property, plant and equipment and intangible assets (Notes 17 and 18);
- impairment test: key assumptions underlying recoverable amounts (Note 18);
- valuation of trade receivables (Note 20);
- measurement of put option liabilities and contingent considerations as a result of business combinations (Note 28 and 29).

C. Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

The Group uses market observable-input to the extent possible in determination and calculation of the fair value of an asset or a liability. Fair values are categorised into different Levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

The different levels are defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The Group recognises transfers between Levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. If the inputs used to measure the fair value of an asset or a liability might be categorised in different Levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same Level of the fair value hierarchy as the lowest Level input that is significant to the entire measurement.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and long positions at a bid price and liabilities and short positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over

the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

The Group established a control framework with respect to the measurement of fair values. If third party information, such as broker quotes or pricing services, is used to measure fair values, the Group reviews and documents the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of IFRS. At each reporting date, the Group reviews the most important unobservable inputs and value(correction)s.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Business combinations (Note 6)
- Share-based payment arrangements (Note 13)
- Property, plant and equipment (Note 17)
- Intangible assets, excluding goodwill (Note 18)
- Derivatives (Note 29)
- Financial instruments, other than derivatives (Note 29)

D. Climate Change

The Group has considered climate change on the estimates and judgements used in preparing the consolidated financial statements. The following impacts were assessed in the consolidated financial statements:

- The impact of climate change on the residual values and useful lives of assets in determining the carrying value of non-current assets (Note 17);
- The impact of climate change on assessing indications of impairment and the forecast of cashflows used in the impairment assessment of non-current assets, including goodwill (Note 18).

For the year ended 31 December 2023, no material impacts arising from climate change were identified. As result the valuation of assets and liabilities have not been significantly impacted by climate change risks.

Results for the year

5. Operating segments

A. Basis for segmentation

The Group has the following three strategic clusters, which are its reportable segments:

- The Netherlands / Belgium
- Germany / Poland
- United Kingdom

Each country is a separate operating segment, but can be aggregated into reportable segments depending on similarity of economic, market and competition characteristics, given that the nature of the products and services, the nature of the production processes, the type of customer, the methods used to distribute the products, and the nature of the regulatory environment, is similar.

The results of compound feed activities Belgium are, as a result of the divestment in 2023, included in the segment information until October 2023. Assets, liabilities and equity of the compound feed related business in Belgium are not included in the segment information 31 December 2023.

The Group's products include, amongst other things, compound feed and blends, feed for young animals and specialities, raw materials and coproducts, seeds and fertilisers. Core activities are production and delivery of feed, logistics and providing Total Feed solutions based on nutritional expertise.

The Group's Executive Board reviews internal management reports of each reportable segment on a monthly basis and its members are considered as the chief operating decision making body.

B. Information about reportable segments

Information related to each reportable segment is set out on the next pages.

The column Group / eliminations represents and includes amounts as a result of Group activities and eliminations in the context of the consolidation. There are various levels of integration between the segments. This integration includes, amongst others, transfers of inventories and shared distribution services. Inter-segment pricing is determined on an arm's length basis.

The Group is not reliant on any individual major customers.

C. Reconciliation of profit

The reconciliation between the reportable segments' operating profits and the Group's profit before tax is as follows:

in millions of euro	Note	2023	2022
Segment operating profit		4.6	24.4
Net finance result	11	-9.7	-6.5
Share of profit of equity-accounted investees, net of tax	19	5.2	4.3
Profit before tax		0.1	22.2

in millions of euro	The Netherlands / Belgium ⁽²⁾	Germany / Poland	United Kingdom	Group / eliminations	Consolidated
Compound feed revenues	1,117.5	695.4	565.9	–	2,378.8
Other revenue	338.8	75.8	181.3	–	595.9
External revenues	1,456.3	771.2	747.2	–	2,974.7
Inter-segment revenues	44.2	1.7	–	–45.9	–
Revenue	1,500.5	772.9	747.2	–45.9	2,974.7
Gross profit	244.0	106.5	126.3	0.5	477.3
Other operating income	1.8	0.9	0.1	0.2	3.0
Operating expenses	–229.1	–88.6	–141.1	–16.9	–475.7
Operating profit	16.7	18.8	–14.7	–16.2	4.6
Depreciation, amortisation and impairment	19.8	9.4	24.3	4.7	58.2
EBITDA	36.5	28.2	9.6	–11.5	62.8
Property, plant and equipment	129.0	76.2	93.7	5.5	304.4
Intangible assets and goodwill	67.7	12.5	4.7	5.1	90.0
Equity-accounted investees	–	35.2	1.2	–	36.4
Other non-current assets	0.2	9.7	2.0	–5.1	6.8
Non-current assets	196.9	133.6	101.6	5.5	437.6
Current assets	243.5	194.7	126.0	–161.0	403.2
Total assets	440.4	328.3	227.6	–155.5	840.8
Equity	–215.3	–78.8	–84.1	57.8	–320.4
Liabilities	–225.1	–249.5	–143.5	97.7	–520.4
Total equity and liabilities	–440.4	–328.3	–227.6	155.5	–840.8
Working capital	–35.2	39.2	6.7	–8.8	1.9
Capital expenditure ⁽¹⁾	14.8	9.1	6.2	2.5	32.6

¹ Acquired intangible and tangible assets.

² The results of compound feed activities Belgium are, as a result of the divestment in 2023, included in the segment information until October. Assets, liabilities and equity of compound feed related business Belgium are not included in the segment information 2023

2022

in millions of euro	The Netherlands / Belgium	Germany	United Kingdom	Group / eliminations	Consolidated
Compound feed revenues	1,362.6	749.8	616.3	–	2,728.7
Other revenue	335.1	78.7	172.5	–	586.3
External revenues	1,697.7	828.5	788.8	–	3,315.0
Inter-segment revenues	50.1	0.7	–	–50.8	–
Revenue	1,747.8	829.2	788.8	–50.8	3,315.0
Gross profit	269.3	98.6	126.4	0.5	494.8
Other operating income	0.1	0.3	0.1	0.2	0.7
Operating expenses	–242.2	–85.6	–127.0	–16.3	–471.1
Operating profit	27.2	13.3	–0.5	–15.6	24.4
Depreciation, amortisation and impairment	18.2	8.8	16.4	4.7	48.1
EBITDA	45.4	22.1	15.9	–10.9	72.5
Property, plant and equipment	141.0	70.6	94.8	5.4	311.8
Intangible assets and goodwill	78.8	13.6	6.9	5.9	105.2
Equity-accounted investees	–	30.8	1.2	–	32.0
Other non-current assets	0.7	9.5	6.1	–4.0	12.3
Non-current assets	220.5	124.5	109.0	7.3	461.3
Current assets	311.7	216.1	151.0	–119.7	559.1
Total assets	532.2	340.6	260.0	–112.4	1,020.4
Equity	–224.3	–64.3	–102.7	47.1	–344.2
Liabilities	–307.9	–276.3	–157.3	65.3	–676.2
Total equity and liabilities	–532.2	–340.6	–260.0	112.4	–1,020.4
Working capital	–18.1	54.6	9.5	–7.2	38.8
Capital expenditure ⁽¹⁾	17.1	9.6	6.6	2.9	36.2

¹ Acquired intangible and tangible assets

6. Business combinations

Acquisitions 2023

No acquisitions were closed in 2023.

Developments previous acquisitions

Acquisition De Hoop Mengvoeders B.V.

On 14 February 2023 the second and last contingent consideration has been paid, amounting to €5.5 million. As at 31 December 2023 no contingent consideration remains.

Tasomix Group (Poland)

The put option liability for the remaining 40%, which has to be paid in PLN, has been valued and amounted to €30.0 million, which represent its fair value at the date of acquisition. As at 31 December 2023 the put option liability amounts to €27.7 million (31 December 2022: €23.2 million). The increase of this liability relates to the discounting effect of €3.3 million, partly offset by a remeasurement gain amounting to €0.8 million (both recognised in the income statement as a non-operational finance result, refer to Note 11) and a foreign currency translation gain (increase €2.0 million included in other comprehensive income).

Acquisition-related cash flows

The acquisition-related cash flows in 2023 amounted to €5.5 million and mainly relate to contingent considerations of De Hoop of €5.5 million (2022: €3.4 million in relation to contingent consideration De Hoop and two acquisitions in the Netherlands).

Measurement of fair values

The table below provides an overview of valuation techniques regarding the fair values of the identifiable assets and liabilities of the acquired businesses.

Assets acquired	Valuation technique
Property, plant and equipment	Market comparison technique and cost technique: The valuation model considers market prices for similar items when available, and depreciated replacement cost when appropriate. Depreciated replacement cost reflects adjustments for physical deterioration as well as functional and economic obsolescence.
Intangible assets	Multi-period excess earnings method: The multi-period excess earnings method considers the present value of net cash flows expected to be generated by the customer bases.
Inventories	Market comparison technique: The fair value is determined based on the estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

7. Disposals

Disposals 2023

The following disposal took place in 2023.

Disposal of compound feed activities ForFarmers Belgium

ForFarmers sold the compound feed activities of ForFarmers Belgium to Arvesta in 2023. The sale of co-products, the activities in Belgium of the organic feed producer Reudink and the horse feed producer are not included in this transaction. The transaction was approved by the Belgian competition authority and finalised in 2023. The purchase price amounts before cost to sell amounts to €26.0 million and was paid in cash. Following the transaction, in the first half year of 2023 the related assets and liabilities were reclassified to Assets held for sale and an impairment on goodwill allocated to Belgium amounting to €4.7 million was recognised. After final closing of the divestment, the related assets and liabilities are derecognised from the balance sheet. The final result on the divestment amounts €0.2 million (gain). The final result on the divestment in 2023 amounts therefore €4,5 million negative. Material carrying values of the related divested fixed assets are disclosed in notes 17 (property, plant and equipment) and 18 (intangible assets).

There were no other divestments in 2023.

Disposals 2022

There were no disposals during 2022.

8. Revenue

The geographic distribution of the revenue is as follows:

In millions of euro	2023	2022
The Netherlands	1,176.0	1,313.9
United Kingdom	747.4	788.9
Germany	619.9	666.9
Poland	294.5	324.3
Belgium	121.2	202.3
Other EU countries	13.7	18.2
Other countries outside the EU	2.0	0.5
Total	2,974.7	3,315.0

The distribution of the revenue per category is as follows:

in millions of euro	2023	2022
Compound feed	2,378.8	2,728.7
Other revenue	595.9	586.3
Total	2,974.7	3,315.0

The decrease of the revenue by €340.3 million includes a negative currency impact of €5.2 million. Furthermore, the net effect of acquisitions and disposals results in a decrease effect on revenue of €11.0 million. This net effect of acquisitions and disposals includes a decrease of €51.1 million as a result of the divestment of the compound feed activities Belgium in 2023. The like-for-like decrease of revenue amounts €324.1 million. This like-for-like decrease was due to a decrease in volumes and lower raw material prices.

The other revenue mainly relates to the sale of single, moist and liquid feed, other trading products, and services. The other revenue is comparable with last year.

9. Cost of raw materials and consumables

The decrease in the cost of raw materials and consumables by €322.8 million includes a currency impact of €4.0 million (decrease of cost). The net effect of acquisitions results in a decrease of €6.7 million. This results in a like-for-like decrease of €312.1 million. This decrease is mainly due to lower raw material prices and a decrease in volumes.

10. Operating expenses

The increase of operating expenses amounts to €4.6 million, and contains a decline of €1.5 million caused by a currency impact. The net effect of acquisitions and divestments amounts to €5.0 million (decrease). The like-for-like increase of the operating expenses was therefore €11.1 million. The increase is mainly caused by impairment on goodwill (€4.7 million, refer to note 7) and property, plant and equipment (€9.1 million, refer to note 17), as well as higher personnel expenses. The personnel expenses increased mainly due to higher restructuring costs and to wage indexation despite a decline of the number of FTEs.

A. Other operating expenses

in millions of euro	2023	2022
Transport costs	83.8	80.2
Energy costs	70.8	76.6
Other	53.9	55.8
Maintenance costs	28.2	29.4
Sales expenses	7.4	9.9
Total	244.1	251.9

The other operating expenses declined by €7.8 million, due to a decrease of €0.8 million caused by a currency impact and due to a decrease of €2.7 million as the net effect of

acquisitions and divestments. The like-for-like decrease of other operating expenses amounted therefore €4.3 million. This is especially due to lower energy costs.

Other expenses consist, among others, of third party personnel and IT licenses (2022: ditto).

B. Research and development expenses

In 2023 the Group incurred an amount of €12.5 million (2022: €10.7 million) relating to research and development expenses. These expenses mainly comprise raw materials used and personnel expenses of nutrition specialists, product managers and laboratory workers.

C. Auditor's fee

The following fees were charged by KPMG Accountants N.V. to the Company, its subsidiaries and other consolidated companies, as referred to in Section 2:382a (1) and (2) of the Netherlands Civil Code.

in millions of euro	KPMG Accountants NV	Other KPMG network	Total
KPMG			
2023			
Audit of the financial statements	0.9	0.7	1.6
Other audit engagements	0.0	0.0	-
Tax-related advisory services	-	-	-
Other non-audit services	-	-	-
Total	0.9	0.7	1.6
2022			
Audit of the financial statements	0.8	0.6	1.4
Other audit engagements	0.1	0.0	0.1
Tax-related advisory services	-	-	-
Other non-audit services	-	-	-
Total	0.9	0.6	1.5

The fees mentioned in the table for the audit of the financial statements relate to the total fees for the audit of the financial statements, irrespective of whether the activities have been performed during the financial year. The remaining auditor's costs (the 'Other audit engagements'), were charged to the financial year in which the services were rendered.

The engagements performed by KPMG Accountants N.V., other than the audit of the financial statements, consist of agreed-upon procedures regarding board remuneration and bonus targets.

11. Net finance result

in millions of euro	Note	2023	2022
Interest income		1.2	0.9
Interest expenses		-6.5	-3.9
Other financial expenses		-1.2	-0.7
Net interest on loans⁽¹⁾		-6.5	-3.7
Foreign exchange income (expense)		1.0	-0.3
Pension interest expenses	14	0.0	-0.1
Interest on lease liabilities		-1.5	-1.3
Change in fair value instruments		-0.2	-
Net other finance result		-0.7	-1.7
Underlying net finance result		-7.2	-5.4
Change in fair value contingent considerations	6, 29	0.1	-0.3
Change in fair value put option liability	6, 29	-2.6	-0.8
Net non-operational finance result		-2.5	-1.1
Net finance result recognised in profit or loss		-9.7	-6.5

¹ Included in interest coverage ratio calculation, refer to Note 29

The non-operating financing result of €2.5 million negative (2022: €1.1 million negative) mainly relates to the regular annual interest accrual and remeasurement of the put option liability with regard to Tasomix (Poland) and contingent considerations regarding past acquisitions. The deterioration of the net finance result 2023 compared to 2022 is as result of changed assumptions in the measurement of the put option liability, as well as higher interest expenses. The interest expenses were higher due to higher variable interest rates as well as a higher net debt, mainly in the first half of the year.

The interest income mainly comprises interest received on long-term outstanding receivables (loans to customers).

The interest expenses mainly comprise interest paid on bank loans and other financing liabilities.

12. Earnings per share

A. Basis earnings per share

The calculation of basic earnings per share has been based on the following profit attributable to ordinary shareholders and weighted-average number of ordinary shares outstanding.

Profit attributable to ordinary shareholders:

in millions of euro	2023	2022
Profit (loss) for the year, attributable to the shareholders of the Company	-1.0	18.0

Weighted-average number of shares:

	Note	2023	2022
Shares in issue per 1 January	24	95,218,822	95,218,822
Effect of treasury shares held (weighted-average during the year)		-6,130,046	-5,413,103
Weighted average number of shares		89,088,776	89,805,719

Basis earnings per share:

In euro	2023	2022
Basic earnings (loss) per share	-0.01	0.20

The decrease of the basic earnings per share is as result of a lower result.

B. Diluted earnings per share

The calculation of diluted earnings per share is equal to the calculation of basic earnings per share, since no new shares have been issued in 2023 and 2022. For further information we refer to note 24.

Employee benefits

13. Share-based payment arrangements

The Group has the following share-based payment arrangements: long-term incentive plan for members of the Executive Team (applicable as of 2022) and other share-based payment arrangements for other senior management and other employees (applicable as of 2014 and 2015 respectively).

A. Description of the share-based compensation plan Executive Team

The long-term variable remuneration consists of a conditional award of (certificates of) ForFarmers shares (respectively Performance Stock Units, ForFarmers PSUs) with the aim of aligning the long-term interests of the Executive Team with the long-term interests of the shareholders. The amount of the long-term variable remuneration depends on the extent to which the objectives have been achieved over a period of three years. The targets include among others the development of earnings per share, ROACE and sustainability-KPIs and are described in more detail in the Remuneration Report.

For all participants, shares were granted in 2023 and 2022 and the vesting of these rights is subject to a three-calendar year period. After the vesting period, a lock-up period of 2 years applies, which means that the date on which the shares are available is 27 April 2027 and 5 June 2028. No dividend will be paid on the shares in the period between the grant date and the vesting date.

The number of (conditional rights to) of shares or certificates of shares over the year under the share-based compensation plan for the members of the Executive Team and the movements over the year are as follows:

	2023	2022
Number of (certificates) of shares	Total	Total
Outstanding as at 1 January	312,761	–
Conditionally granted	434,965	452,097
Forfeited	–192,314	–139,336
Vested	–	–
Performance adjustment	–	–
Other changes	–	–
Outstanding as at 31 December	555,412	312,761
Share price as at 31 December	2.38	2.93

The conditional rights to (depository receipts for) shares that have been forfeited in 2023 and 2022 are related to the departure of members of the Executive Team.

The weighted average share price of the shares conditionally awarded in 2023 is €2.91 (2022: €3.04). The weighted average remaining duration of the share plans at 31 December 2023 is 2.0 years (31 December 2022: 2.8 years).

The carrying amount of the (contingent) liability at the balance sheet date is €0.4 million (2022: €0.3 million).

The costs related to this plan amount to €0.3 million for 2023 (2022: €0.3 million). These costs fully relate to the awarding of (rights to) shares or depository receipts thereof.

B. Description of the other share-based compensation plans

The Group distinguishes two other participation plans. One plan relates to members of the senior management (applicable as of 2014) and the other plan relates to other employees (applicable as of 2015). For both participation plans, the discount on (depository receipt for) shares vests unconditionally after a continued service over a three-calendar year period. The employees are entitled to buy depository receipts at a discount of 13.5% (employees) or 20% (senior management) on the fair value of the depository receipt at the grant date.

In 2023 the Group did not offer participation plans to their employees and did not grant (certificates of) shares to other senior management and other employees (2022: 40.753 and 76.983 certificates of shares respectively). The expenses are recognised in the statement of profit or loss over the term of the participation plan (3 years), see Note 14F. The carrying amount relating to these participation plans amounts is nil (31 December 2022: €0.1 million).

14. Employee benefits

Separate employee benefit plans are applicable in the various countries where the Group operates.

in millions of euro	Note	31 December 2023	31 December 2022
Liability for defined benefit obligations		11.8	12.2
Asset for defined benefit obligations		-	-5.8
Net asset / liability for defined benefit obligations		11.8	6.4
Liability for other long-term service plans	14E	4.6	4.5
Total		16.4	10.9

For details on employee benefit expenses, see Note 14F.

A. Post-employment plans and funding

The Group contributes to the following post-employment plans which are described per reportable segment.

The Netherlands

In the Netherlands, employees of different subsidiaries were covered by two post-employment plans up to and until 2015. An insured defined benefit plan was in place for (former) employees of Hendrix, which company was acquired by the Group in 2012. Furthermore, an insured defined contribution plan was in place for (former) ForFarmers employees. Effective per 1 January 2016, the Group entered into a post-employment plan that is applicable for all Dutch employees, leaving all post-employment rights accrued until 31 December 2015 in the old post-employment plans. Therefore, both former post-employment plans are closed as of 31 December 2015. An insurance company administers the obligations under these plans. As of that date no further obligations will remain under the former ForFarmers post-employment plan. Under the former Hendrix post-employment plan, for the pension rights accrued up to 31 December 2015, the Group will remain committed to pay the related guarantee premiums and as such accounts for the plan as a defined benefit plan.

The net liability related to the defined benefit plans in the Netherlands per 31 December 2023 amounts to €8.5 million (31 December 2022: €9.0 million). The decrease in the net liability is mainly due to a positive return on plan assets (€4.7 million), partly offset by negative remeasurements as a result of adjustments in financial and experience assumptions (€4.4 million negative). This effect is mainly attributable to a lower discount rate. This effect is recognised in other comprehensive income.

From 2016 onwards, pension rights will be accrued under the new plan on the basis of collective defined contribution. Together with this post-employment plan, the Group has also agreed on a defined contribution plan for employees with a salary above €66,956 (2023). An insurance company will be administering the obligations under both plans as of 1 January 2016 .

From 2022 onwards the collective defined contribution plan has been changed to an individual defined contribution plan, which will be administered by an insurance company.

United Kingdom

In the United Kingdom, two defined benefit plans previously existed. The first plan relates to (former) employees of BOCM PAULS Ltd., which company was acquired by the Group in 2012. As per 1 October 2006, this plan was closed, so no new obligations are being incurred. The second plan is a small defined benefit plan that relates to (former) employees of HST Feeds Ltd., which company was acquired by the Group in 2014. Also for this plan no new post-employment rights are being built up. Both defined benefit plans in the United Kingdom are funded plans, for which the funding requirements are based on the pension fund's actuarial measurement framework set out in the funding policies of the plan. During 2021 the HST plan merged into the BOCM PAULS plan.

The funding requirements are based on the actuarial calculation framework as out in the funding policy of the plans. From October 1, 2006, a new plan exists on the basis of defined contribution. An insurance company administers the obligations under that plan.

The net liability related to the defined benefit plans in the United Kingdom per 31 December 2023 amounts to €0.1 million (31 December 2022: net asset of €5.8 million). The decrease of the net asset to a net liability is mainly due the combined effect of change in assumptions and return on plan assets (€ 10.1 million) less employer contributions € 4.0 million.

Other

The German subsidiaries have, for a limited number of persons, an in-house defined benefit plan that is already closed so no new obligations are being incurred.

The commitments were calculated on the basis of actuarial calculations in the course of which the applicable discount rate was taken into account. Actuarial results are recorded directly into equity as other comprehensive income. The German defined benefit plan is unfunded. In addition to the in-house defined benefit plan, a defined contribution plan is in place for all other employees of the German subsidiaries.

The net liability related to the defined benefit plans in Germany per 31 December 2023 amounts to €3.2 million (31 December 2022: €3.2 million).

The Polish subsidiaries do not have a pension plan. In accordance with local regulations the employees receive a one month's salary when they retire.

B. Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balance to the closing balances for net defined benefit liability and its components.

in millions of euro	Defined benefit obligation (funded plans)	Fair value of plan assets (funded plans)	Net defined benefit liability (funded plans)	Net defined benefit liability (unfunded plans)	Total net defined benefit obligation	2023
Balance at 1 January	214.7	-211.5	3.2	3.2		6.4
Included in profit or loss						
Current service cost	0.2	-	0.2	-		0.2
Past service cost	-	-	-	-		-
Administrative expenses	-	0.5	0.5	0.1		0.6
Interest cost (income)	9.8	-9.9	-0.1	0.1		-0.0
	10.0	-9.4	0.6	0.2		0.8
Included in Other Comprehensive Income						
Actuarial loss (gain) arising from:						
demographic assumptions	-1.0	-	-1.0	-		-1.0
financial assumptions	8.2	-	8.2	0.2		8.4
experience adjustment	0.8	-	0.8	-0.1		0.7
Return on plan assets excluding interest income	-	1.8	1.8	-		1.8
Remeasurement loss (gain)	8.0	1.8	9.8	0.1		9.9
Effect of movements in exchange rates	2.9	-3.0	-0.1	-		-0.1
	10.9	-1.2	9.7	0.1		9.8
Other						
Employer contributions (to plan assets)	-	-4.9	-4.9	-		-4.9
Divestments of group companies	-3.7	3.7	-	-		-
Employer direct benefit payments	-	-	-	-0.3		-0.3
Benefits paid from plan assets	-10.7	10.7	-	-		-
	-14.4	9.5	-4.9	-0.3		-5.2
Balance as at 31 December	221.2	-212.6	8.6	3.2		11.8

in millions of euro	Defined benefit obligation (funded plans)	Fair value of plan assets (funded plans)	Net defined benefit liability (funded plans)	Net defined benefit liability (unfunded plans)	2022
					Total net defined benefit obligation
Balance at 1 January	327.3	-316.0	11.3	4.2	15,5
Included in profit or loss					
Current service cost	0.5	-	0.5	-	0,5
Past service cost	-	-	-	-	-
Administrative expenses	-	0.5	0.5	-	0,5
Interest cost (income)	5.4	-5.3	0.1	-	0,1
	5.9	-4.8	1.1	-	1,1
Included in Other Comprehensive Income					
Actuarial loss (gain) arising from:					
demographic assumptions	1.4	-	1.4	-	1,4
financial assumptions	-113.3	-	-113.3	-0.8	-114,1
experience adjustment	12.7	-	12.7	-	12,7
Return on plan assets excluding interest income	-	95.3	95.3	-	95,3
Remeasurement loss (gain)	-99.2	95.3	-3.9	-0.8	-4,7
Effect of movements in exchange rates	-8.9	9.1	0.2	-	0,2
	-108.1	104.4	-3.7	-0.8	-4,5
Other					
Employer contributions (to plan assets)	-	-5.5	-5.5	-	-5,5
Employer direct benefit payments	-	-	-	-0.2	-0,2
Benefits paid from plan assets	-10.4	10.4	-	-	-
	-10.4	4.9	-5.5	-0.2	-5,7
Balance as at 31 December	214.7	-211.5	3.2	3.2	6,4

The remeasurement loss (actuarial loss/gain and return on plan assets) of €9.9 million (2022: gain €4.7 million) after tax amounted to €7.4 million (2022: gain €3.8 million), see Note 15B. The change in the actuarial result compared to last year is mainly due to

adjustments in the financial assumptions, particularly a lower discount rate compared to 2022. In the year 2022 there was a strong increase of the discount rate, compensated by a strong increase of return on plan assets compared to the year 2021.

The actuarial result Belgium is recorded until the moment of divestment (refer to Note 7). Per 31 December 2023 the pension plans of Belgium are no longer included in the defined benefit obligation and plan assets.

C. Plan asset

Periodically, an Asset-Liability Matching study is performed in which the consequences of the strategic investment policies are analysed. Based on market conditions a strategic asset mix has been made between shares, bonds, real estate, cash and other investments in predominantly active markets, which is comprised as follows in the plan assets:

Fair value

in millions of euro	31 December 2023	31 December 2022
Shares	27.3	34.3
Real estate	14.4	9.5
Bonds	101.5	71.2
Cash and other assets	1.3	30.6
Other (insurance contracts)	68.0	65.8
Total	212.6	211.5

D. Defined benefit obligation

Risk Exposure

The defined benefit plans expose the Group to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

Actuarial assumptions

The principal actuarial assumptions at the reporting date (expressed as weighted averages) were the following:

Weighted-average assumptions to determine defined benefit obligations

	2023	2022
Discount rate	3.46% – 4.75%	4.10% – 4.90%
Future salary growth ⁽¹⁾	0.0%	0.0%
Future pension growth	2.20% – 2.60%	2.00% – 2.60%
Inflation	2.20% – 2.70%	2.00% – 2.70%
Salary increase ⁽²⁾	n.a.	3.0%

¹ Not applicable

² Only applicable for Belgium, per 31 December 2023 no longer part of the Group

Weighted-average assumptions to determine defined benefit cost

	2023	2022
Discount rate	3.59% – 4.90%	1.06% – 4.22%
Future salary growth ⁽¹⁾	0.0%	0.0%
Future pension growth	2.00% – 2.60%	1.50% – 2.80%
Inflation	2.00% – 2.95%	1.50% – 2.90%
Salary increase ⁽²⁾	n.a.	2.75%

¹ Not applicable

² Only applicable for Belgium, per 31 December 2023 no longer part of the Group

Assumptions regarding future mortality have been based on published statistics and mortality tables:

- The Netherlands (funded plans): AG2022 (2022: ditto)
- Germany (unfunded plans): RT Heubeck 2018G (2022: ditto)
- UK (funded plans): CMI Mortality Projects Model 'CMI_2022' (2022: CMI Mortality Projects Model 'CMI_2021')

The current longevity underlying the values of the defined benefit obligation at the reporting date were as follows (expressed as weighted averages):

	2023	2022
Longevity at age 65 for current pensioners		
Males	21.0	21.1
Females	23.3	23.4
Longevity at age 65 for current members aged 40		
Males	23.4	23.4
Females	25.5	25.7

As at 31 December 2023, the weighted-average duration of the defined benefit obligation was 12.1 years (31 December 2022: 12.7 years).

Sensitivity analysis

Possible changes at the reporting date to one of the relevant actuarial assumptions, which could reasonably be expected, keeping other assumptions constant, would have affected the defined benefit obligation of €224.4 million (31 December 2022: €217.9 million) by the amounts shown below:

in millions of euro	31 December 2023	31 December 2022
Decrease of 0.25% to discount rate	6.7	6.7
Increase of 0.25% to discount rate	-6.4	-6.4
Decrease of 0.25% to inflation	-3.8	-4.3
Increase of 0.25% to inflation	3.9	4.5
Increase of 1 year to life expectancy	2.6	2.7

Employer contributions

The Group expects to pay €4.9 million in contributions to its defined benefit plans in 2024 (for 2023 an amount of €5.1 million was expected).

E. Other long-term service plans

The liabilities and expenses related to other long-term service plans mainly relate to anniversary benefits for employees in The Netherlands and Germany and to the long-term incentive plans.

F. Employee benefit expenses

in millions of euro	Note	2023	2022
Wages and salaries		144.4	139.1
Social security contributions		19.4	19.0
Post-employment expenses		9.9	9.0
Expenses related to equity-settled long-term service plans	13	0.3	0.6
Expenses related to other long-term service plans	13	0.7	-
Total		174.7	167.7

The employee benefit expenses increase by €7.0 million, and includes a decrease of €0.5 million due to a currency translation difference and a decrease of €1.8 million due to the effect of acquisitions and divestments. The restructuring costs did increase by €1.3 million compared to last year. The like-for-like increase is therefore €8.0 million. This increase is mainly due to a salary increases, despite a decrease in the number of employees.

The costs related to share-based payments with settlement in equity instruments relate to the (certificates of) shares issued in the Group under the employee participation plans and the plans for the Executive Board.

The post-employment expenses comprises:

in millions of euro	Note	2023	2022
Current service costs	14B	0.2	0.5
Past service cost	14A, B	-	-
Administrative expenses	14B	0.6	0.5
Expenses related to post-employment defined benefit plans		0.8	1.0
Contributions to defined contribution plans		9.1	8.0
Post-employment expenses		9.9	9.0

The interest charges related to the defined benefit plans amount to nil in 2023 (2022: €0.1 million) and are recognised in the net finance result, refer to Note 11. Refer to Note 14A for further details on the post-employment plans.

Number of employees per staff category 2023:

Converted to full-time equivalents

	The Netherlands	Other countries	Total
Supply chain	359	893	1,252
Support and management	360	380	740
Other	164	113	277
Balance as at 31 December	883	1,386	2,269

Number of employees per staff category 2022:

Converted to full-time equivalents

	The Netherlands	Other countries	Total
Supply chain	373	952	1,325
Support and management	389	453	842
Other	165	136	301
Balance as at 31 December	927	1,541	2,468

Income taxes

15. Income taxes

A. Amounts recognised in statement of profit or loss

in millions of euro	Note	2023	2022
Current tax expense			
Current year		5.3	7.8
Changes prior years	15C	-2.4	-0.5
Total		2.9	7.3
Deferred tax expense			
Deferred tax current year		-5.9	-3.4
Changes in tax rate	15C	-	-0.1
(De)recognition of deferred tax assets		-	0.1
Changes in estimates related to prior years	15C	1.2	0.1
Total	15D	-4.7	-3.3
Total tax expenses (benefit)		-1.8	4.0

The prior year adjustments in 2023 and in 2022, for both the current tax expenses and the deferred tax, relates to changes in estimates of current and deferred tax in Poland and the Netherlands and to final tax filings for corporate income tax returns of previous years for several countries (net effect a gain of €1.2 million in 2023 and a gain of €0.4 million in 2022 – refer to note 15C).

The result in 2023 is mainly due to changes in estimates in current tax in Poland and to an adjustment of the deferred tax position mainly concerning the Netherlands.

The total tax expense excludes the Group's share of tax expense of the equity-accounted investees of €1.1 million (2022: €1.0 million), which is included in 'share of profit of equity accounted investees, net of tax', see Note 15G.

B. Amounts recognised in Other Comprehensive Income (OCI)

in millions of euro	2023			2022		
	Before tax	Tax benefit (expense)	Net of Tax	Before tax	Tax benefit (expense)	Net of Tax
Items that will never be reclassified to profit or loss						
Remeasurement of defined benefit liabilities	-9.9	2.5	-7.4	4.7	-0.9	3.8
Equity-accounted investees - share of other comprehensive income	-0.0	-	-0.0	0.1	-	0.1
Items that are or may be reclassified subsequently to profit or loss						
Foreign operations – foreign currency translation differences	5.0	-0.3	4.7	-5.8	0.5	-5.3
Cash flow hedges - effective portion of changes in fair value	-0.7	0.2	-0.5	-0.9	0.2	-0.7
Cash flow hedges - reclassified to statement of profit or loss / statement of financial position	-	-	-	-	-	-
Total	-5.6	2.4	-3.2	-1.9	-0.2	-2.1
Current tax benefit (expense)		-0.3			0.2	
Deferred tax benefit (expense)		2.7			-0.4	
Total		2.4	-	-	-0.2	

Within the Group, loans are agreed between the different subsidiaries. The loans in the United Kingdom and the loans to Polish entities are considered to form part of the net investment in the subsidiaries, and as such foreign exchange differences on these loans are recorded directly through other comprehensive income .

For income tax purposes, the foreign exchange differences on the loans in the United Kingdom are taxable or tax deductible. At the end of 2022, these loans were repaid through a financial restructuring and then used as a capital contribution in the United Kingdom. As a result, the balance as at the repayment date (€0.9 million) continues to form part of the translation differences reserve.

As the foreign exchange differences are recorded through other comprehensive income, the related current tax impact is also recorded through other comprehensive income for a negative amount of €0.3 million in 2023 (2022: €0.5 million positive).

Refer to note 14 for more information about the unrealised result of €9.9 million related to the remeasurement of defined benefit liabilities.

C. Reconciliation of effective tax rate

in millions of euro	Note	2023		2022	
Profit before tax			0.1		22.2
Less share of profit of equity-accounted investees, net of tax			-5.2		-4.3
Profit before tax excluding the share of profit of equity-accounted investees, net of tax			-5.1		17.9
Income tax using the Dutch domestic tax rate		25.8%	-1.3	25.8%	4.6
Effect of tax rates in foreign jurisdictions		3.1%	-0.2	-1.8%	-0.3
Change in tax rate	15A	0.0%	-	-0.4%	-0.1
Tax effect of:					
Non-deductible expenses/ non-taxable income		-56.7%	2.9	3.5%	0.6
Tax incentives		39.0%	-2.0	-3.4%	-0.6
(De)recognition of deferred tax assets		0.0%	-	0.9%	0.2
Prior year adjustments	15A	23.4%	-1.2	-2.4%	-0.4
Total tax expenses (benefit)		34.6%	-1.8	22.2%	4.0

2023

The non-tax deductible expenses mainly relate to the changes in the valuation of the put option and contingent consideration in the Netherlands (refer to Note 16) and non-tax deductible costs in the Netherlands, Belgium and the United Kingdom. The non-tax deductible costs mainly relates to the impairment of goodwill in Belgium which is not tax-deductible. The prior year adjustments mainly relates to changes in estimates in current and deferred tax in Poland and Netherlands.

2022

The non-tax deductible expenses mainly relate to the changes in the valuation of the put option and contingent consideration in the Netherlands and non-tax-deductible costs in the United Kingdom. The non-taxable income mainly concerns the settlement of a tax-exempt claim in the United Kingdom.

D. Movement in deferred tax balances

2023

in millions of euro	Net balance at 1 January 2023	Recognised in profit or loss	Recognised in OCI	Acquisitions through business combinations / disposals	Reclass and other ⁽¹⁾	Net balance at 31 December 2023	Deferred tax assets	Deferred tax liabilities
Property, plant and equipment	-11.1	2.3	-	0.3	-	-8.5	4.3	-12.8
Right-of-use asset	-7.4	-0.3	-	0.4	-2.8	-10.1	-	-10.1
Intangible assets	-7.7	1.3	-	0.4	-0.1	-6.1	-	-6.1
Inventory and biological assets	0.1	-	-	-	-	0.1	0.1	-
Receivables and other assets	0.3	-0.1	-	-	-	0.2	0.4	-0.2
Derivatives	0.2	-	0.2	-	-	0.4	0.4	-
Employee benefits	1.7	-1.1	2.5	-	-	3.1	3.1	-
Lease liabilities	7.8	0.3	-	-0.4	2.7	10.4	10.4	-
Other non-current provisions and liabilities	-	-	-	-	-	-	-	-
Other liabilities	3.2	-0.5	-	-	0.2	2.9	3.1	-0.2
Tax losses and tax credits	1.2	2.8	-	-1.2	-0.1	2.7	2.7	-
Offsetting	-	-	-	-	-	-	-19.8	19.8
Deferred tax assets (liabilities)	-11.7	4.7	2.7	-0.5	-0.1	-4.9	4.7	-9.6

¹ This mainly concerns translation differences on balance sheet items valued in British pounds and Polish zlotys

in millions of euro	Net balance at 1 January 2022	Recognised in profit or loss	Recognised in OCI	Acquisitions through business combinations / disposals	Reclass and other ⁽¹⁾	Net balance at 31 December 2022	Deferred tax assets	Deferred tax liabilities
Property, plant and equipment	-13.8	2.7	-	-	-	-11.1	1.9	-13.0
Right-of-use asset	-8.8	0.8	-	-	0.6	-7.4	-	-7.4
Intangible assets	-8.3	1.3	-	-0.8	0.1	-7.7	0.0	-7.7
Inventory and biological assets	-0.0	0.1	-	-	-	0.1	0.1	-
Receivables and other assets	-0.1	-	0.3	-	0.1	0.3	0.5	-0.2
Derivatives	-	-	0.2	-	-	0.2	0.2	-
Employee benefits	3.6	-0.7	-0.9	-	-0.3	1.7	3.2	-1.5
Lease liabilities	9.0	-0.8	-	-	-0.4	7.8	7.8	-
Other non-current provisions and liabilities	-	-	-	-	-	-	-	-
Other liabilities	3.3	-0.3	-	-	0.2	3.2	3.4	-0.2
Tax losses and tax credits	1.0	0.2	-	-	-	1.2	2.4	-1.2
Offsetting	-	-	-	-	-	-	-17.0	17.0
Deferred tax assets (liabilities)	-14.1	3.3	-0.4	-0.8	0.3	-11.7	2.5	-14.2

¹ This mainly concerns translation differences on balance sheet items valued in British pounds and Polish zlotys

The Group expects that its accruals for tax liabilities are adequate for all open years based on its assessment of many factors, including interpretations of tax law and prior experience. The Group off-sets tax assets and liabilities if, and only if, it has a legally enforceable right to do so. The Group recognises deferred tax assets to the extent that it is considered probable based on business forecasts that sufficient taxable profits will be available.

E. Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of tax losses incurred on the sale of real estate in the United Kingdom. These tax losses can only be utilised against a future tax gain on the sale of specific assets, such as real estate, the recovery of the deferred tax asset is therefore highly uncertain and as such not recognised. As at 31 December 2023, the unrecognised losses therefore amount to €6.2 million (31 December 2022: €6.1 million), with a tax effect of €1.5 million (31 December 2022: €1.5 million). The unrecognised losses in the Netherlands amounted per year end 2023 €0.4 million (31 December 2022: €6.4 million), with a tax effect of €0.1 million (31 December 2022: €1.2 million). The movement in the Netherlands is mainly related to the recognition of unused tax losses as a result of an revised forecast of future taxable profits.

F. Tax Group

The Company and the Dutch subsidiaries, in which the Company has a 100% interest, form a tax group for the purpose of income tax, of which ForFarmers N.V. is the head of the tax group. If there is not a 100% interest, the Dutch subsidiary is an independent taxpayer. A number of smaller acquisitions at the end of 2022 are currently not part of the fiscal unity.

For VAT, a comparable tax group exists for the Dutch subsidiaries. The total current receivable or liability towards the tax authorities is accounted for in the statement of financial position of the head of the tax group (ForFarmers N.V.). Settlement of taxes within this tax group takes place as if each company is independently liable for tax. Each participating subsidiary is jointly and separately liable for possible liabilities of the tax group as a whole.

A number of companies in Germany form a tax group for the purposes of income tax ('Organschaft' for Körperschaftsteuer and Gewerbesteuer). Settlement of taxes within this tax group takes place as if each company is independently liable for tax.

The companies in the United Kingdom form a tax group for the purposes of income tax ('Group Relief') and VAT. Settlement of taxes within this tax group takes place as if each company is independently liable for tax.

In other countries there is no tax group.

	2023	2022
Tax rates		
The Netherlands	25.80%	25.80%
Germany (average)	27.41%	27.37%
Belgium	25.00%	25.00%
Poland	19.00%	19.00%
United Kingdom	23.50%	19.00%

	2023	2022
Effective tax rate		
The Netherlands	32.95%	36.03%
Germany	34.14%	30.65%
Belgium	4.41%	40.52%
Poland	-6.84%	19.17%
United Kingdom	18.56%	50.84%

The above-mentioned effective tax rates deviate from the statutory tax rates mainly due to the impact of the following items:

The Netherlands

In 2023, the effective tax rate is higher than the statutory tax rate, mainly due to the recognition of unused tax losses as a result of a revised forecast of future taxable profits in combination with losses before tax. In 2022, the effective tax rate is higher than the statutory tax rate, in particular due to the remeasurement of deferred tax assets in relation to the earn-out and put option liability.

Germany

The effective tax rate in 2023 is higher than the statutory tax rate mainly due to settlement of corporate income tax returns filed over previous years (2022: ditto).

Belgium

The effective tax rate in 2023 is lower than the statutory tax rate due to non-tax deductible costs in combination with losses before tax. These costs mainly relate to the impairment of goodwill in Belgium (2022: higher because of settlement of submitted tax returns from previous years in combination with losses before tax).

Poland

The effective tax rate in 2023 is negative and lower than the statutory tax rate due to changes of estimates of current tax in current and in prior years, resulting in tax receivables related to qualifying innovation costs (2022: higher due to non-tax deductible expenses).

United Kingdom

The effective tax rate in 2023 is lower than the statutory tax rate mainly due to non-tax deductible expenses and an adjustment of the deferred tax positions in combination with losses before tax (2022: higher than the statutory tax rate mainly due to an adjustment of the deferred tax position as well as a gain from settlement of tax return from of previous year in combination with tax losses).

G. Taxes on equity-accounted investees

Corporate income taxes on the results of HaBeMa are settled with the tax authorities by ForFarmers GmbH, Germany (indirect shareholder). The results of HaBeMa are accounted for based on the equity method and are presented net of tax in the consolidated statement of profit and loss. These corporate income tax charges are deducted from the share of profit of equity-accounted investees for an amount of €1.1 million (2022: €1.0 million).

Trade taxes ('Gewerbesteuer') applicable to HaBeMa are borne by the entity itself.

Alternative Performance Measures

16. Alternative Performance Measures

The Executive Board of ForFarmers measures its performance primarily based on non-GAAP performance metrics (as per the tables below) not calculated in accordance with IFRS. These metrics exclude the impact of incidental factors from the IFRS values.

The Executive Board believes these underlying measures provide a better perspective of ForFarmers' business development and performance, as they exclude the impact of significant incidental items, which are considered to be non-recurring, and are not directly related to the operational performance of ForFarmers. The underlying metrics are reported at the level of operating expenses, EBITDA, EBIT and profit attributable to Shareholders of the Company. Four types of adjustments are distinguished: i) Impairments on tangible and intangible assets; ii) expenses related to Business Combinations and Divestments, including amortisation of acquired intangible assets, the unwind of discount/fair value changes on earn-outs and options, and dividends related to non-controlling interests of anticipated acquisitions; iii) Restructuring; and iv) Other, comprising other incidental non-operating items.

The Group's definition of underlying metrics may not be comparable with similarly titled performance measures and disclosures by other companies.

							2023	
in millions of euro	IFRS	Impairments	Business Combinations and Divestments	Restructuring	Other	Total APM items	Underlying excluding APM items	
EBITDA ⁽¹⁾	62.8		-0.2	-7.2	0.2	-7.2	70.0	
EBIT	4.6	-13.8	-7.3	-7.2	0.2	-28.1	32.7	
Net finance result			-2.4		-	-2.4		
Tax effect		1.8	1.8	1.9	1.3	6.8		
Profit attributable to Shareholders of the Company	-1.0	-12.0	-7.9	-5.3	1.5	-23.7	22.7	
Earnings per share in euro ⁽²⁾	-0.01	-0.13	-0.09	-0.06	0.02	-0.26	0.25	

							2022	
in millions of euro	IFRS	Impairments	Business Combinations and Divestments	Restructuring	Other	Total APM items	Underlying excluding APM items	
EBITDA ⁽¹⁾	72.5		-1.6	-3.6	1.6	-3.6	76.1	
EBIT	24.4	-2.6	-9.9	-3.6	1.6	-14.5	38.9	
Net finance result			-1.1		-	-1.1		
Tax effect		0.6	1.9	0.9	0.2	3.6		
Profit attributable to Shareholders of the Company	18.0	-2.0	-9.1	-2.7	1.8	-12.0	30.0	
Earnings per share in euro ^(2, 3)	0.20	-0.02	-0.10	-0.03	0.02	-0.13	0.33	

¹ EBITDA is operating profit before depreciation, amortisation and impairments.

² Earnings per share attributable to Shareholders of the Company.

The 2023 Alternative Performance Measures (APM) items before tax comprise:

- i. Impairments: €4.7 million as result of impairment of goodwill related to compound feed activities in Belgium and €9.1 million impairment of property, plant and equipment in the United Kingdom.
- ii. Business Combinations and Divestments: The net EBIT effect (loss) of €7.3 million as a result of amortisation of acquired intangible assets in the past (€7.0 million), costs related to M&A activities (€1.8 million), land disposed of in the Netherlands (€1.3 million benefit) and the divestment of compound feed activities in Belgium (€0.2 million benefit). In addition, a €2.4 million financing result (loss) due to accrued interest accrual and remeasurement of the put option liability related to the acquisition of Tasomix.
- iii. Restructuring: €7.2 million restructuring costs regarding projects in various countries due to cost saving programmes.

The tax effect in Other is a result of adjusted estimations on current tax positions in the current and previous years in Poland (refer to note 15F).

The 2022 Alternative Performance Measures (APM) items before tax comprise:

- i. Impairments: €2.6 million impairment of assets as a result of the in 2022 announced closure of the mill in Oosterhout (The Netherlands).
- ii. Business Combinations and Divestments: The net EBIT effect (loss) of €9.9 million relates to the amortisation of acquired intangible assets in the past (€8.3 million) and costs related to M&A activities (€1.6 million). In addition, there is a €1.1 million financing result (expense), mainly due to accrued interest and remeasurement of the put option liability related to the acquisition of Tasomix and the contingent consideration from the acquisition of De Hoop.
- iii. Restructuring: €3.6 million restructuring costs regarding projects in various countries due to the announced cost efficiency program and the cost in relation to the announced closure of a mill in the Netherlands.
- iv. Other: €2.3 million gain as a result of a release of a provision for claims and litigations against ForFarmers. This is offset by the €0.7 million net EBITDA impact (loss) relating to a recognised provision on a receivable from a third party.

Inclusive of the APM items, the underlying effective tax rate 2023 is 19.9% (2022: 22.7%). In 2023, the lower underlying effective tax rate is mainly due to tax relief related to research and development costs in Poland. The lower effective tax rate in 2022 is mainly due to the settlement of tax returns in previous years and an adjustment of the deferred tax positions, particularly in the United Kingdom.

Assets

17. Property, plant and equipment

Property, plant and equipment comprise owned assets and right of use assets.

in millions of euro	Note	31 December 2023	31 December 2022
Assets			
Property, plant and equipment, owned	17A	264.9	283.2
Right-of-use asset	17C	39.5	28.6
Property, plant and equipment		304.4	311.8

A. Reconciliation of carrying amount property, plant and equipment (owned)

in millions of euro	Note	Land & Buildings	Plant & Machinery	Other operating assets	Assets under construction	Total
Cost						
Balance as at 1 January 2023		222.3	306.3	75.9	19.1	623.6
Acquisitions through business combinations		–	–	–	–	–
Divestments Group companies	7	–13.0	–14.9	–0.4	–	–28.3
Additions		2.1	10.9	1.9	14.6	29.5
Reclassification		6.9	9.9	0.6	–17.4	–
Disposals		–2.7	–7.4	–9.5	–	–19.6
Effect of movements in exchange rates		2.6	2.4	0.8	–	5.8
Balance as at 31 December 2023		218.2	307.2	69.3	16.3	611.0
Accumulated depreciation and impairment losses						
Balance as at 1 January 2023		–108.0	–181.3	–51.1	–	–340.4
Divestments Group companies	7	7.0	7.6	0.2	–	14.8
Depreciation		–4.8	–14.8	–7.3	–	–26.9
(Reversal of) impairment losses on plant and equipment		–5.0	–4.0	–0.1	–	–9.1
Disposals		1.9	7.3	8.6	–	17.8
Effect of movements in exchange rates		–0.6	–1.1	–0.6	–	–2.3
Balance as at 31 December 2023		–109.5	–186.3	–50.3	–	–346.1
Carrying amounts						
Balance as at 1 January 2023		114.3	125.0	24.8	19.1	283.2
Balance as at 31 December 2023		108.7	120.9	19.0	16.3	264.9

in millions of euro	Land & Buildings	Plant & Machinery	Other operating assets	Assets under construction	Total
Cost					
Balance as at 1 January 2022	221.5	282.4	77.3	20.1	601.3
Acquisitions through business combinations	-	-	0.1	-	0.1
Additions	2.0	14.3	2.4	15.6	34.3
Reclassification	1.9	13.7	0.8	-16.4	-
Reclassification to intangible assets	-	-	-	-	-
Reclassification to investment property	-	-	-	-	-
Reclassification to assets held for sale	-	0.3	-	-	0.3
Reclassification from right-of-use asset	-	-	0.2	-	0.2
Disposals	-0.1	-1.2	-3.1	-	-4.4
Other movement	-	-	-	-	-
Effect of movements in exchange rates	-3.0	-3.2	-1.8	-0.2	-8.2
Balance as at 31 December 2022	222.3	306.3	75.9	19.1	623.6
Accumulated depreciation and impairment losses					
Balance as at 1 January 2022	-103.0	-167.6	-46.8	-	-317.4
Depreciation	-5.1	-14.6	-7.6	-	-27.3
(Reversal of) impairment losses on plant and equipment	-0.6	-2.0	-	-	-2.6
Reclassification to investment property	-	-	-	-	-
Reclassification to assets held for sale	-	-	-	-	-
Reclassification from right-of-use asset	-	-	-0.1	-	-0.1
Disposals	-	1.1	2.6	-	3.7
Other movement	-	-	-	-	-
Effect of movements in exchange rates	0.7	1.8	0.8	-	3.3
Balance as at 31 December 2022	-108.0	-181.3	-51.1	-	-340.4
Carrying amounts					
Balance as at 1 January 2022	118.5	114.8	30.5	20.1	283.9
Balance as at 31 December 2022	114.3	125.0	24.8	19.1	283.2

The investments in 2023 of €29.5 million (2022: €34.3 million) consists of expenditures to maintain and enhance the performance and efficiency of the production facilities. This mainly concerns various smaller investments in production facilities in a factory in Germany, as well as the Netherlands and the United Kingdom.

The divestments group companies in 2023 relate to the divestment of the compound feed activities in Belgium (Note 7). The disposals concerns other disposals of other assets.

Of the actual payment of acquired property, plant and equipment in 2023 amounts to €31.4 million (2022: €33.4 million).

B. Impairment loss (property, plant and equipment, owned)

The impairment loss in 2023 of €9.1 million relates to the impairment of assets in the United Kingdom as the carrying amount of the production facilities exceeds its recoverable amount, being its value-in-use. The value-in-use was calculated using a discount rate of 9.25%. The reason for the impairment loss are lower occupancy rates at some mills. The full impairment loss was recognised through profit and loss in 2023.

The impairment loss in 2022 of €2.6 million relates to the in 2022 announced closure of the mill in Oosterhout (the Netherlands). The total amount was recognised through profit and loss in 2022.

C. Reconciliation of carrying amount right of use assets

in millions of euro	Note	Land & Buildings	Plant & Machinery	Other operating assets	Total
Cost					
Balance as at 1 January 2023		17.0	0.4	28.0	45.4
New lease contracts		–	0.4	19.4	19.8
Acquisitions through business combinations		–	–	–	–
Divestment Group companies	7	–1.4	–	–2.1	–3.5
Lease contracts ended		–0.6	–0.1	–4.5	–5.2
Reclassification to tangible assets, owned		–	–	–	–
Remeasurement		0.2	–	0.1	0.3
Effect of movements in exchange rates		0.7	–	0.4	1.1
Balance as at 31 December 2023		15.9	0.7	41.3	57.9
Accumulated depreciation and impairment losses					
Balance as at 1 January 2023		–4.1	–0.2	–12.5	–16.8
Depreciation		–1.1	–0.1	–6.7	–7.9
(Reversal of) impairment losses on plant and equipment		–	–	–	–
Divestments Group companies	7	0.5	–	1.3	1.8
Lease contracts ended		0.6	0.1	4.5	5.2
Reclassification to tangible assets, owned		–	–	–	–
Effect of movements in exchange rates		–0.6	–	–0.1	–0.7
Balance as at 31 December 2023		–4.7	–0.2	–13.5	–18.4
Carrying amounts					
Balance as at 1 January 2023		12.9	0.2	15.5	28.6
Balance as at 31 December 2023		11.2	0.5	27.8	39.5

in millions of euro	Note	Land & Buildings	Plant & Machinery	Other operating assets	Total
Cost					
Balance as at 1 January 2022		17.8	0.2	28.6	46.6
New lease contracts		–	0.3	2.6	2.9
Acquisitions through business combinations		0.6	–	–	0.6
Lease contracts ended		–0.9	–	–2.3	–3.2
Reclassification to tangible assets, owned	17A	–	–	–0.2	–0.2
Remeasurement		–	–	0.2	0.2
Effect of movements in exchange rates		–0.5	–0.1	–0.9	–1.5
Balance as at 31 December 2022		17.0	0.4	28.0	45.4
Accumulated depreciation and impairment losses					
Balance as at 1 January 2022		–3.9	–0.1	–8.8	–12.8
Depreciation		–1.3	–0.1	–6.4	–7.8
(Reversal of) impairment losses on plant and equipment		–	–	–	–
Lease contracts ended		0.9	–	2.3	3.2
Reclassification to tangible assets, owned	17A	–	–	0.1	0.1
Effect of movements in exchange rates		0.2	–	0.3	0.5
Balance as at 31 December 2022		–4.1	–0.2	–12.5	–16.8
Carrying amounts					
Balance as at 1 January 2022		13.9	0.1	19.8	33.8
Balance as at 31 December 2022		12.9	0.2	15.5	28.6

The divestments group companies in 2023 relate to the divestment of the compound feed activities in Belgium (Note 7).

The new lease contracts mainly relate to lease cars and trucks in the Netherlands, the United Kingdom and Poland. The lease contracts ended mainly relate to lease cars in various countries.

D. Estimates and judgements right of use assets

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

Some property leases contain extension options exercisable by the Group before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

The Group has estimated that the potential future lease payments, should it exercise all extension options, would result in an increase in the right-of-use asset and lease liability of €1.3 million (2022: €1.2 million).

Furthermore, the right-of-use asset is initially measured at cost, which mainly comprise the initial amount of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate for the specific asset category and specific lease term as the discount rate. To determine the incremental borrowing rate, the Group uses a build-up approach that starts with a risk-free interest rate, adjusted for a company specific credit risk and adjustments specific to the lease (e.g. duration, country, currency, security/nature of the asset).

E. Lease expenses recognised in the profit or loss

in millions of euro	2023	2022
Short-term leases	0.4	0.3
Low-value assets, excluding short-term leases of low-value assets	0.1	0.1
Variable lease payments	14.6	17.1
Total	15.1	17.5

The group does not apply IFRS 16 to short-term leases (less than 12 months and without a purchase option) and to leases of low-value assets (a value below €5.000).

The expenses of these leases are, like variable lease expenses, recognised in profit or loss.

The variable lease payments mainly relate to lease payments for trucks and third party production. The decrease compared to 2022 is mainly due to a decrease in third party production.

F. Impairment loss right-of-use assets

There we no indicators of impairment of right of use assets in 2023 (2022: ditto).

18. Intangible assets and goodwill

A. Reconciliation of carrying amount

in millions of euro	Note	Goodwill	Customer relations	Trade and brand names	Software	Intangible assets under construction	Total
Cost							
Balance as at 1 January 2023		119.0	84.6	4.2	27.2	0.3	235.3
Acquisitions through business combinations		-	-	-	-	-	-
Additions		-	1.0	-	1.6	0.5	3.1
Reclassification		-	-	-	0.6	-0.6	-
Divestment Group companies	7	-6.4	-5.2	-0.1	-0.2	-	-11.9
Disposals		-	-	-	-1.0	-	-1.0
Other movement		-	-	-	-	-	-
Effect of movements in exchange rates		3.2	1.8	0.1	0.2	-	5.3
Balance as at 31 December 2023		115.8	82.2	4.2	28.4	0.2	230.8
Accumulated amortisation and impairment losses							
Balance as at 1 January 2023		-57.6	-48.3	-3.5	-20.7	-	-130.1
Amortisation		-	-6.9	-0.2	-2.5	-	-9.6
Impairment losses on intangible assets		-4.7	-	-	-	-	-4.7
Reclassification		-	-	-	-	-	-
Divestment Group companies	7	4.7	2.4	0.0	0.0	-	7.1
Disposals		-	-	-	0.8	-	0.8
Other movement		-	-	-	-	-	-
Effect of movements in exchange rates		-3.2	-1.0	-0.2	0.1	-	-4.3
Balance as at 31 December 2023		-60.8	-53.8	-3.9	-22.3	-	-140.8
Carrying amounts							
Balance as at 1 January 2023		61.4	36.3	0.7	6.5	0.3	105.2
Balance as at 31 December 2023		55.0	28.4	0.3	6.1	0.2	90.0

in millions of euro	Note	Goodwill	Customer relations	Trade and brand names	Software	Intangible assets under construction	Total
Cost							
Balance as at 1 January 2022		117.6	83.4	4.2	25.0	0.7	230.9
Acquisitions through business combinations		3.4	3.1	–	0.0	–	6.5
Additions		–	–0.1	–	1.6	0.4	1.9
Reclassification of property, plant and equipment	17A	–	–	–	0.7	–0.7	–
Disposals		–	–	–	–	–	–
Other movement		–	–	–	–	–	–
Effect of movements in exchange rates		–2.0	–1.8	–0.0	–0.1	–0.1	–4.0
Balance as at 31 December 2022		119.0	84.6	4.2	27.2	0.3	235.3
Accumulated amortisation and impairment losses							
Balance as at 1 January 2022		–59.6	–42.0	–2.9	–18.5	–	–123.0
Amortisation		–	–7.7	–0.5	–2.2	–	–10.4
Impairment losses on intangible assets		–	–	–	–	–	–
Reclassification of property, plant and equipment	17A	–	–	–	–	–	–
Disposals		–	–	–	–	–	–
Other movement		–	–	–	–	–	–
Effect of movements in exchange rates		2.0	1.4	–0.1	–	–	3.3
Balance as at 31 December 2022		–57.6	–48.3	–3.5	–20.7	–	–130.1
Carrying amounts							
Balance as at 1 January 2022		58.0	41.4	1.3	6.5	0.7	107.9
Balance as at 31 December 2022		61.4	36.3	0.7	6.5	0.3	105.2

In 2023 ForFarmers sold its Belgian compound feed activities to Arvesta. As result of the transaction an impairment on goodwill of €4.7 million was recognised as the carrying amount exceeds its fair value less cost to sell. The 2023 recognised divestment on group companies is also the result of the transaction, refer to Note 7 for more information.

The 2023 and 2022 additions regarding software mainly relate to investments to optimise the IT landscape.

The intangible assets acquired through business combinations in 2022 relate to various small acquisitions in the Netherlands, refer to Note 6 for more information.

B. Amortisation

The amortisation of customer relations, trademarks and software of €9.6 million (2022: €10.4 million) is included in depreciation, amortisation and impairment expenses.

C. Impairment test

(i) Impairment testing for cash generating units containing goodwill

Annually, the Group tests each cash-generating unit for potential impairment of goodwill. The significant cash-generating units are the countries in which the Group operates.

Goodwill is allocated to cash-generating units as follows:

in millions of euro	31 December 2023	31 December 2022
The Netherlands	46.7	46.7
Belgium	-	6.4
Germany	3.7	3.7
Other	4.6	4.6
Total	55.0	61.4

The goodwill allocated to Belgium has been partially impaired (€4.7 million) in 2023 as result of the sale of the Belgian compound feed activities to Arvesta. The remaining amount was divested also as a result of the transaction. For more information, refer to Note 18A.

Result of the goodwill impairment test 2023

The goodwill impairment test for 2023 shows that the recoverable amounts exceed the carrying amounts sufficiently for Netherlands, Germany and the cash-generating unit Other.

As part of the goodwill impairment test, management made a best estimate of, among others, the impact of various measures in the Netherlands, including in 2023 the estimated impact of the National Termination Scheme for Livestock Farming Locations

(Lbv). This voluntary purchase scheme allows pig, beef and poultry farmers compensation for exiting their businesses. The recoverable amount of the cash-generating unit in the Netherlands is comparable to 2022. The ultimate impact on the result may differ from the estimates made by management.

In both 2023 and 2022, the recoverable amount exceeds the carrying amount of the cash-generating unit in the Netherlands at the balance sheet date to such an extent that an impairment loss is not a realistic scenario.

Sensitivity

A reasonable adjustment to the management best estimate will not lead to a recoverable value that is lower than the carrying amount for each cash generating unit with a goodwill balance as at 31 December 2023.

Result of the goodwill impairment test 2022

The goodwill impairment test for 2022 showed that the recoverable amounts exceed the carrying amounts sufficiently for the cash generating-units the Netherlands, Belgium, Germany and the Other cash generating units. Therefore there was no need for an impairment with respect to these cash-generating units.

Information about the net realisable value including the key assumptions

For each cash generating unit, goodwill is tested annually for impairment at the of the third quarter. In addition, or each publication (annual report and half-year figures) it is assessed whether there is a trigger for goodwill impairment. This comprises, among others, assessment of recent market developments, financial results and management projections.

For the goodwill impairment test, the recoverable amount of the various cash-generating units is based on its value in use. This is determined by discounting future cash flows expected to be generated from the continuing use of the cash generating units. The fair value measurement was categorised as Level 3 fair value based on the inputs in the valuation technique used (see Note 4).

The key-assumptions for the calculation of the 2023 value in use for the remaining cash-generating units are included in the table below. The cash generating unit Other had the same assumptions as the cash generating unit The Netherlands.

In percentage	The Netherlands	Germany
Discount rate pre-tax	11.01%	10.90%
Terminal value growth rate	1.75%	2.00%
Expected Total Feed volume CAGR in the forecast up to and including 2027	1.95%	1.51%

The expected Total Feed volume (CAGR), which consists of compound feed and co-products, is higher for all cash-generating units in 2023 compared to 2022. The relative CAGR increase in Total Feed volume in cash-generating unit the Netherlands is caused by an expected increase in the development of co-products with a steady or slightly decreasing value for compound feed. The Total Feed volume CAGR increase is also due to a lower base year in 2023 compared to 2022 (effect +1.0%). The relative CAGR increase in Total Feed volume in cash-generating unit Germany is caused by a lower base year in 2023 compared to 2022.

The key-assumptions used in the calculation of the value in use per cash-generating unit in 2022 are included in the table below. The cash-generating unit Other had the same assumptions as the cash-generating unit The Netherlands.

In percentage	The Netherlands	Belgium	Germany
Discount rate pre-tax	10.05%	9.71%	10.69%
Terminal value growth rate	1.51%	1.59%	1.75%
Expected total volume CAGR in the forecast up to and including 2025	-1.05%	2.16%	-2.86%

The increase in the terminal value growth rate is due to higher interest rates and inflation in 2023 compared to 2022 and is not the result of expected volume growth.

The value in use of the cash generating units is determined based on the most recent forecast and the 5 year plan (2022: 3 year plan). The growth rate used after 2027 is equal to the terminal value growth rate.

The key-assumptions in the projections are the expected CAGR for Total Feed volume development and the average underlying EBITDA/Gross profit margin (conversion rate), both directly derived from the budget and forward-looking plans. The assumptions are based on past experience, analyses of market developments and management projections.

To estimate the forecasted gross profit, an assessment has primarily been made on margin development, and not on sales price development. The commodity price development is hard to predict and sales prices follow the development of commodity prices. In determining the developments in expenses volume, inflation and cost savings are considered.

The discount rate used was a pre-tax measure based on the yield of 30-year government bonds, issued by the government in the relevant market and in the same currency as the cash flows, adjusted for a risk premium to reflect both the increased risk of investing in equities generally, and the systemic risk of the specific cash-generating unit.

(ii) Impairment test on intangible assets other than goodwill

In 2023 there have been no indicators of impairment of other intangible assets (2022: ditto).

19. Equity-accounted investees

The table below shows the amount of equity-accounted investees:

in millions of euro	31 December 2023	31 December 2022
HaBeMa	35.2	30.8
Other	1.2	1.2
Total	36.4	32.0

The table below shows the share of profit of equity-accounted investees, net of tax:

in millions of euro	2023	2022
HaBeMa	5.2	4.1
Other	–	0.2
Total	5.2	4.3

Joint venture

HaBeMa Futtermittel Produktions- und Umschlagsgesellschaft GmbH & Co. KG (HaBeMa) is the only joint venture in which the Group participates. HaBeMa is one of the Group's suppliers and is principally engaged in trading of raw materials, storage and transshipment, production and delivery of compound feeds in Hamburg, Germany.

HaBeMa is structured as a separate vehicle and the Group has a residual interest in the net assets of the entity. Accordingly, the Group has classified its interest in HaBeMa as a joint venture. The Group does not have any commitments or contingent liabilities relating to HaBeMa, except for the purchase commitments of goods as part of the normal course of business.

Corporate income taxes on the results of HaBeMa with regards to the residual interest of the Company are settled with the tax authorities by ForFarmers GmbH, Germany (indirect shareholder).

The results of HaBeMa are accounted for based on the equity method and are presented net of tax in the consolidated statement of profit and loss statement. These corporate income tax charges are deducted from the share of profit of equity-accounted investees for an amount of €1.1 million (2022: €1.0 million). Trade taxes ('Gewerbsteuer') applicable to HaBeMa are borne by the entity itself.

The following table summarises the financial information of HaBeMa as included in its own financial statements, adjusted for differences in accounting policies. The table also reconciles the summarised financial information to the carrying amount of the Group's interest in HaBeMa.

in millions of euro	31 December 2023	31 December 2022
Percentage ownership of shares interest	50%	50%
Non-current assets	62.2	61.8
Cash and cash equivalents	4.6	–
Other current assets	42.0	63.0
Current assets	46.6	63.0
Loans and borrowings	–16.0	–12.5
Other non-current liabilities	–9.7	–9.0
Non-current liabilities	–25.7	–21.5
Loans and borrowings	–1.7	–24.9
Other current liabilities	–11.0	–16.8
Current liabilities	–12.7	–41.7
Net assets (100%)	70.4	61.6
Group's share of net assets (50%)	35.2	30.8
Carrying amount of interest in joint venture	35.2	30.8

in millions of euro	Note	31 December 2023	31 December 2022
Revenue		470.9	369.9
Depreciation and amortisation		-7.6	-6.0
Net finance result		-0.1	0.1
Income tax expense		-2.5	-2.0
Profit (100%)		13.1	10.2
Other comprehensive income (100%)		-	0.2
Profit and total comprehensive income (100%)		13.1	10.4
Profit (50%)		6.5	5.1
Group's share of tax expense of equity-accounted investee	15A	-1.3	-1.0
Group's share of profit, net of tax		5.2	4.1
Other comprehensive income, net of tax (50%)	15B	-	0.1
Group's share of profit and total comprehensive income, net of tax		5.2	4.2
Dividends received by the Group		2.1	2.2

20. Trade and other receivables

in millions of euro	Note	31 December 2023	31 December 2022
Trade receivables		205.2	281.2
Related party receivables	33	9.9	11.3
Loans to employees		0.1	0.2
Other investments		-	-
Derivatives	29	-	-
Taxes (other than income taxes) and social securities		4.8	6.4
Prepayments		3.6	3.4
Other receivables and accrued income		22.6	31.6
Total		246.2	334.1
Non-current		1.5	3.4
Current		244.7	330.7
Total		246.2	334.1

The decrease in trade and other receivables and receivables from related parties is mainly the result of lower volumes and lower sales prices caused by a decrease of prices of raw materials.

The prepayments, other receivables and accrued income mainly consist of unbilled revenue to customers and prepayments to suppliers. The decrease is mainly the result of a decrease of prices of raw materials.

Information about the Group's exposure to credit and market risks, and impairment losses for trade and other receivables, is included in Note 29.

21. Inventories

in millions of euro	31 December 2023	31 December 2022
Raw materials	77.2	117.1
Finished products	13.3	19.9
Other inventories	8.3	15.1
Total	98.8	152.1

The decrease in inventory is mainly explained by lower prices of raw materials.

Other inventories include trading inventories which are part of the Group's Total Feed business, and include, amongst others, specialty trade products, fertilizers and seeds.

For important purchase commitments reference is made to the explanation of the commitments and contingencies under Note 32.

22. Biological assets

in millions of euro	2023	2022
Balance at 1 January	6.1	8.5
Purchases of poultry livestock, feed and nurture	43.5	42.6
Sales of poultry livestock	-39.0	-43.3
Change in fair value	-0.7	-1.7
Balance as at 31 December	9.9	6.1

As at balance sheet date the poultry livestock comprises of 2.8 million animals (2022: 1.5 million animals) with a value of €9.9 million (2022: €6.1 million). The increase of the carrying amount is mainly a result of this increase in number of animals. The poultry stock consists mainly of hens and some roosters, which are bred until an age varying between 16 and 21 weeks and sold afterwards. The total inventory consists of non-current assets.

23. Cash and cash equivalents

The outstanding deposits are saving accounts which can be withdrawn immediately without cost. As such the Group considered these to be part of cash and cash equivalents.

in millions of euro	31 December 2023	31 December 2022
Deposits	-	1.3
Current bank accounts	46.5	67.1
Cash and cash equivalents in the statement of financial position	46.5	68.4
Bank overdrafts	-8.0	-42.1
Cash and cash equivalents in the statement of cash flows	38.5	26.3

The cash and cash equivalents are at the free disposal of the Group.

Equity and liabilities

24. Equity

A. Share capital and share premium

in millions of euro	Ordinary shares (number)		Amount	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Ordinary shares – par value €0.01	89,283,817	95,218,821	144.5	144.5
Priority share – par value €0.01	1	1	-	-
In issue at 31 December – fully paid	89,283,818	95,218,822	144.5	144.5

As at 31 December 2023, the share capital consists of 89,283,817 ordinary shares and 1 priority share (31 December 2022: 95,218,821 ordinary shares and 1 priority share).

At balance sheet date the shares were issued and fully paid up. The share premium consists of the positive difference between the issue price and the nominal value of the issued shares.

Based on the authorisation of the share buyback programme granted by the General Meeting of Shareholders on 23 April 2021, a total of 5,935,004 ordinary shares were repurchased in the period from 2 December 2021 to 15 March 2022. On 15 April 2022, the General Meeting of Shareholders authorized the Board of Directors - upon approval of the Supervisory Board – to cancel these shares. On 27 June 2023, ForFarmers cancelled 5,935,004 shares. The cancellation of the shares does not affect the voting ratio or the number of shares entitled to dividends.

The General Meeting of Shareholders authorized the Board of Directors – upon approval of the Supervisory Board – to acquire ForFarmers’ own shares (regardless of the class) up to a maximum of 10% of the issued capital of ForFarmers (determined at the time of the General Meeting). Based on that approval by the General Meeting of Shareholders in 2023, ForFarmers started on 18 April 2023 to repurchase its own shares. This concerns a maximum of 625,000 shares, for a maximum amount of €3.1 million.

In 2023 ForFarmers repurchased 625,000 shares (2022: 4,060,958) for a total amount of €1.7 million (2022: €15.9 million). From the total number of repurchased shares, 16,659 shares (2022: 138,541) at an amount of €0.1 million (2022: €0.5 million) have been certified for employee participation plans, bringing the balance of repurchased shares, which are accounted for in the other reserves and retained earnings, to €1.6 million as of 31 December 2023 (2022: 22.8 million).

(i) Ordinary shares

All holders of ordinary shares have equal rights. Holders of these shares are entitled to dividend as declared from time to time, and are entitled to one vote per share at annual general meetings of shareholders of the Company. On the shares held by the Company no dividend is paid and no voting rights are exercised.

(ii) Priority share

The priority share is held by Coöperatie FromFarmers U.A. As a result of the treasury shares held by the Company, Coöperatie FromFarmers U.A., on the latest reference date of 1 January 2024, could exercise the voting right for 48.3% of votes to be cast on the total of ordinary shares on the shares it holds (refer to Note 1). Furthermore, the Coöperatie FromFarmers U.A. could give voting instructions with regard to the shares held by the Trust Office Foundation (9.1%), which would give Coöperatie FromFarmers U.A. 57.4% of voting rights. As priority share holder Coöperatie FromFarmers U.A.:

- i. has a recommendation right for four of the six members of the Supervisory Board;
- ii. may appoint a member of the Supervisory Board as Chairman after consultation with the Supervisory Board;
- iii. has an approval right as regards the decisions of the Executive Board regarding:
 1. moving the Company’s head office outside the east of the Netherlands (Gelderland and Overijssel);
 2. an important change in the identity of nature of the Company or its enterprise as a result of (1) transfer of the enterprise or practically all of the enterprise to a third party or (2) entering into or breaking off a long-term partnership of the Company or a subsidiary thereof with another legal entity or company, or as fully liable

partner in a limited partnership or general partnership, if such partnership or its termination represents a fundamental change to the Company;

3. taking or disposing of a participating interest in the capital of a company to a value of at least a third of the amount of the Company's equity according to the balance sheet with explanatory notes or, in the event the Company draws up consolidated balance sheets, according to the consolidated balance sheet with explanatory notes, according to the most recently adopted annual accounts of the Company, or any of its subsidiaries;
4. changes to the Company's articles of association;
5. affecting a merger or division.

Please refer to the Corporate Governance Statement for the conditions for holding the priority share and the special control rights associated thereto if that voting right and/or voting instruction can be exercised or given for 50% or less.

The priority share is classified as equity, because the share does not contain any obligations to deliver cash or other financial assets and does not require settlement in a variable number of the Group's equity instruments.

B. Nature and purpose of reserves

(i) Treasury share reserve

The reserve for the Company's treasury shares comprises the cost of the Company's (depository receipts) shares held by the Group. The treasury shares are accounted for as a reduction of the equity attributable to the owners of the parent.

Treasury shares are recorded at cost, representing the market price on the acquisition date, where the par value of treasury shares purchased is debited to the treasury share reserve. When treasury shares are sold or re-issued, the par value of the instruments is credited to the treasury share reserve. Any premium or discount to par value as result of the market price is shown as an adjustment to retained earnings.

At 31 December 2023, the Group held 507,363 of the Company's shares (31 December 2022: 5,834,026).

The movement in the treasury shares can be summarised as follows:

	Number of shares		Amount par value in thousand euro	
	2023	2022	2023	2022
Balance at 1 January	5,834,026	1,911,609	58	19
Repurchase Employee participation plan	625,000	138,541	6	1
Re-issuance Employee participation plan	-16,659	-138,541	-0	-1
Share buyback	-	3,922,417	-	39
Cancellation own shares	-5,935,004	-	-59	-
Balance as at 31 December	507,363	5,834,026	5	58

(ii) Translation reserve

The translation reserve comprises all foreign currency differences arising from the activities of foreign subsidiaries. The decrease in this (negative) reserve as at 31 December 2023 is caused by the revaluation of the pound sterling and Polish zloty.

(iii) Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of hedging instruments used in cash flow hedges pending subsequent recognition in profit or loss as the hedged cash flows affect profit or loss. This relates to the result on derivatives for the acquisition of Tasomix, fuel hedges and interest hedges.

(iv) Other legal reserves

Other reserves are held by the Company for statutory purposes. The other legal reserves contain the undistributed results and direct changes in equity of participating interest, revaluation of certain land within property, plant & equipment and the part that is related to previously granted loans to staff for the purchase of depository receipts in the period 2007-2009. Forfarmers has not issued any new loans. Direct changes in

equity do not include the changes in equity that derive from the relationship with the shareholder, such as paid-in share premium. The (change in the) legal reserve relating to participating interest is only recognised if, and to the extent that, ForFarmers N.V. cannot realise payment of the equity of the participating interest to itself without restrictions.

(v) Retained earnings

Retained earnings comprise the balance of accrued profits that have not been distributed to the shareholders.

Pursuant to the Articles of Association a decision to distribute a dividend may be taken if and to the extent that equity exceeds the issued share capital plus the legal reserves.

A reference is made to the section Other information regarding the result appropriation scheme under the Articles of Association.

C. Proposal for profit appropriation

ForFarmers aims to distribute dividend, taking into consideration long-term value creation, a healthy financial structure and sufficient earnings to execute its strategy.

The dividend policy of ForFarmers is to pay out between 40% and 60% of the profit after taxes (the result after tax attributable to the shareholders of the Company) excluding non-recurring effects.

in millions of euro	2023	per share (€)
Underlying net profit attributable to Shareholders of the Company	22.7	
Pay-out ratio of approximately 60% of the underlying net profit	13.3	0.15
Dividend	13.3	0.15

This results in a proposed dividend distribution of €0.15 per ordinary share (based on 88,776,454 outstanding shares. The annual accounts will be presented to the Annual General Meeting of 11 April 2024 for adoption. The dividend is payable on 24 April 2024.

This method takes into account the strategy and a healthy balance sheet structure. Within these principles, ForFarmers N.V. aims for a stable development of the cash dividend paid to its shareholders. The Company will only make payments to the shareholders entitled to the distributable profit in so far as:

- the Company can continue to pay its outstanding debts after the distribution (the so-called distribution test), and
- the shareholders' equity exceeds the legal reserves and statutory reserves under the articles of association to be maintained (the so-called balance sheet test).

If the distribution or the balance sheet test is not passed, then the Board of Directors will not approve the distribution (after agreement with the Supervisory Board). Preliminary tests revealed no indications that the proposed distribution of dividend will not be possible, but these tests have to be finalised (and the Board of Directors has to approve the distribution, after agreement with the Supervisory Board) prior to the actual payment of the dividend.

D. Dividends

The following dividends were declared and distributed by the Company in the year:

Distributed in the year

in millions of euro	2023	2022
€0.20 per qualifying ordinary share (2022: €0.29)	17.9	25.9
Total	17.9	25.9

In accordance with the dividend policy the payable dividend is adjusted (if applicable) for outstanding trade receivables and the receivable from the Coöperatie FromFarmers U.A. (€0.5 million in 2023). As a result the total dividend paid in 2023 amounts to €20.5 million (including €3.1 million dividend to the minority shareholders). The treasury shares are not entitled to dividend.

After the respective reporting date, the following dividends were proposed by the Board of Directors. The dividend is, after the approval of the shareholders meeting, payable on 24 April 2024. The dividends have not been recognised as liabilities and there are no tax consequences for the Company.

Proposed over the year

in millions of euro	Note	2023	2022
€0.15 per qualifying ordinary share (2022: dividend of €0.20)	47	13.3	17.9
Total		13.3	17.9

The dividend is based on the total number of shares issued at year end of 88,776,454 (2022: 89,384,795). The total proposed dividend for the year 2023 amounts to €13.3 million.

E. Other comprehensive income accumulated in reserves, net of tax

in millions of euro	Note	Attributable to shareholders of the Company					Total OCI
		Translation reserve	Hedging reserve	Other reserves and retained earnings	Total	Non- controlling interest	
2023							
Remeasurement of defined benefit liabilities	14B, 15B	-	-	-7.4	-7.4	-	-7.4
Foreign operations – foreign currency translation differences	15B	4.6	-	-	4.6	-	4.6
Cash flow hedges - effective portion of changes in fair value	15B	-	-0.4	-	-0.4	-	-0.4
Equity-accounted investees - share of other comprehensive income	15B	-	-	-	-	-	-
Total		4.6	-0.4	-7.4	-3.2	-	-3.2

in millions of euro	Note	Attributable to shareholders of the Company					Total OCI
		Translation reserve	Hedging reserve	Other reserves and retained earnings	Total	Non- controlling interest	
2022							
Remeasurement of defined benefit liabilities	14B, 15B	-	-	3.8	3.8	-	3.8
Foreign operations – foreign currency translation differences	15B	-5.3	-	-	-5.3	-	-5.3
Cash flow hedges - effective portion of changes in fair value	15B	-	-0.7	-	-0.7	-	-0.7
Equity-accounted investees - share of other comprehensive income	15B	-	-	0.1	0.1	-	0.1
Total		-5.3	-0.7	3.9	-2.1	-	-2.1

25. Capital Management

Funding

ForFarmers' long term target is to have a net debt to normalised EBITDA ratio of maximum 2.5. Normalised EBITDA is defined as agreed in the covenant guidelines of the bank facility, as elaborated in more detail in the section Covenant guidelines.

The long term target is lower than the maximum allowed ratios in the credit facility.

Covenant guidelines

Existing guidelines for financial ratios:

- Leverage ratio, that is determined by net debt divided by normalised EBITDA. The leverage ratio shall not exceed 3.5.
- Interest coverage ratio, that is determined by normalised EBITDA divided by net finance expense and shall not be below 4.0.

Net debt means the total amount of all debts to credit institutions and other financial institutions (excluding financial lease commitments) less cash and cash equivalents.

EBITDA means operating profit (EBIT) after adding back amortisation and depreciation of assets and IFRS 16 impact correction.

Normalised EBITDA means, in respect of a relevant period, EBITDA for that relevant period:

- Including EBITDA of a business combination acquired during the relevant period for that part of the relevant period prior to its becoming a business combination;
- Excluding EBITDA attributable to any member of the Group (or to any business) disposed of during the relevant period prior to its disposal unless the purchase price in relation to such disposal has not yet been received during the relevant period, in which case EBITDA of the disposed member of the Group or business shall be included in normalised EBITDA provided that, in the event that the purchase price is

partially (and not fully) received during the relevant period, EBITDA attributable to that member, calculated on a pro-rata basis, shall be included in normalised EBITDA.

- excluding exceptional items like restructuring, disposals, revaluations, (reversal of) impairments and disposals of assets associated with discontinued operations provided that the aggregated amount of such costs does not exceed 10% of EBITDA.
- including cost savings and synergies the Group reasonably expects to be achievable in the 18 months following as a result of any acquisition, restructuring, reorganisation or other similar initiative provided that these costs do not exceed 15% of EBITDA. When the costs exceed 7.5% of EBITDA the costs should be certified by an independent third party expert.

Net finance result means the net amount of financial income and expense less interest, commission, fees, discounts and other finance charges accrued in accordance with the applicable accounting standards during that relevant period.

ForFarmers fully complies with the terms and conditions of the covenants as per 31 December 2023 (2022: ditto).

ForFarmers' net debt to normalised EBITDA (bank covenant definition) ratio at 31 December 2023 and 31 December 2022 are included in the table below:

in millions of euro	Note	2023	2022
Loans and borrowings	26	59.9	94.9
Lease liabilities	26.29	40.6	29.8
Bank overdrafts	29	8.0	42.1
Less: cash and cash equivalents	23	-46.5	-68.4
Net debt		62.0	98.4
Excluding IFRS 16 lease liabilities as per financing agreement		-40.6	-29.8
Net debt as per financing agreement		21.4	68.6
Operating profit before depreciation, amortisation and impairment (EBITDA)		62.8	72.5
Excluding impact IFRS 16 as per financing agreement		-9.5	-8.8
Other adjustments as per financing agreement		7.8	0.5
Normalised EBITDA		61.1	64.2
Leverage ratio (net debt to normalised EBITDA ratio)		0.35	1.07
Interest coverage ratio (normalised EBITDA to net financing interest expense on loans)		9.47	17.42

26. Loans and borrowings

in millions of euro	Note	31 December 2023	31 December 2022
Unsecured bank loans	26C	59.9	94.6
Lease liabilities		32.1	23.1
Loans from related parties		-	0.3
Total non-current		92.0	118.0
Lease liabilities		8.5	6.7
Loans from related parties		-	-0.0
Total current		8.5	6.7

The bank loans have no short term repayment obligations as at 31 December 2023 (31 December 2022: ditto). For information regarding the financing, please refer to Note 26B.

Information about the Group's exposure to interest rate, foreign currency and liquidity risks is disclosed in Note 29.

A. Terms and repayment schedule

The terms and conditions of outstanding loans are as follows:

	Currency	Nominal interest rate	Year of maturity	Face value 31 December 2023	Carrying amount 31 December 2023	Face value 31 December 2022	Carrying amount 31 December 2022
in millions of euro		%					
Unsecured bank loan (floating rate)	EUR	EURIBOR + 0.95%	2026	60.0	59.9	95.0	94.6
Total interest-bearing liabilities				60.0	59.9	95.0	94.6

B. Unsecured bank loans

(i) Refinancing

On 25 June 2019 ForFarmers signed a €300 million credit facility (multi-currency revolving facility) with an international syndicate of banks, consisting of ABN AMRO, HSBC, ING, KBC and Rabobank. On 27 March 2022 the facility has been extended by four banks with a new duration to 25 July 2026 worth €300 million. Within the syndicate of banks, KBC has been replaced by BNP Paribas. The same terms and conditions apply.

A total nominal amount of €60.0 million (31 December 2022: €95.0 million) of this facility was used as at 31 December 2023.

The applicable interest is based on Euribor and/or Libor or Wibor (depending on the currency in which the facility is drawn) plus a margin between 0.5% and 1.55% (2022: ditto). The margin depends on the leverage ratio; on the basis of the 2023 ratio the Euro funding amounts to 0.95% (2022: 0.80%). In 2023 the Group entered into interest swaps for a total nominal amount of €50.0 million.

(ii) Other secured loan facilities

ForFarmers Thesing, Germany, has an unsecured financing agreement with Bremers Landesbank, with a maximum amount of €6.0 million. At the balance sheet date this financing agreement was not used (2022: ditto).

C. Secured bank loans

Lease liabilities are effectively also secured as the rights to the leased assets revert to the lessor in event of default.

D. Reconciliation of movements of liabilities to cash flows arising from financing activities

in millions of euro	Note	Other loans and borrowings	Lease liabilities	Reserves	Other reserves and retained earnings	Unappro- priated result	Non- controlling interest	Total
Balance at 1 January 2023		94.9	29.8	-11.7	184.3	18.0	9.1	
Changes from financing cash flows								
Purchase of own shares	24	-	-	-	-	-	-	-
Proceeds from sale of treasury shares relating to employee participation plan	24	-	-	-	-	-	-	-
Repurchase of treasury shares relating to employee participation plan	24	-	-	-	-1.7	-	-	-1.7
Lease payments		-	-9.6	-	-	-	-	-9.6
Proceeds from borrowings	26	30.0	-	-	-	-	-	30.0
Redemption loan	26	-65.0	-	-	-	-	-	-65.0
Transaction costs related to borrowings		-0.1	-	-	-	-	-	-0.1
Dividend paid	24	-	-	-	-17.3	-	-3.2	-20.5
Total changes from financing cash flows		-35.1	-9.6	-	-19.0	-	-3.2	-66.9
Acquisition of subsidiary		-	-	-	-	-	-	
Changes in fair value		-	0.4	-	-	-	-	
Effect of movements in exchange rates		-	0.4	-	-	-	-	
Other changes⁽¹⁾		0.1	19.6	4.2	10.2	-19.0	3.0	
Balance as at 31 December 2023		59.9	40.6	-7.5	175.5	-1.0	8.9	

¹ Other changes includes among others non-cash movements and equity-related changes

in millions of euro	Note	Other loans and borrowings	Lease liabilities	Reserves	Other reserves and retained earnings	Unappropriated result	Non-controlling interest	Total
Balance at 1 January 2022		62.5	34.7	-5.7	209.7	12.0	5.7	
Changes from financing cash flows								
Purchase of own shares	24	-	-	-0.0	-15.4	-	-	-15.4
Proceeds from sale of treasury shares relating to employee participation plan	24	-	-	-	0.2	-	-	0.2
Repurchase of treasury shares relating to employee participation plan	24	-	-	-	-0.4	-	-	-0.4
Lease payments		-	-8.8	-	-	-	-	-8.8
Proceeds from borrowings	26	75.0	-	-	-	-	-	75.0
Redemption bank loan	26	-43.0	-	-	-	-	-	-43.0
Transaction costs related to borrowings		-	-	-	-0.1	-	-	-0.1
Dividend paid	24	-	-	-	-24.8	-	-0.5	-25.3
Total changes from financing cash flows		32.0	-8.8	-0.0	-40.5	-	-0.5	-17.8
Acquisition of subsidiary		0.3	0.6	-	-	-	-	
Changes in fair value		-	0.2	-	-	-	-	
Effect of movements in exchange rates		-	-0.9	-	-	-	-	
Other changes⁽¹⁾		0.1	4.0	-6.0	15.1	6.0	3.9	
Balance as at 31 December 2022		94.9	29.8	-11.7	184.3	18.0	9.1	

¹ Other changes includes among others non-cash movements and equity-related changes

27. Provisions

in millions of euro	2023				
	Decommissioning costs	Onerous contracts	Restructuring	Other	Total
Balance at 1 January 2023	2.3	0.4	0.1	1.4	4.2
Acquisitions through business combinations	-	-	-	-	-
Divestment group company	-	-	-	-	-
Provisions made during the year	-	1.0	0.6	1.2	2.8
Provisions released during the year	-0.2	-	-0.1	-0.2	-0.5
Provisions used during the year	-	-0.2	-	-0.4	-0.6
Effect of discounting	-	-	-	-	-
Other movement	0.1	-0.1	-	-0.1	-0.1
Balance as at 31 December 2023	2.2	1.1	0.6	1.9	5.8
Non-current	2.2	0.1	-	0.4	2.7
Current	-	1.0	0.6	1.5	3.1
Balance as at 31 December 2023	2.2	1.1	0.6	1.9	5.8

Decommissioning costs relate to the expected unavoidable costs of cleaning polluted sites and demolition costs to be utilised at the end of the useful lifetime of these assets.

The other provisions mainly relate to ongoing lawsuits and claims against the Group. Furthermore, the Group is involved in several cases, of which the Group considers the impact to be not material, highly unlikely to result in a financial impact, or is unable to reliably estimate the magnitude of a potential impact (see also Note 32 regarding contingencies).

28. Trade and other payables

in millions of euro	31 December 2023	31 December 2022
Trade payables due to related parties	33	4.5
Other trade payables		270.8
Accrued expenses		65.9
Taxes (other than income taxes) and social securities		6.7
Contingent considerations	6	0.5
Derivatives	29	1.8
Put option liability	6	27.7
Total	377.9	474.1
Non-current	28.2	24.2
Current	349.7	449.9
Total	377.9	474.1

The decrease in other trade payables is mainly related to the decrease in prices for raw materials.

The put option liability relates to the acquisition of Tasomix and concerns a long-term liability, which is discounted with a rate higher than 10%. The increase of this liability is mainly the result of adjusted EBITDA and Net Debt projections of Tasomix, as well as an adjusted expected future execution date. For more information, regarding the contingent considerations and the put option liability, refer to Note 6, 16 and 29.

The accrued expenses are, amongst others, related to invoices to be received and accrued personnel expenses.

Information about the Group's exposure to relevant currency and liquidity risks is disclosed in Note 29C.

Financial instruments

29. Financial instruments – Fair values and risk management

A. Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their Levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

31 December 2023

in millions of euro	Note	Carrying amount					Fair value			
		Carrying amount Mandatory at FVTPL - others ⁽¹⁾	Fair value - hedging instruments	Amortised costs	Total	Level 1	Level 2	Level 3	Total	
Financial assets measured at fair value										
Commodity future contracts used for hedging (derivatives)										
Interst rate swap (derivative)	29	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-
Financial assets not measured at fair value										
Equity securities (other investments)		-	-	-	-	-	-	-	-	-
Trade and other receivables ⁽²⁾	20	-	-	246.2	246.2	-	-	-	-	-
Cash and cash equivalents	23	-	-	46.5	46.5	-	-	-	-	-
		-	-	292.7	292.7	-	-	-	-	-
Financial liabilities measured at fair value										
Contingent consideration	6.29	-0.5	-	-	-0.5	-	-	-0.5	-0.5	-0.5
Put option liability	6	-27.7	-	-	-27.7	-	-	-27.7	-27.7	-27.7
Forward exchange contracts used for hedging (derivatives)	29	-	-0.4	-	-0.4	-	-0.4	-	-0.4	-0.4
Commodity future contracts used for hedging (derivatives)		-	-	-	-	-	-	-	-	-
Interst rate swap (derivative)		-	-1.2	-	-1.2	-	-1.2	-	-1.2	-1.2
Fuel swaps used for hedging (derivatives)	29	-	-0.2	-	-0.2	-	-0.2	-	-0.2	-0.2
		-28.2	-1.8	-	-30.0	-	-1.8	-28.2	-30.0	-30.0
Financial liabilities not measured at fair value										
Bank overdrafts	26	-	-	-8.0	-8.0	-	-	-	-	-
Loans and borrowings	26	-	-	-59.9	-59.9	-	-	-	-	-
Lease liabilities	26	-	-	-40.6	-40.6	-	-	-	-	-
Trade and other payables ⁽³⁾	28	-	-	-347.9	-347.9	-	-	-	-	-
		-	-	-456.4	-456.4	-	-	-	-	-

¹ Fair value through profit and loss

² Excluding derivatives and other investments

³ Excluding contingent considerations and the put option liability

31 December 2022

in millions of euro	Note	Carrying amount						Fair value	
		Carrying amount Mandatory at FVTPL - others ⁽¹⁾	Fair value - hedging instruments	Amortised costs	Total	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value									
Fuel swaps used for hedging (derivatives)	29	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-
Financial assets not measured at fair value									
Equity securities (other investments)		-	-	0.0	0.0	-	-	-	-
Trade and other receivables ⁽²⁾	20	-	-	334.1	334.1	-	-	-	-
Cash and cash equivalents	23	-	-	68.4	68.4	-	-	-	-
		-	-	402.5	402.5	-	-	-	-
Financial liabilities measured at fair value									
Contingent consideration	6.29	-6.5	-	-	-6.5	-	-	-6.5	-6.5
Put option liability	6.29	-23.2	-	-	-23.2	-	-	-23.2	-23.2
Forward exchange contracts used for hedging (derivatives)	29	-	-	-	-	-	-	-	-
Fuel swaps used for hedging (derivatives)	29	-	-0.8	-	-0.8	-	-0.8	-	-0.8
		-29.7	-0.8	-	-30.5	-	-0.8	-29.7	-30.5
Financial liabilities not measured at fair value									
Bank overdrafts	26	-	-	-42.1	-42.1	-	-	-	-
Loans and borrowings	26	-	-	-94.9	-94.9	-	-	-	-
Lease liabilities	26	-	-	-29.8	-29.8	-	-	-	-
Trade and other payables ⁽³⁾	28	-	-	-443.6	-443.6	-	-	-	-
		-	-	-610.4	-610.4	-	-	-	-

¹ Fair value through profit and loss

² Excluding derivatives and other investments

³ Excluding contingent considerations and the put option liability

B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, for financial instruments measured at fair value in the statement of financial position, as well as the significant unobservable inputs used. Related valuation processes are described in Note 4.

Financial instruments measured at fair value

Type	Valuation technique
Forward exchange contracts	The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies.
Interest rate swaps and fuel swaps, future commodity contracts	The Group enters into derivative financial instruments with financial institutions with investment grade credit ratings and leading trading platforms. Derivative financial instruments are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include swap models and futures models, using present value calculations.
Contingent consideration and put option liability	<p>The valuation model considers the present value of expected payment, discounted using a risk-adjusted discount rate. The expected payment is determined by considering the possible scenarios of forecast sales volume / EBITDA developments, the receipt of the gross trade receivables, the anticipated net debt position, the amount to be paid under each scenario and the probability of each scenario.</p> <p>Significant unobservable inputs consists:</p> <ul style="list-style-type: none"> • Forecast annual sales volume / EBITDA growth rate. • Forecast receipts gross trade receivables. • Forecast net debt position. • Risk-adjusted discount rate. • Execution date of the option. <p>The estimated fair value would increase (decrease) if:</p> <ul style="list-style-type: none"> • the annual sales volume / EBITDA growth rate were higher (lower). • the receipts of the gross trade receivables vary positive (negative) from the standard payment terms. • the actual net debt position varies positive (negative) from anticipated position. • the risk-adjusted discount rate were lower (higher). • the option will be executed sooner (later).

Financial instruments not measured at fair value

Type	Valuation technique
Equity securities (non-current)	For investments in equity instruments that do not have a quoted market price in an active market for an identical instrument (i.e. a Level 1 input) disclosures of fair value are not required.
Loans and receivables (non-current)	Discounted cash flows.
Cash, trade and other receivables and other financial liabilities (current)	Given the short term of these instruments, the carrying value is close to the market value.
Other financial liabilities (non-current)	Discounted cash flows. The fair value of the long-term debts is equal to the carrying value as floating market-based interest rates are applicable consistent with the financing agreement.

C. Financial risk management

Risk management framework

The Board of Directors has overall responsibility for overseeing of the Group's risk management framework. The Board of Directors has established a Risk Advisory Board, which is responsible for developing and monitoring the Group's risk management policies. The Risk Advisory Board reports regularly to the Board of Directors, the Audit Committee and the Supervisory Board on its activities. The Group considers the acceptance of risks and the recognition of opportunities as an inherent part of realising its strategic objectives. Risk management contributes to the realisation of the strategic objectives and provides for compliance with corporate governance requirements. Through an active monitoring of risk management, the Group aims to create a high level of awareness in terms of risk control. The set-up and coordination of risk management takes place from the team Corporate Governance & Compliance.

The Group has exposure to the following risks arising from financial instruments:

- credit risk;
- liquidity risk;
- market risk.

(i) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and from investments in debt instruments. The carrying amount of financial assets represents the maximum credit exposure.

Trade and other receivable

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the default risk of the industry and/or country in which customers operate. Further details of concentration of revenue are included in Note 5 and 8.

The Group trades with creditworthy parties and has set up procedures to determine their creditworthiness. In addition, the Group has prepared directives to limit the scope of the credit risk at each party. Moreover, the Group continuously monitors its receivables and the Group applies a strict credit procedure. In accordance with this policy, customers are categorised, and depending on their credit profile the following risk-mitigating measures are taken:

- payment according to the payment terms per country;
- payment in advance, immediate payment upon receipt of the goods or provision of collateral;
- hedging by means of credit letters and bank guarantees;
- insurance of credit risk.

Receivables, that will be due after one year, are largely interest-bearing and mainly include loans to customers for which, if possible, securities were provided in the form of feed equivalents, participation accounts and real estate.

As a consequence of the distribution over geographic areas and product groups a significant concentration of credit risk in the trade receivables does not arise (no single customer is in 2023 individually responsible for more than 1.8% (2022: 1.7%) of the

turnover. For a further explanation of the trade and other receivables reference is made to Note 20.

At 31 December 2023, the allowance for impairment in relation to trade and other receivables was as follows:

in millions of euro	31 December 2023	31 December 2022
Gross trade and other receivables	255.8	347.8
Allowance for impairment in respect of trade and other receivables	-9.6	-13.7
Total	246.2	334.1
Non-Current (including loans)	1.5	3.4
Current	244.7	330.7
Total	246.2	334.1

At 31 December 2023, the ageing of trade and other receivables was as follows:

in millions of euro	Not impaired accounts	Impaired accounts	Total
Not due	232.7	1.2	233.9
Past due < 30 days	9.0	0.3	9.3
Past due 31 - 60 days	1.9	0.8	2.7
Past due 61 - 90 days	0.2	0.6	0.8
Past due > 90 days	1.2	7.9	9.1
Gross amount	245.0	10.8	255.8
Allowance for impairment	-	-9.6	-9.6
Total	245.0	1.2	246.2
Overdue receivables	5.0%	88.9%	8.6%

The percentage overdue receivables (total of 8.6%) decreased, in spite of continuing challenging market conditions.

At 31 December 2022, the ageing of trade and other receivables was as follows:

in millions of euro	Not impaired accounts	Impaired accounts	Total
Not due	293.3	17.7	311.0
Past due < 30 days	15.6	4.4	20.0
Past due 31 - 60 days	1.7	2.1	3.8
Past due 61 - 90 days	1.2	0.8	2.0
Past due > 90 days	1.0	10.0	11.0
Gross amount	312.8	35.0	347.8
Allowance for impairment	-	-13.7	-13.7
Total	312.8	21.3	334.1
Overdue receivables	6.2%	49.4%	10.6%

The impaired accounts consist of trade and other receivables for which an impairment is applied. The Board of Directors believes that the unimpaired amounts are still collectible in full, based on historic payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings if they are available. The movement during the year in the allowance for impairment in respect of trade and other receivables was as follows:

in millions of euro	2023	2022
Balance at 1 January	13.7	10.9
Divestment group companies	-2.1	-
Write-offs during the year	-1.0	-0.6
Releases during the year	-7.9	-2.8
Addition during the year	6.6	6.2
Translation difference	0.3	-
Balance as at 31 December	9.6	13.7
Non-current	0.6	0.7
Current	9.0	13.0
Balance as at 31 December	9.6	13.7

Cash and cash equivalents

Cash and cash equivalents are kept by first-class international banks, i.e. banks with at least a credit classification of A-. Derivatives are only traded with financial institutions with a high credit rating: A+ to AA+.

Guarantees

In principal, the Group's policy is to not provide financial guarantees except for some of its Dutch subsidiaries, bank guarantees, guarantees to Insurance companies in the United Kingdom and guarantees to suppliers of the mill in Pionki (Poland). Refer to Note 32 for more information on other commitments and contingencies.

(ii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Furthermore the Group has financing agreements to mitigate the liquidity risk, for more information see Note 26.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and excluding the impact of netting agreements.

31 December 2023 Non-derivative financial liabilities

in millions of euro	Note	Carrying amount	Contractual cash flows				
		Total	< 1 year	1 - 2 years	2 - 5 years	> 5 years	
Contingent consideration	6, 29	0.5	0.5	-	0.5	-	-
Put option liability	6, 29	27.7	61.7	-	-	-	61.7
Bank overdrafts	26	8.0	8.0	8.0	-	-	-
Bank loans	26	59.9	60.0	-	-	60.0	-
Lease liabilities	26	40.6	54.1	10.1	8.9	16.5	18.6
Debts from related parties	26	-	-	-	-	-	-
Trade payables and other payables ⁽¹⁾	28	343.4	343.5	343.4	0.1	-	-
Total		480.1	527.8	361.5	9.5	76.5	80.3

¹ Excluding related parties, contingent consideration and the put option liability

The Company has the availability of cash and cash equivalents at 31 December 2023 amounting to €46.5 million.

31 December 2022 Non-derivative financial liabilities

in millions of euro	Note	Carrying amount	Contractual cash flows				
		Total	< 1 year	1 - 2 years	2 - 5 years	> 5 years	
Contingent consideration	6, 29	6.5	6.5	5.6	0.9	-	-
Put option liability	6, 29	23.2	32.4	-	-	32.4	-
Bank overdrafts	26	42.1	42.1	42.1	-	-	-
Bank loans	26	94.6	95.0	-	-	95.0	-
Lease liabilities	26	29.8	42.1	7.8	6.5	9.7	18.1
Debts from related parties	29	0.3	0.3	-	-	-	0.3
Trade payables and other payables ⁽¹⁾	28	440.6	440.8	440.7	0.1	-	-
Total		637.1	659.2	496.2	7.5	137.1	18.4

¹ Excluding related parties, contingent consideration and the put option liability

The Company has the availability of cash and cash equivalents at 31 December 2022 amounting to € 68.4 million.

As disclosed in Note 26, the Group has an unsecured bank loan that contains a loan covenant. A future breach of covenant may require the Group to repay the loan earlier than indicated in the above table. Under the agreement, the covenant is monitored on a regular basis by the treasury department and regularly reported to the Executive Committee to ensure compliance with the agreement. The covenants have been met as per the end of the year, refer to Note 25.

The interest payments on variable interest rate loans in the table above reflect market forward interest rates at the reporting date and these amounts may change as market interest rates change. The future cash flows on loans and borrowings from financial institutions may be different from the amount in the above table as interest rates and exchange rates or the relevant conditions in the obligations change. Except for these financial liabilities, it is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

(iii) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the respective functional currencies of Group companies. The subsidiaries' functional currencies are the euro, pound sterling and Polish zloty. Most of their transactions, and resulting balance occur in their local and functional currency.

Generally, borrowings are denominated in currencies that match the cash flows generated by the underlying operations of the Group, primarily euro, but also pound sterling and Polish zloty.

Interest on borrowings is denominated in the currency of the borrowing. This provides an economic hedge without derivatives being entered into and therefore hedge accounting is not applied in these circumstances.

The Group's sales and purchase transactions are conducted in the functional currencies of the respective entity, therefore on the forecasted sales and purchase transactions the Group is not exposed to foreign currency risks.

The Group has no forward currency contracts to hedge foreign currency exposure at 31 December 2023 (31 December 2022: had no forward currency contracts to hedge foreign currency exposure) .

In respect of other monetary assets and liabilities denominated in foreign currencies, the Group's policy is to ensure that its net exposure is managed within the agreed limits per business unit.

Exposure to currency risk

The summary of quantitative data about the Group's financial assets and liabilities denominated per functional and foreign currency is as follows:

in millions

	31 December 2023			31 December 2022		
	€	£	zł	€	£	zł
Trade and other receivables	109.3	84.4	173.0	173.1	101.5	218.2
Cash and cash equivalents less bank overdrafts	28.2	3.0	29.7	39.4	5.4	-89.6
Unsecured bank loans	-59.9	-	-	-94.6	-	-
Loans from related parties	-	-	-	-	-	-
Lease liabilities	-13.4	-22.3	-7.0	-13.3	-14.2	-2.9
Trade and other payables	-221.4	-92.5	-217.3	-294.7	-112.3	-246.4
Net statement of financial position exposure	-157.2	-27.4	-21.6	-190.1	-19.6	-120.7

Net financial position in pound sterling and Polish zloty is used to finance assets in pound sterling and Polish zloty.

The important exchange rates that have been applied during the financial year are disclosed in Note 3.

Sensitivity analysis

No financial instruments in the consolidated financial statements are individually exposed to foreign currency risk. As such, no sensitivity analyses is disclosed.

Interest rate risk

The Group tests the interest rate risk on potential financial impact. When the impact is not acceptable, the risk exposure is eliminated by fixing the rate.

This is achieved partly by entering into fixed-rate instruments, and partly by borrowing at a float rate and if considered necessary using interest rate swaps as hedges against fluctuations in interest levels. In 2023 the Group entered into interest swaps for a total nominal value of €50.0 million.

Exposure to interest rate risk

The interest rate profile of the Group's interest-bearing financial instruments is as follows:

Carrying amount

in millions of euro	31 December 2023	31 December 2022
Fixed-rate instruments		
Financial assets	1.5	3.4
Variable rate instruments		
Financial liabilities	59.9	94.6

The financial assets relate to loans to customers, employees and other non-current receivables.

The financial liabilities relate to loans payable which mainly have the purpose of financing the non-current assets.

Fair value sensitivity analysis for fixed-rate instruments

The Group does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss.

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 50 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss before tax by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Except for tax effects, the impact on equity is considered equal to the impact on profit and loss as no variable-rate financial instruments impact equity directly.

in millions of euro	Profit or loss before tax			Equity
	50 basis points increase	50 basis points decrease	50 basis points increase	50 basis points decrease
31 December 2023				
Variable-rate instruments	-0.3	0.3	-4.2	4.2
31 December 2022				
Variable-rate instruments	-0.5	0.5	-0.4	0.4

Commodity price risk

The major part of ForFarmers' cost of sales consists of raw materials. The raw materials markets are volatile due to uncertain weather conditions, yield expectations, depletion of natural resources, fluctuations in demand and growing prosperity. The increased volatility inherently increases the risks related to raw material purchasing and hence the importance of risk management. The purchasing risk management policy is based on the risk appetite of the Group and is continuously monitored.

Part of the costs of the Group consist of energy and fuel costs. Changes in these prices affect the costs of production and transport of products of the Group. Higher costs for example for inbound logistics due to low water levels and costs as a result of the unfavourable purchasing positions may not in all instances be passed on in the sales prices, which may affect the result negatively. In the past years the prices of fuel and energy have been relatively volatile. Therefore, for the purchasing of energy, the Group has determined a purchasing policy. Part of this policy is to hedge price risks via financial instruments and commodity agreements. The enforcement of this purchasing policy is monitored. The developments in the markets for energy and fuels are followed closely.

During 2023 the Group has entered into derivatives to hedge the risks associated with changes in fuel prices. With respect to these cash flow hedges, maturities relate to realisation dates of hedged items and therefore cash flow hedge accounting is applied. Amounts of fair value presented in equity are recycled in the statement of profit or loss at realisation dates of hedged items. The contractual maturities of these derivatives will expire at different moments in 2024, with the corresponding cash settlement also taking place during different moments in 2024.

D. Derivative assets and liabilities designated as cash flow hedges

The following table indicates the periods in which the cash flows associated with cash flow hedges are expected to occur and the carrying amounts of the related hedging instruments.

in millions of euro	2023		Expected cash flows			2022		Expected cash flows		
	Carrying amount	Total	1-6 months	6-12 months	More than one year	Carrying amount	Total	1-6 months	6-12 months	More than one year
Interest rate swap used for hedging										
Assets	-	-	-	-	-	-	-	-	-	-
Liabilities	-1.2	-1.2	-1.2	-	-	-	-	-	-	-
Forward exchange contracts used for hedging										
Assets	-	-	-	-	-	-	-	-	-	-
Liabilities	-0.4	-0.4	-0.4	-	-	-	-	-	-	-
Fuel swaps used for hedging										
Assets	-	-	-	-	-	-	-	-	-	-
Liabilities	-0.2	-0.2	-0.2	-	-	-0.8	-0.8	-0.8	-	-
Total	-1.8	-1.8	-1.8	-	-	-0.8	-0.8	-0.8	-	-

The following table indicates the periods in which the cash flows associated with cash flow hedges are expected to impact profit or loss and the carrying amounts of the related hedging instruments.

	2023		Expected impact			2022		Expected impact		
	Carrying amount	Total	1-6 months	6-12 months	More than one year	Carrying amount	Total	1-6 months	6-12 months	More than one year
in millions of euro										
Interest rate swap used for hedging										
Assets	-	-	-	-	-	-	-	-	-	-
Liabilities	-1.2	-1.2	-1.2	-	-	-	-	-	-	-
Forward exchange contracts used for hedging										
Liabilities	-0.4	-0.4	-0.4	-	-	-	-	-	-	-
Fuel swaps used for hedging										
Assets	-	-	-	-	-	-	-	-	-	-
Liabilities	-0.2	-0.2	-0.2	-	-	-0.8	-0.8	-0.8	-	-
Total	-1.8	-1.8	-1.8	-	-	-0.8	-0.8	-0.8	-	-

Group composition

30. Group composition

Coöperatie FromFarmers U.A. has an equity interest (direct and indirect) of 48.1% (2022: 45.5%) in the Group. The Coöperatie FromFarmers U.A. has by giving voting instructions for the shares held by Stichting Beheer- en Administratiekantoor ForFarmers a combined voting interest of 57.1% (2022: 54.4%) based on the outstanding issued ordinary shares.

The following list shows the main subsidiaries and joint ventures:

Subsidiaries	Registered office	2023 Interest ⁽¹⁾	2022 Interest ⁽¹⁾
The Netherlands			
ForFarmers Nederland B.V.	Lochem	100%	100%
FF Logistics B.V.	Lochem	100%	100%
PoultryPlus B.V.	Lochem	100%	100%
Reudink B.V.	Lochem	100%	100%
Stimulan B.V.	Lochem	100%	100%
ForFarmers Corporate Services B.V.	Lochem	100%	100%
ForFarmers Vleuten B.V. ⁽²⁾	Eindhoven	60%	60%
Vleuten Voeders B.V. ⁽²⁾	Eindhoven	60%	60%
ForFarmers Poland B.V.	Lochem	100%	100%
Germany			
ForFarmers GmbH	Vechta-Langförden	100%	100%
ForFarmers Langförden GmbH	Vechta-Langförden	100%	100%
ForFarmers BM GmbH	Rapshagen	100%	100%
ForFarmers Hamburg GmbH & Co. KG ⁽³⁾	Vechta-Langförden	100%	100%
ForFarmers Thesing Mischfutter GmbH & Co. KG ^(2, 3)	Rees	60%	60%
ForFarmers Beelitz GmbH	Beelitz	100%	100%
Pavo Pferdenahrung GmbH	Goch	100%	100%
Belgium			
ForFarmers Belgium B.V.	Kasterlee	100%	100%

Subsidiaries	Registered office	2023 Interest ⁽¹⁾	2022 Interest ⁽¹⁾
Poland			
Tasomix Sp. z o.o. ⁽⁵⁾	Biskupice Otoboczne	60%	60%
Tasomix Pasze Sp. z o.o. ⁽⁵⁾	Pionki	60%	60%
United Kingdom			
ForFarmers UK Holdings Ltd.	Bury St. Edmunds	100%	100%
ForFarmers UK Ltd.	Bury St. Edmunds	100%	100%
Joint venture			
HaBeMa Futtermittel GmbH & Co. KG Produktions- und Umschlagsgesellschaft ⁽⁴⁾	Hamburg	50%	50%

¹ Participating interests as per 31 December

² Consolidated for 100% with a non-controlling interest

³ The subsidiaries ForFarmers Hamburg GmbH & Co. KG and ForFarmers Thesing Mischfutter GmbH & Co. KG make use of the exemption under § 264b of the German Commercial Code

⁴ Equity accounted investee, see Note 19

⁵ Is consolidated for 100% as at any time (after 2023) the remaining 40% can be purchased at the specified conditions

31. Non-controlling interests

The following table summarises the information relating to the Group's subsidiaries where there is a non-controlling interests (NCIs), before any intra-group eliminations.

	31 December 2023
in millions of euro	Total
Non-current assets	16.3
Cash and cash equivalents	4.2
Other current assets	29.8
Current assets	34.0
Loans and borrowings	-5.2
Other non-current liabilities	-2.1
Non-current liabilities	-7.3
Loans and borrowings	-0.4
Other current liabilities	-22.1
Current liabilities	-22.5
Net assets	20.5
Carrying amount of NCI	8.9
Revenue	191.6
Profit attributable to shareholders of the Company	5.2
OCI	-
Total comprehensive income	5.2
Profit allocated to NCI	2.9
OCI allocated to NCI	-

Per 31 December 2023 the total book value of non-controlling interests amounts €8.9 million. The main non-controlling interest consist of ForFarmers Thesing Mischfutter GmbH, ForFarmers Thesing Mischfutter GmbH & Co KG, ForFarmers Vleuten B.V. and Vleuten Voeders B.V. For all subsidiaries with a non-controlling interest, the percentage of non-controlling interest is 40% (2022: 40%).

	2023
in millions of euro	Total
Cash flows from operating activities	4.4
Cash flows from investing activities	-1.3
Cash flows from financing activities	-7.7
Net increase (decrease) in cash and cash equivalents	-4.6

	31 December 2022
in millions of euro	Total
Non-current assets	16.6
Cash and cash equivalents	8.8
Other current assets	33.8
Current assets	42.6
Loans and borrowings	-5.6
Other non-current liabilities	-2.3
Non-current liabilities	-7.9
Loans and borrowings	-0.4
Other current liabilities	-28.5
Current liabilities	-28.9
Net assets	22.4
Carrying amount of NCI	9.1
Revenue	196.8
Profit attributable to shareholders of the Company	-0.8
OCI	-
Total comprehensive income	-0.8
Profit allocated to NCI	0.2
OCI allocated to NCI	-

	2022
in millions of euro	Total
Cash flows from operating activities	8.8
Cash flows from investing activities	-0.9
Cash flows from financing activities	-3.6
Net increase (decrease) in cash and cash equivalents	4.3

Other disclosures

32. Commitments and contingencies

General

The Company and its group companies are, or may become, party to various claims, legal and/or administrative proceedings and investigations in the ordinary course of business or otherwise (e.g. commercial transactions, product liability, health & safety and environmental pollution). Since the outcome of asserted claims and proceedings (potential or actual), or the impact of any claims or investigations that may arise in the future, cannot be predicted with certainty, the Group's financial position and results of operations could be affected materially by the outcomes.

Purchase commitments

The purchase commitments of the Group are as follows:

in millions of euro				2023	2022
	< 1 year	1 - 5 years	> 5 years	Total	Total
Purchase commitments raw materials	462.0	1.6	-	463.6	662.0
Purchase commitments energy (gas/electricity)	20.3	6.9	-	27.2	55.2
Purchase commitments property, plant and equipment	1.2	-	-	1.2	2.7
Purchase commitments other	1.9	-	-	1.9	7.1
Total	485.4	8.5	-	493.9	727.0

The decrease in raw material prices resulted in a lower purchase commitment of raw materials as at 31 December 2023 (€463.6 million) compared to prior year (31 December 2022: € 662.0 million). The purchase commitments of raw materials are partly relating to existing sales contracts.

A declaration of guarantee based on article 2:403 of the Dutch Civil Code has been issued by ForFarmers N.V. for the benefit of ForFarmers Nederland B.V., ForFarmers Corporate Services B.V., FF Logistics B.V., PoultryPlus B.V. and Reudink B.V.

For the credit facilities reference is made to Note 26.

33. Related parties

Beside the subsidiaries that operate within the Group (refer to the overview "List of main subsidiaries", Note 30) and the BOCM PAULS Ltd. (United Kingdom) Pension Scheme (see Note 14A), the Group has additional related parties and transactions, which are disclosed hereafter. The related party transactions that occurred in 2023 and 2022 were at arm's length. Outstanding balances at the year-end are unsecured and interest free. There have been no guarantees provided or received for any related party receivables or payables. Furthermore, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (2022: ditto).

A. Stichting Beheer- en Administratiekantoor ForFarmers en Coöperatie FromFarmers U.A.

Stichting Beheer- en Administratiekantoor ForFarmers (until 23 May 2016 named Stichting Administratiekantoor ForFarmers) (hereafter: 'Stichting Beheer') holds 9.04% (31 december 2022: 8.91%) of the ordinary shares in ForFarmers N.V. as per 31 December 2023 and has issued depositary receipts in exchange for these shares. Coöperatie FromFarmers U.A. (hereafter: the coöperatie) has a direct stake of 20.72% (2022: 19.43%), and an indirect stake of 27.35% (2022: 26.02%) of the ordinary shares of ForFarmers, and one priority share as per the aforementioned date. Depositary receipts are held by members of the Coöperatie, employees of ForFarmers or others. Members of the Coöperatie and employees of ForFarmers who own depositary receipts have the right to request their voting rights from Stichting Beheer.

Other depositary receipt holders cannot request voting rights. Stichting Beheer and the Coöperatie are related parties. Between the Coöperatie and a number of the members of the Coöperatie on one hand and the Group on the other hand, transactions (i.e. supply of goods and services) take place on a regular basis. Furthermore, ForFarmers provides certain support functions (e.g. administrative) for the Coöperatie.

The following table provides the total amount of transactions that have been entered into with ForFarmers N.V. and its group companies.

in millions of euro	2023	2022
Interest income	-	-
Interest expenses	-	-
Receivable from	-	0.2
Payable to	-	-

B. Board of Directors and other key management

The Board of Directors consist of 3.0 members in 2023 (2022: 2.8).

In the financial year remuneration for the Board of Directors that was charged to the Company and its subsidiaries amounts to €2.9 million (2022: €2.0 million), which is broken down as follows:

in millions of euro	2023	2022
Salary costs ⁽¹⁾	1.5	1.1
Performance bonus (short-term) ⁽²⁾	0.7	0.4
Other compensation ⁽³⁾	0.2	0.2
Post-employment benefits	0.3	0.2
Short-term employee benefits	2.7	1.9
Performance bonus (long-term) ⁽⁴⁾	0.2	0.1
Long-term employee benefits	0.2	0.1
Total^{(5) (6)}	2.9	2.0
Other key management	-	0.2
Total executive board and other key management	2.9	2.2

¹ Including employer contributions social securities

² The performance bonus (short-term) relates to the performance in the year reported and is to be paid in the subsequent year

³ Other compensation mainly includes use of company cars, expenses, pension compensation own arrangement and any accrual for termination of the agreement of assignment

⁴ The performance bonus (long-term) concerns the proportional part of the costs recognised during the vesting period of three years in which specified performance targets are to be met and includes former Board members. After the third year, the final bonus amount will be determined and paid

⁵ Concerns the total costs for the remuneration for the Board of Directors in the financial year. Refer to the remuneration report in the Annual Report for the individual disclosure regarding the remuneration for the members of the Board of Directors

⁶ P. Wolleswinkel was appointed as a member of the Board of Directors of ForFarmers on 14 April 2022. In the period before 14 April 2022, his remuneration is included in Other Key management

The following table includes the ownership for the Executive Board of the (depository receipts for) shares at year end.

In numbers	2023	2022
(Depository receipts of) shares	175,109	143,989

C. Supervisory board

In the financial year remuneration for members of the Supervisory Board, and former members of the Supervisory Board within the meaning of section 383 sub 1 of Book 2 of the Dutch Civil Code were charged to the Company and its subsidiaries for an amount of €0.4 million (2022: €0.4 million), which is broken down as follows.

in millions of euro	2023	2022
Attendance fees	0.3	0.3
Commission fees	0.1	0.1
Other compensation ⁽¹⁾	-	0.0
Total⁽²⁾	0.4	0.4

¹ Relates to reimbursement for travel and fixed expenses

² Concerns the total costs for the remuneration for the Supervisory Board in the financial year. Refer to the remuneration report in the Annual Report for the individual disclosure regarding the remuneration for the members of the Supervisory Board

In the regular course of business the Group enters into sales transactions with numerous members of the Supervisory Board. The related party transactions were carried out at arm's length. The following table provides the total amount of transactions with affiliated entities of the members of the Supervisory Board.

in millions of euro	2023	2022
Sales to	0.9	1.0
Purchases from	-	-
Amounts owed by	0.0	-
Amounts owed to	-	-

The following table includes the ownership of the (depository receipts of) shares and the number of participation accounts issued by the cooperative and which can be converted into depository receipts.

In numbers	2023	2022
Depository receipts/ shares ⁽¹⁾	-	-
Participation accounts ^(1, 2)	32,883	32,883
Total	32,883	32,883

¹ The members of the Supervisory Board with depository receipts/ shares and/or participation accounts are also members of FromFarmers and received these through participation in the 'Equity on Name' (EON) registration process which ran in the period 2007 - 2017

² The balance on the participation account can be converted into depository receipts or shares of ForFarmers N.V.

The aforementioned members of Supervisory Board did not experience any impediment in the performance of their duties during the past year as a result of transactions that they conducted.

D. Executive Board Coöperatie FromFarmers U.A.

In the regular course of business the Group enters into sales transactions with members of the Executive Committee Coöperatie FromFarmers U.A. The related party transactions were carried out at arm's length.

The following table provides the total amount of transactions with members of the Executive Committee of Coöperatie FromFarmers U.A.

in millions of euro	2023	2022
Sales to	1.2	1.3
Purchases from	-	-
Amounts owed by	-	0.1
Amounts owed to	-	-

The transactions with, the receivables from and payables to the members of the Executive Committee of the Coöperatie FromFarmers U.A. include the transactions with and position to the members who are part of the Supervisory Board of ForFarmers N.V.

E. Joint venture and other participations

The following table provides the total amount of transactions that have been entered into with the joint venture HaBeMa and other participations:

in millions of euro	31 December 2023	31 December 2022
Sales to	27.6	23.7
Purchases from	64.1	62.5
Amounts owed by	3.6	3.6
Amounts owed to	5.2	3.0

F. Other

The following table provides the total amount of transactions that have been entered into with parties related to the minority shareholders of Tasomix (Poland).

in millions of euro	31 December 2023	31 December 2022
Sales to	31.2	36.3
Purchases from	2.8	0.8
Amounts owed by	5.0	7.4
Amounts owed to	-	-

34. Events after the reporting period

Acquisition Piast Pasze Sp. z.o.o

On 3 January 2024 ForFarmers acquired all shares of the Polish feed producer Piast Pasze Sp. Z.o.o (Piast, Poland). The acquisition will increase the volume of ForFarmers/Tasomix in Poland by 410,000 tonnes and strengthen the company's position, particularly in the broiler sector. Piast focuses mainly on the production of feed for the broiler sector and to a lesser extent on the dairy and swine sectors. Piast employs around 220 people (management, sales and production) at four production sites. The location of Piast's factories relative to the ForFarmers/Tasomix mills will enable the creation of dedicated production lines to increase production efficiency while the wider geographical spread provides opportunities to further grow the customer base. In addition Piast is the owner of two unique feed production technologies which are cost-efficient, can be effectively applied by ForFarmers/ Tasomix and moreover are consistent with the ForFarmers' sustainability policy.

The enterprise value is the sum of a payment to the shareholders of Piast and the net debt. The enterprise value will be paid in local currency, which amounts approximately €30.6 million.

Provisionally determined, the revenue of Piast over 2023 amounted to €138.0 million and the EBITDA amounted to €1.5 million. As the acquisition was closed after the reporting period, no amounts are included in the consolidated revenue and results of ForFarmers.

The acquired assets and liabilities mainly consist of production facilities, client relationships and net debt. However, given the recent acquisition date, the initial accounting for the business combination is incomplete and therefore the fair values of the identifiable assets and liabilities as at the date of acquisition are not yet determined.

The acquisition-related costs in 2023 amount to €0.3 million and are recognised in the result of the year.

Other acquisitions

On 11 January 2024 Forfarmers acquired all of the shares of a small feed business, which is mainly active in the horse feed sector in the United Kingdom. The acquisition is not material for the Group for the disclosure requirement of IFRS 3 (Business Combinations).

Other

No other events after the reporting period with significant impact on 2023 occurred.

Accounting policies

35. Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis except for the following items, which are measured on an alternative basis on each reporting date:

- derivative financial instruments are measured at fair value;
- financial instruments, other than derivatives, stated at fair value at the first recognition and subsequently stated at amortised cost and upon deduction of possible impairments (the latter only in the case of financial instruments recognised as asset);
- first recognition of individual assets and liabilities in a business combination are measured based on acquisition method, with contingent considerations assumed in a business combination at fair value;
- biological assets are measured at fair value;
- tax liabilities for cash-settled share-based payment arrangements are measured at fair value; and
- the net defined benefit liability (asset) is measured at the fair value of plan assets, less the present value of the defined benefit obligation.

36. Significant accounting policies

The Group has consistently applied the following accounting policies to all periods presented in these consolidated financial statements.

The Group adopted the amendments to IAS 1 as from 1 January 2023. The amendments require the disclosure of material, rather than significant, accounting policies. The amendments did not result in any changes to the accounting policies or the information disclosed in Note 36.

Basis of consolidation

The consolidated financial statements comprise the financial statements of the Group and its subsidiaries as at 31 December 2023. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and

has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Business combinations

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration payable is measured at fair value at the acquisition date. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

In determining the value of the various intangible assets, assumptions have been made regarding the customer base, the value and the expected use of brand names. Assessing the fair value of the various property, plant and equipment requires

assumptions regarding the remaining economic and technical life. In determining the fair value of the acquired assets and liabilities the Group focused in particular on the following aspects:

- the fair value of property, plant and equipment;
- identifiable trademarks, patents and brand names;
- identifiable customer relationships;
- the fair value of acquired receivables and debts;
- deferred tax liability associated to the acquired assets and liabilities.

Anticipated acquisition method

The Group applies the anticipated acquisition method where it has both the right and the obligation, through a put and call option arrangement, to acquire any remaining non-controlling interest in an existing subsidiary. Under the anticipated acquisition method the interests of the non-controlling shareholder are presented as already owned, even though legally they are still non-controlling interests. In other words as if the put option had been exercised already or the call option had been satisfied by the non-controlling shareholders. This is independent of how the exercise price is determined (e.g. fixed or variable) and how likely it is that the put or call option will be exercised. The obligation to acquire the non-controlling interest (i.e. put option liability) is accounted for as financial liability, where the initial measurement of the fair value recognised by the Group forms part of the contingent consideration. Subsequent changes in the fair value of the put option liability as well as dividends to non-controlling shareholders are recognised in the consolidated statement of profit or loss (finance expense).

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's identifiable net assets at the acquisition date.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Interests in equity-accounted investees

The Group's interests in equity-accounted investees comprise interests in a joint venture. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

The interest in the joint venture is accounted for using the equity method. The interest is recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of equity-accounted investees, until the date on which significant influence or joint control ceases.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in

the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Discontinued operation

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

- represents a separate major line of business or geographical area of operations;
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- is a subsidiary acquired exclusively with a view to re-sale.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale.

When an operation is classified as a discontinued operation, the comparative statement of profit or loss and OCI is re-presented as if the operation had been discontinued from the start of the comparative year.

Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

Foreign currency differences are generally recognised in the statement of profit or loss and presented within net finance costs. However, foreign currency differences arising from the translation of the following items are recognised in OCI:

- an investment in equity securities designated as at FVOCI (except on impairment in which case foreign currency differences that have been recognised in OCI are reclassified to profit or loss);
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; or
- qualifying cash flow hedges to the extent the hedges are effective.

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into euro at exchange rates at the reporting date. The income and expenses of foreign operations are translated into euros at the exchange rates at the dates of the transactions.

Foreign currency differences are recognised in OCI and accumulated in the translation reserve, except to the extent that the translation difference is allocated to NCI.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

In the event the settlement of a monetary item that is to be received from or to be paid to a foreign operation is not planned, nor is this probable to occur in the near future, currency differences on such a monetary item will be considered as part of the net

investment in the foreign operation. Accordingly, these currency differences are included in OCI and recognised in the translation reserve.

Financial instruments

Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit & loss, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through OCI (hereafter: FVOCI)– debt investment; FVOCI – equity investment; or fair value through profit & loss (hereafter: FVTPL).

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets - Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. Due to the nature of activities of ForFarmers the main business model within the Group is to hold assets to collect contractual cash flows.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets - Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the financial asset. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract.

Financial assets - Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI.

On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recoverable part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Derivative financial instruments and hedge accounting

The Group holds derivative financial instruments to hedge its foreign currency, interest rate and commodity risk exposures. If the Group is involved with hybrid contracts, the Group applies the following with regard to the embedded derivatives in the hybrid contract. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and the following criteria are met:

- the economic characteristics and risk of the embedded derivative are not closely related to the economic characteristics and risks of the host contract;
- a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and
- the hybrid contract is not measured at fair value with changes in fair value recognised in profit or loss.

If an embedded derivative is separated from the hybrid contract, the host contract is accounted for in accordance with the determined policies for such a contract.

The embedded derivative is accounted for in accordance with the Group's principles for the applicable derivatives.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates, commodity prices and interest rates and certain derivatives and non-derivative financial liabilities as hedges of foreign exchange risk on a net investment in a foreign operation.

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in other comprehensive income (hereafter: OCI) and accumulated in the hedging reserve. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

The Group designates the change of forward exchange contracts as the hedging instrument in cash flow hedging relationships. The change in fair value of the forward element of forward exchange contracts ('forward points') is not separately accounted for as a cost of hedging.

When the hedged forecast transaction subsequently results in the recognition of a non-financial item such as inventory, the amount accumulated in the hedging reserve is included directly in the initial cost of the non-financial item when it is recognised.

For all other hedged forecast transactions, the amount accumulated in the hedging reserve is reclassified to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve remains in equity until, for a hedge of a transaction resulting in the recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the hedging reserve are immediately reclassified to profit or loss.

Share capital

Ordinary shares

Incremental costs directly attributable to the issue of ordinary shares, net of any tax effects, are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with IAS 12.

Priority share

The priority share provides the holder of the share special rights regarding amongst others the appointment of members of the Board of Supervisory Directors as defined in the Articles of Association of the Company. The Group's priority share can only be held by the Company itself or a Cooperation, provided that it may exercise twenty percent or more of the total votes on shares or depositary receipts to be cast in the capital of the Company. Besides, the priority share can be held by a party to be designated in writing by the board. The priority share is classified as equity, because the share does not contain any obligations to deliver cash or other financial assets and does not require settlement in a variable number of the Group's equity instruments.

Preference shares

The Company has the ability to issue preference shares. When preference shares are issued, these give the Stichting Continuïteit ForFarmers (the ForFarmers Continuity Foundation), with an independent board, the ability to obtain and exercise, on a temporary basis (up to two years), a majority of the voting rights at the General Meeting. This will work through the ownership of the preference shares issued. However, these protective rights are related to fundamental changes in the activities of an investee, or are rights that apply only in exceptional circumstances. As such, they cannot give the holder permanent power or prevent other parties from having power permanently and therefore de facto acquire control over the Company. At this moment no preference shares have been issued.

Repurchase and reissue of ordinary shares (treasury shares)

When shares recognised as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, net of any tax effects, is recognised as a deduction from equity. The par values of repurchased shares are classified as treasury shares and are presented in the treasury share reserve. When treasury shares are sold, the amount received is recognised as an increase in equity, and the resulting surplus or deficit on the transaction is presented within retained earnings.

Impairment

Non-derivative financial assets

Financial instruments

The Group recognises loss allowances for expected losses (hereafter: ECLs) on:

- financial assets measured at amortised cost; and
- debt investments measured at FVOCI.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held).

The Group considers most of the financial assets to have a low credit risk. Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Credit-impairment financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default or being substantial past due; or
- it is probable that the debtor will enter bankruptcy or other financial reorganisation.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For individual customers, the Group has a policy of writing off the gross carrying amount when there are no realistic prospects of recovery of the asset. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

Equity-accounted investees

An impairment loss in respect of an equity-accounted investee is measured by comparing the recoverable amount of the investment with its carrying amount. An impairment loss is recognised in profit or loss, and is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

Non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than goodwill, biological assets, inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash flow Generating Units (CGUs). Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Intangible assets and goodwill

Recognition and measurement

Goodwill

Goodwill arising on the acquisition of subsidiaries is measured at cost less accumulated impairment losses.

Research and development

Expenditure on research activities is recognised in profit or loss as incurred.

Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in profit or loss as incurred. Subsequent to initial recognition, development expenditure is

measured at cost less accumulated amortisation and any accumulated impairment losses.

Other intangible assets

Other intangible assets, including customer relationships, patents and trademarks, that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss. Goodwill is not amortised.

The estimated useful lives for current and comparative periods are as follows:

Trade and brand names:	2 – 20 years
Software:	3 – 5 years
Customer relationships:	10 – 20 years

The amortisation of the customer relationships is based on the historical development of the customer portfolio. The amortisation of trade and brand names depends on the period for which the trade and brand names will actually still be used.

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses. Proceeds generated from assets are recorded through profit and loss already before its intended use. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Subsequent costs

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Depreciation

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Land is not depreciated.

The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

Buildings:	10 – 50 years
Plant and Machinery:	7 – 30 years
Other operating assets:	4 – 20 years

Other operating assets comprise mainly vehicles, fixtures and fittings.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Reclassification to investment property

When the use of a property changes from owner-occupied to investment property, the property is reclassified accordingly. Any gain arising on remeasurement is recognised in profit or loss to the extent that it reverses a previous impairment loss on the specific property.

Investment property

Investment property is initially measured at cost minus depreciation and impairment .

Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

After initial recognition, investment properties are measured at cost, as applied for Property, plant and equipment, including the depreciation method and estimated useful lives.

Biological assets

Biological assets are measured at fair value less costs to sell, with any change therein recognised in profit or loss.

Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out principle. In the case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity.

Assets held for sale

Non-current assets, or groups comprising assets and liabilities which are to be disposed, are classified as held-for-sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets, or groups to be disposed, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, investment property or biological assets, which continue to be measured in accordance with the Group's other accounting policies. Impairment losses on initial classification as held-for-sale or held-for-distribution and subsequent gains and losses on remeasurement are recognised in profit or loss.

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated, and any equity-accounted investee is no longer equity accounted.

Provisions

Provisions are created for liabilities of which it is likely that they will need to be settled, and of which the value can be reasonably estimated. A provision is created only if there is a liability that is legally enforceable or a constructive liability. The size of the provision is determined by the best estimate of the amounts required to settle the liabilities and losses concerned as per balance sheet date.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Restructuring

A provision for restructuring is recognised when the Group has approved a detailed and formal restructuring plan, and the restructuring either has commenced or has been announced publicly. Future operating losses are not provided for.

Soil decontamination

In accordance with the Group's published environmental policy and applicable legal requirements, a provision for site restoration in respect of contaminated land, and the related expense, is recognised in the event the land is contaminated.

Onerous contracts

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

Employee benefits

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Share-based payment transactions

Employees (including senior executives) of the Group receive remuneration in the form of share-based payments (through the participation plans), whereby employees render services as consideration for equity instruments (equity-settled transactions). As the Group will settle the employee tax obligations relating to these share-based payments, these are also considered share-based compensation (cash-settled transactions).

Equity-settled transactions

The grant-date fair value of equity-settled share-based payment awards granted to employees is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service conditions are expected to be met, such that the amount ultimately recognised is based on the number

of awards that meet the related service conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

The statement of profit or loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification.

As the depositary receipts for the employees of the Netherlands participation plan are fully issued during the year, the non-vested portion is not recognised within profit and loss, but rather accrued as other receivables within Trade and other receivables. Over the service period the respective amounts are recognised within profit and loss.

Cash-settled transactions

The fair value of the employee tax amounts payable in respect of the equity-settled share-based payments, which are settled in cash, is recognised as an expense with a corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to benefit. The liability is remeasured at each reporting date and at settlement date based on the fair value of the employee tax obligation. Any changes in the liability are recognised in profit or loss.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution

plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

The post-employment benefit plans of ForFarmers N.V. and its subsidiaries are defined contribution plans (except for the plans as noted under the last paragraph at the policy defined benefit plans below), which have been placed with insurance companies by means of collective defined contribution agreements. This implies that these entities are only subject to the obligation to pay the agreed contributions to the insurance companies.

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a

result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other long-term employee benefits

The Group's net liability for other long-term employee benefits relates to the amount of entitlements to cash or (depository receipts for) shares that employees have accrued or have been conditionally awarded to employees in exchange for their services in the reporting period and prior periods. Contingent entitlements depend on the realisation of personal objectives. The entitlements are discounted to determine the present value. Remeasurements are recognised in profit or loss in the period in which they occur.

Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

Revenue

Sale of goods

Revenue is recognised when customers obtain control of the goods. Customers obtain control when the goods are delivered to and have been accepted at their premises. Revenue is measured net of returns, trade discounts and volume rebates.

Rendering of services

The Group is involved in performing related services to agriculture. Revenue is recognised over time as the services are provided. The stage of completion is assessed based on surveys of work performed, in general this is based upon the time spent .

If the services under a single arrangement are rendered in different reporting periods, then the consideration is allocated based on their relative stand-alone selling prices.

Commissions

When the Group acts in the capacity of an agent rather than as the principal in a transaction, the revenue recognised is the net amount of commission made by the Group.

Government grants

Government grants are initially recognised in the balance sheet as deferred income when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant. Grants that compensate the Group for expenses incurred are recognised in the profit and loss on a systematic basis in the same period in which the expenses are recognised. Grants that compensate the Group for the cost of an asset are recognised in the profit and loss account through reduction of the depreciation costs over the period of the expected useful life.

Expenses

Costs of raw materials and consumables

This regards the costs of raw materials and consumables of the sold products or the costs for obtaining the sold products. The costs of raw materials and consumables are calculated according to the first-in-first-out principle and include the change in the fair value of the biological assets.

Other operating expenses

Other operating expenses are determined taking into account the aforementioned accounting principles for valuation and recorded in the reporting year to which they relate. Foreseeable liabilities and potential losses stemming from causes occurring before the end of the financial year are recorded if they became known before the financial statements were made and the further conditions for recording provisions are met.

Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in IFRS 16.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying

asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability (see below for the remeasurement of the lease liability).

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.

Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of

whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property and lease liabilities as separate lines in the statement of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets (a value below €5 thousand) and short-term leases (less than 12 months and without a purchase option). The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Operating profit

Operating profit is the result generated from the continuing principal revenue producing activities of the Group as well as other income and expenses related to operating activities. Operating profit excludes net finance costs, share of profit of equity accounted investees and income taxes.

Finance income and costs

Finance income comprises interest received on loans and receivables from third parties, dividend income, positive changes to the fair value of financial assets valued at fair value after incorporating changes in value in the profit and loss account, gains on hedging instruments that are recognised in the profit and loss account and reclassifications of amounts previously recognised in other comprehensive income. Interest income is recognised in the profit and loss account as it accrues using the effective interest method.

Finance costs comprises interest expenses on borrowings and other obligations to third parties, dividend to non-controlling interest, fair value losses on financial assets at fair value through profit or loss, unwinding the discount on provisions and contingent consideration, impairment losses recognised on financial assets (other than trade receivables), losses on hedging instruments that are recognised in the profit and loss account and reclassifications of amounts previously recognised in other comprehensive income. Interest expenses are recognised in the consolidated profit and loss account as they accrue by means of the effective interest method.

Foreign currency gains and losses of trade receivables and trade payables are recognised as a component of the operating result. All other foreign currency gains and losses are reported on a net basis either as finance income or finance costs, depending on whether the foreign currency movements are in a net gain or net loss position.

Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to tax payable or receivable in respect of previous years. The amount of current tax is determined on the basis of the best estimate regarding the tax credit or tax loss, taking into consideration possible uncertainties with respect to income tax .

Current tax also includes any tax arising from dividends. Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Temporary differences in relation to a right-of-use asset and a lease liability for a specific lease are regarded as a net package (the lease) for the purpose of recognising deferred tax.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences and future taxable profits, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Group has not rebutted this presumption.

Deferred tax assets and liabilities are offset only if certain criteria are met .

Segmentation

The identified operating segments regard the individual countries within the Group for which financial information is available. The Executive Board jointly acts as Chief Operating Decision Body, reviews the internal management reports of each operating segment on a monthly basis, in order to reach decisions on the allocation of the available resources to an operating segment and to determine the performances of the segment. Although each country is a separate operating segment, there is one overarching business model across all countries, i.e. delivering of Total Feed solutions. These operating segments can be aggregated into strategic clusters and reportable segments depending on economic characteristics, given that the nature of the products and services, the nature of the production processes, the type of customer, the methods used to distribute the products, and the nature of the regulatory environment, is similar.

The Group has divided the operating segments respectively clusters into the following reportable segments:

- The Netherlands/Belgium
- Germany/Poland
- United Kingdom

Inter-segment pricing is determined on arm's length basis. Segment results include items directly attributable to a cluster as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise joint expenses, corporate expenses, corporate assets and corporate liabilities.

Cash flows

The cash flow statement has been prepared according to the indirect method. Cash flows in foreign currencies are converted to euros against the exchange rate on the transaction date. Exchange rate differences for cash and cash equivalents are shown separately in the cash flow statement. Payments for interest and payments for income taxes have been included under cash flow from operating activities. Interest received and dividends received are included in the cash flow from investment activities. Dividends paid have been included under cash flow from financing activities. Transactions not involving an exchange of cash, including financial lease, are not included in the cash flow statement. The payment of lease instalments under the finance lease contract are shown as a cash-out under financing activities as far as the repayment is concerned and as a cash-out under operating activities as far as the interest is concerned.

37. Standards issued but not yet effective

A number of new standards and amendments to standards are effective for annual periods beginning after 2023, and have not been applied in preparing these consolidated financial statements. Those which may be relevant to the Group are set out below.

The Group does not plan to adopt these standards early.

Standards and interpretations issued but not yet effective up to the date of issuance of the Group's financial statements are listed below:

- Amendments to the measuring of sale and leaseback transactions (amendments to IFRS 16);
- Classification of liabilities as current or non-current (amendments to IAS 1);
- Disclosure requirements in connection with supplier financing arrangements (amendments to IAS 7 and IFRS 7).

The amended standards and interpretations are not expected to have a significant impact on the Group's consolidated financial statements. The Group intends to adopt these standards and interpretations when they become effective.

Other standards and amendments on standards

The Group has performed an assessment on the possible effects of the amendments on standards and interpretations. The Group does not expect a significant impact on the current financial position and results and will apply these amended standards when endorsed by the EU.

Company financial statements



Company balance sheet

in millions of euro (before profit appropriation)	Note	31 December 2023	31 December 2022
Assets			
Other receivables		-	-
Equity-accounted investees	40	395.6	421.1
Deferred tax assets		0.9	0.2
Non-current assets		396.5	421.3
Other receivables		1.8	3.5
Receivables from group companies	41	21.1	20.3
Current tax assets		-	0.4
Cash and cash equivalents		-0.0	-
Current assets		22.9	24.2
Total assets		419.4	445.5

in millions of euro (before profit appropriation)	Note	31 December 2023	31 December 2022
Equity			
Share capital		0.9	0.9
Share premium		143.6	143.6
Treasury share reserve		-	0.0
Legal translation reserve		-5.9	-10.5
Legal hedging reserve		-1.6	-1.2
Other legal reserves		24.2	21.0
Retained earnings		151.3	163.3
Unappropriated result		-1.0	18.0
Equity attributable to shareholders of the Company	24, 44	311.5	335.1
Liabilities			
Provisions		-	-
Deferred tax liabilities		-	-
Non-current liabilities		-	-
Bank overdrafts		-	-
Trade and other payables		1.7	1.7
Debts to group companies	41	105.8	108.7
Current tax liabilities		0.4	-
Current liabilities		107.9	110.4
Total liabilities		107.9	110.4
Total equity and liabilities		419.4	445.5

The notes 38 to 48 are an integral part of the company financial statements.

Company statement of profit or loss

in millions of euro	Note	2023	2022
Revenue		-	-
Operating income		0.2	-
Wages and salaries		-	-
Other operating expenses		-0.6	-0.5
Operating expenses		-0.6	-0.5
Operating profit		-0.4	-0.5
Net finance result	45	-2.8	-0.4
Profit (loss) before tax		-3.2	-0.9
Income tax expense		0.9	0.2
Share of profit of equity-accounted investees, net of tax	43	1.3	18.7
Profit for the year		-1.0	18.0

The notes 38 to 48 are an integral part of the company financial statements.

Company statement of changes in equity

in millions of euro	Note	Share Capital	Share premium	Treasury share reserve	Legal translation reserve	Legal hedging reserve	Other legal reserves	Retained earnings	Unappropriated result	Total
Balance as at 1 January 2023		0.9	143.6	-	-10.5	-1.2	21.0	163.3	18.0	335.1
Addition from unappropriated result		-	-	-	-	-	-	18.0	-18.0	-
Total comprehensive income										
Profit		-	-	-	-	-	-	-	-1.0	-1.0
Other comprehensive income	16, 27	-	-	-	4.6	-0.4	-	-7.4	-	-3.2
Total comprehensive income		-	-	-	4.6	-0.4	-	-7.4	-1.0	-4.2
Transactions with shareholders of the Company, recognised directly in equity										
Contributions and distributions										
Dividends	27	-	-	-	-	-	-	-17.9	-	-17.9
Purchase of own shares	27	-	-	-	-	-	-	-1.7	-	-1.7
Equity-settled share-based payments	14	-	-	-	-	-	-	0.2	-	0.2
Transfers		-	-	-	-	-	3.2	-3.2	-	-
Total transactions with shareholders of the Company		-	-	-	-	-	3.2	-22.6	-	-19.4
Balance as at 31 December 2023		0.9	143.6	-	-5.9	-1.6	24.2	151.3	-1.0	311.5

Company statement of changes in equity

in millions of euro	Note	Share Capital	Share premium	Treasury share reserve	Legal translation reserve	Legal hedging reserve	Other legal reserves	Retained earnings	Unap-propriated result	Total
Balance as at 1 January 2022		0.9	143.6	-	-5.2	-0.5	19.0	190.7	12.0	360.5
Addition from unappropriated result		-	-	-	-	-	-	12.0	-12.0	-
Total comprehensive income										
Profit		-	-	-	-	-	-	-	18.0	18.0
Other comprehensive income	16, 27	-	-	-	-5.3	-0.7	-	3.9	-	-2.1
Total comprehensive income		-	-	-	-5.3	-0.7	-	3.9	18.0	15.9
Transactions with shareholders of the Company, recognised directly in equity										
Contributions and distributions										
Dividends	27	-	-	-	-	-	-	-25.9	-	-25.9
Purchase of own shares	27	-	-	-0.0	-	-	-	-15.4	-	-15.4
Cancellation of own shares	27	-	-	-	-	-	-	-	-	-
Equity-settled share-based payments	14	-	-	-	-	-	-	-0.0	-	-0.0
Transfers		-	-	-	-	-	2.0	-2.0	-	-
Total transactions with shareholders of the Company		-	-	-0.0	-	-	2.0	-43.3	-	-41.3
Balance as at 31 December 2022		0.9	143.6	-	-10.5	-1.2	21.0	163.3	18.0	335.1

Notes to the company financial statements



38. General

The Company financial statements are part of the 2023 consolidated financial statements of ForFarmers N.V. (the 'Company').

For the accounting principles as well as the explanatory notes to the Company balance sheet and the statement of profit or loss account reference is made to the policies and explanatory notes to the consolidated statement of financial position and of profit and loss.

All amounts are presented in euros and have been rounded to the nearest million, unless otherwise indicated.

39. Principles for the measurement of assets and liabilities and the determination of the result

The Company financial statements have been prepared in accordance with Title 9, Book 2 of the Netherlands Civil Code. For setting the principles for the recognition and measurement of assets and liabilities and determination of the result for its company financial statements, the Company makes use of the option provided in section 2:362(8) of the Netherlands Civil Code. This means that the principles for the recognition and measurement of assets and liabilities and determination of the result (hereafter referred to as principles for recognition and measurement) of the company financial statements of the Company are the same as those applied for the consolidated EU-IFRS financial statements. Refer to Note 35 and 36 of the consolidated financial statements for a description of these principles.

Participating interests in group companies

Participating interests in group companies are accounted for in the company financial statements according to the equity method. Refer to the basis of consolidation accounting policy in the consolidated financial statements.

Result of participating interests

The share in the result of participating interests consists of the share of the Company in the result of these participating interests. In so far as gains or losses on transactions involving the transfer of assets and liabilities between the Company and its participating interests or between participating interests themselves can be considered unrealised, they have not been recognised.

40. Equity-accounted investees

in millions of euro	Note	2023	2022
Carrying value at 1 January		421.1	403.8
Dividend paid		-13.9	-83.1
Capital contributions		15.1	83.1
Share in results from participating interest, net of tax		1.3	18.7
Foreign operations – foreign currency translation differences, net of tax		4.6	-5.3
Remeasurement of defined benefit liabilities, net of tax		-7.4	3.9
Divestment group companies	7	-25.2	-
Other changes		-	-
Carrying value at 31 December		395.6	421.1

The divestments group companies line consist of the equity value of the divested compound feed activities in Belgium after impairment of €4.7 million.

41. Receivables from and debts to group companies

The receivables from and debt to group companies are current.

42. Financial instruments

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

In the notes to the consolidated financial statements information is included about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. These risks, objectives, policies and processes for measuring and managing risk, and the management of capital apply also to the company financial statements.

Fair value

The fair values of the financial instruments stated on the balance sheet, including trade and other receivables, cash and cash equivalents, trade and other payables and debts to group companies are close to their carrying amounts.

43. Income taxes

A tax unity is in place for the income tax between the Company and Dutch group companies in which the Company has a 100% interest. For VAT, a comparable fiscal unity exists for the Dutch group companies. The total current receivable or liability towards the tax authorities is accounted for in the statement of financial position of the head of the tax unity. The comparative figures of prior year have been adjusted. Settlement of the taxes within the tax unity takes place as if each company is independently liable for tax.

44. Shareholders' equity

Information about the Company's equity is included in the consolidated financial statements of ForFarmers N.V.

45. Net finance result

Net finance result amounts to €2.8 million negative (2022: €0.4 million negative) and includes, among others, interest over receivables and debt to group companies, both current.

46. Credit facilities

The credit facility of ForFarmers N.V. only relates to the financing agreement (multicurrency revolving facility agreement) that was concluded with ABN AMRO, HSBC, ING, BNP Paribas and Rabobank and is free from securities. For a further explanation, a reference is made to Note 26 to the consolidated financial statements.

47. Commitments and contingencies

A declaration of guarantee based on article 2:403 of the Dutch Civil Code has been issued by ForFarmers N.V. for the benefit of ForFarmers Nederland B.V., ForFarmers Corporate Services B.V., FF Logistics B.V., PoultryPlus B.V. and Reudink B.V.

48. Remuneration of the supervisory board and the executive board

The remuneration of the board of supervisory directors and the statutory board of directors equals the remuneration of the board of supervisory directors and the statutory board of directors as declared in Note 36 of the explanatory notes to the consolidated financial statements. During the year, the average number of employees employed to the Company, converted into full-time equivalents, amounted to 2.8 employees (2022: 3.3 employees), who were all employed in the Netherlands.

Lochem, 21 February 2024

Board of Directors ForFarmers N.V.

Pieter Wolleswinkel, CEO

Rob Kiers, COO

Supervisory Board ForFarmers N.V.

Jan van Nieuwenhuizen, Chairman

Erwin Wunnekink, Vice-Chair

Roger Gerritzen

Vincent Hulshof

Annemieke den Otter

Marijke Folkers – In 't Hout

Other information



Result appropriation scheme under the articles of association

Articles 36, 37 and 38 of the articles of association of the Company read as follows:

Payments – General

Article 36

36.1 Payments may be made only to the extent that the Company's equity capital exceeds the amount of the paid up and called up part of its capital, plus the reserves that have to be maintained by virtue of the law.

36.2 The Executive Board may decide to make an interim payment, if the requirement of Article 36.1 has been satisfied, as evidenced by an interim statement of assets and liabilities, drawn up in accordance with article 105 (4) of Book 2 DCC, and if the payment in question concerns an interim payment of profits, with due observance of the sequence set out in Article 38.1.

36.3 There is no entitlement to payments in relation to preference shares or the priority share, other than as set out in the Articles 12.2, 38.1 and 39.3.

36.4 Payments are made in proportion to the aggregate nominal amount of the shares of the class in question. Notwithstanding the previous full sentence, payments on preference shares (or payments to the former holders of preference shares) are made in proportion to the amounts paid up, or paid up earlier, on those preference shares.

36.5 Those entitled to payments are the relevant shareholders, holders of a right of usufruct and holders of a right of pledge, depending on the circumstances of the case, on a date determined for that purpose by the Executive Board. This date shall not precede the date on which the payment is announced.

36.6 The General Meeting may resolve, with due observance of Article 32, that a payment will fully or partly be made in the form of shares in the Company's capital or in kind, instead of in cash.

36.7 Payments will be made available on a date to be determined by the Executive Board and, if a payment in cash is concerned, in a currency to be determined by the Executive Board.

36.8 A claim for payment shall lapse upon expiry of a period of five years after the payment became available.

36.9 When calculating the amount or the distribution of a payment, the shares held by the Company in its own capital are not considered. No payment is made to the Company on shares held by it in its own capital.

Payments – Reserves

Article 37

37.1 All reserves maintained by the Company are attached to the ordinary shares only, unless expressly provided otherwise in this Article 37.

37.2 The General Meeting is authorised to resolve to make a payment at the expense of the Company's reserves, with due observance of Article 32.

37.3 Without prejudice to the provisions of Articles 37.4 and 38.2, payments at the expense of a reserve shall be made on those shares only to which such reserve is attached.

37.4 The Executive Board may resolve to charge amounts to be paid up on shares to the Company's reserves, regardless as to whether those shares are issued to existing shareholders.

Payments – Profit

Article 38

38.1 With due observance of Article 36.1, any profits appearing from the Company's annual accounts regarding a specific financial year shall be distributed in the sequence set forth below:

- a. to the extent that preference shares were withdrawn without the payment specified in Article 12.2 (b) having been made in full and without such a deficit subsequently having been paid in full as set forth in this Article 38.1 or Article 38.2, an amount equal to such a deficit, or remaining deficit, will be paid out to the one or the ones who was or were holding preference shares the moment the withdrawal took effect;
- b. to the extent that any Preference Payment (or any part thereof) on previous financial years has not yet been effected in full as set forth in this Article 38.1 or Article 38.2, an amount equal to such a deficit, or remaining deficit, will be paid out on the preference shares;
- c. the Preference Payment on the financial year to which the annual accounts relate will be paid out on the preference shares;
- d. the Executive Board determines which part of the remaining profits will be added to the Company's reserves;
- e. from what is left of the profits remaining thereafter an amount equal to the nominal amount of the priority share will be paid out on the priority share; and
- f. with due observance of Article 32, the profits remaining thereafter shall be at the disposal of the General Meeting in order to be paid out on the ordinary shares.

38.2 To the extent that the payments set forth in Article 38.1 (a) up to and including (c) (or any part of these) cannot be made from the profits appearing from the annual accounts, a deficit of that kind will be paid out at the expense of the Company's reserves, with due observance of the Articles 36.1 and 36.2.

38.3 Payments of profits are made, with due observance of Article 36.1, after the adoption of the annual accounts showing that such is permitted.

Special provision in the articles of association regarding governance

Trust Office Foundation

The management of the ForFarmers Trust Office Foundation operates independently of the Company. The ForFarmers Trust Office Foundation holds ordinary capital shares in the Company and is intended, inter alia, for (i) the acquisition of ordinary shares for management purposes (ii) the issue of depositary receipts, (iii) where applicable, the acquisition, disposal and encumbrance of shares for its own account, (iv) the exercise of rights associated with the ordinary shares it holds and (v) the granting of proxies for the exercise of voting rights as well as the acceptance of voting instructions as regards the exercise of the voting right, all in accordance with the Trust terms & conditions. The Articles of Association, Trust terms & conditions and the Report of the ForFarmers Trust Office Foundation (in Dutch: "Stichting Beheer- en Administratiekantoor ForFarmers") are on the Company's website. As aforementioned, only Coöperatie FromFarmers U.A. may issue binding voting instructions for the shares held by the aforementioned foundation (and for which voting rights have not been requested).

The Trust Office Foundation shall only accept ordinary shares for management purposes against issue of depositary receipts to (i) a holder of depositary receipts within the context of exercising a share claim, (ii) someone entitled to the balance of a participation account held with Coöperatie FromFarmers U.A. within the context of a conversion, (iii) an employee as part of an participation plan, (iv) Coöperatie FromFarmers U.A. or (v) a party designated by the aforementioned Cooperative.

Priority shareholder

The priority share is held by Coöperatie FromFarmers U.A. As a result of the treasury shares held by the Group Coöperatie FromFarmers U.A., on the latest reference date of 1 January 2024, could exercise the voting right for 48.3% of votes to be cast on the total of ordinary shares. Furthermore, the Coöperatie FromFarmers U.A. could give voting instructions with regard to the shares held by the Trust Office Foundation, giving it a total voting right of 57.4%. As priority share holder Coöperatie FromFarmers U.A.:

- i. has a recommendation right for four of the six members of the Supervisory Board;
- ii. may appoint a member of the Supervisory Board as Chairman after consultation with the Supervisory Board;
- iii. has an approval right as regards the decisions of the Executive Board regarding:
 1. moving the Company's head office outside the east of the Netherlands (Gelderland and Overijssel);
 2. an important change in the identity of nature of the Company or its enterprise as a result of (1) transfer of the enterprise or practically all of the enterprise to a third party or (2) entering into or breaking off a long-term partnership of the Company or a subsidiary thereof with another legal entity or company, or as fully liable partner in a limited partnership or general partnership, if such partnership or its termination represents a fundamental change to the Company;
 3. taking or disposing of a participating interest in the capital of a company to a value of at least a third of the amount of the Company's equity according to the balance sheet with explanatory notes or, in the event the Company draws up consolidated balance sheets, according to the consolidated balance sheet with explanatory notes, according to the most recently adopted annual accounts of the Company, or any of its subsidiaries;
 4. changes to the Company's articles of association;
 5. affecting a merger or division

Please refer to the Corporate Governance Statement for the conditions for holding the priority share and the special control rights associated thereto if that voting right and/or voting instruction can be exercised or given for 50% or less.

Protective measures

The Company has entered into a call-option agreement with regard to preference shares with Stichting Continuïteit ForFarmers (ForFarmers Continuity Foundation). This Continuity Foundation was established to safeguard the identity, strategy, independence and continuity of the enterprise affiliated with the Company. Stichting Continuïteit ForFarmers is fully independent and has independent management. Furthermore, Coöperatie FromFarmers U.A. holds a priority share to which rights are associated as provided for in the Company's Articles of Association.

The appointment of Executive Board members furthermore only occurs by binding recommendation from the Board, and material decisions of the General Meeting of Shareholders (such as issues of shares, dividends, amendment to the articles of association, mergers, divisions and demergers) may only be made on the proposal of the Executive Board with the approval of the Board.

Branch offices

The Company itself does not have branches outside the Netherlands. For the list of main subsidiaries (including foreign subsidiaries) of the Company, a reference is made to Note 30 of the notes to the consolidated financial statements.

Independent auditor's report

The auditor's report with respect to the consolidated financial statements and the company financial statements is set out on the next pages.

Independent auditor's report



To: the General Meeting of Shareholders and the Supervisory Board of ForFarmers N.V.

Report on the audit of the financial statements 2023 included in the annual report

Our opinion

In our opinion:

- the accompanying consolidated financial statements give a true and fair view of the financial position of ForFarmers N.V. as at 31 December 2023 and of its result and its cash flows for the year then ended, in accordance with IFRS Accounting Standards as endorsed by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code.
- the accompanying company financial statements give a true and fair view of the financial position of ForFarmers N.V. as at 31 December 2023 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited

We have audited the financial statements 2023 of ForFarmers N.V. (the 'Company') based in Lochem. The financial statements include the consolidated financial statements and the company financial statements.

The consolidated financial statements comprise:

1. the consolidated statement of financial position as at 31 December 2023;
2. the following consolidated statements for 2023: the statement of profit or loss, the statements of comprehensive income, changes in equity and cash flows; and
3. the notes comprising material accounting policy information and other explanatory information.

The company financial statements comprise:

1. the company balance sheet as 31 December 2023;
2. the company statement of profit or loss for 2023; and
3. the notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of the Company in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The information in respect of going concern, fraud and non-compliance with laws and regulations, climate and the key audit matters were addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information in support of our opinion

Summary

Materiality

- Materiality of EUR 7.5 million
- 0.25% of revenues

Group audit

- Audit coverage of 86% of total assets
- Audit coverage of 82% of revenues

Risk of material misstatements related to Fraud, NOCLAR, Going concern and Climate risks

- Fraud risks: presumed risk of management override of controls and presumed risk of revenue recognition identified and further described in the section 'Audit response to the risk of fraud and non-compliance with laws and regulations'.
- Non-compliance with laws and regulations (NOCLAR) risks: no reportable risk of material misstatements related to NOCLAR risks identified.
- Going concern risks: no going concern risks identified and further described in the section 'Audit response to going concern'.
- Climate risks: we have considered the impact of climate-related risks on the financial statements and described our approach and observations in the section 'Audit response to climate-related risks'.

Key audit matters

- Remeasurement of Tasomix put option liability
- Valuation of non-current assets in the United Kingdom

Materiality

Based on our professional judgement we determined the materiality for the financial statements as a whole at EUR 7.5 million (2022: EUR 6.0 million). The materiality is determined with reference to revenues as we consider revenues the most appropriate benchmark. We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with the Supervisory Board that misstatements identified during our audit in excess of EUR 0.3 million would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Scope of the group audit

The Company is at the head of a group of components. The financial information of this group is included in the financial statements of the Company.

Our group audit mainly focused on significant components. These are components that are (i) of individual financial significance to the group, or (ii) that, due to their specific nature or circumstances, are likely to include significant risks of material misstatement for the group financial statements.

In order to obtain sufficient audit coverage on the relevant financial statement line items, we have also included non-significant components in our group audit scope.

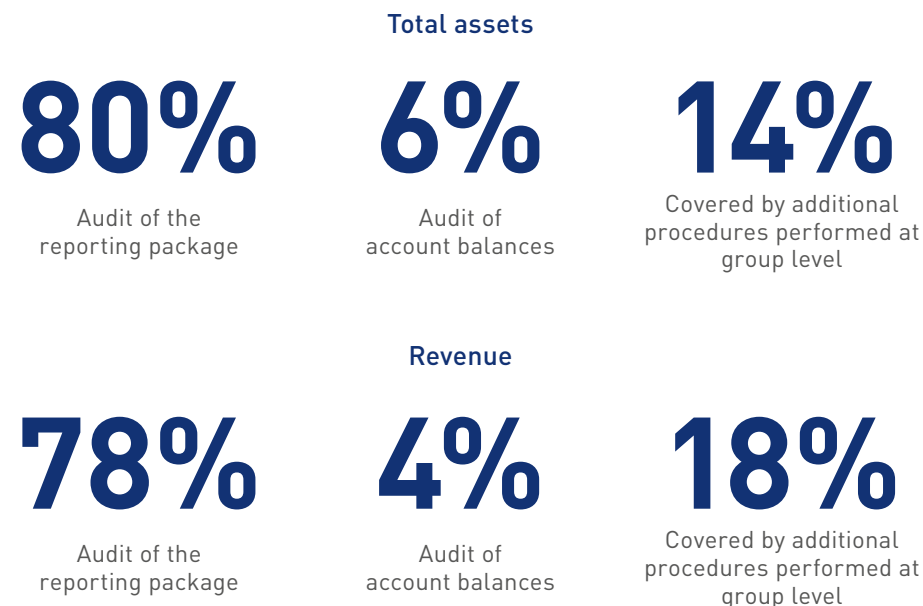
In total, we have selected 12 components where we performed audits of the reporting package and/or audit of account balances. For these components we have:

- performed audit procedures ourselves at group level in respect of, amongst others, the valuation of the Tasomix put option liability, the annual goodwill impairment test, the disposal of compound feed activities of ForFarmers Belgium, the Dutch tax position which includes the valuation of deferred tax assets and we performed audit of account balances for 1 component;
- made use of the work of local KPMG auditors and 1 non-KPMG auditor for 11 components for which an audit of the reporting package was performed and for 1 component for which an audit of account balances was performed. These entities are located in the Netherlands, Germany, Poland and the United Kingdom.

The group audit team provided detailed instructions to all component auditors who were part of the group audit, covering the significant audit areas and set out the information required to be reported back to the group audit team. Virtual meetings were held with all component auditors that participated in the group audit, to discuss the audit approach and the audit findings and observations reported to the group audit team.

For the residual population not in scope we performed additional procedures, which include analytical procedures, in order to corroborate that our scoping remained appropriate throughout the audit. None of the remaining components represented more than 5% of total group revenue or total group assets.

Our procedures as described above can be summarized as follows:



By performing the procedures mentioned above at group components, together with additional procedures at group level, we have been able to obtain sufficient and appropriate audit evidence about the group's financial information to provide an opinion about the financial statements.

Audit response to the risk of fraud and non-compliance with laws and regulations

In chapters “Corporate Governance” and “Risk Management” of the annual report, the Executive Board describes its procedures in respect of the risk of fraud and non-compliance with laws and regulations and the supervisory board reflects on this.

As part of our audit, we have gained insights into the Company and its business environment, and the Company’s risk management in relation to fraud and non-compliance. Our procedures included, among others, assessing the Company’s code of conduct, whistleblowing procedures and inspecting the incidents register. Furthermore, we performed relevant inquiries with the Executive Board, Supervisory Board and other relevant functions, such as Internal Audit and the Legal Counsel and included correspondence with supervisory authorities and regulators, such as tax and health and safety authorities, as well as legal confirmation letters in our evaluation.

We have also incorporated elements of unpredictability in our audit, such as performing test of details on customer specific discounts and involved forensic specialists in our audit procedures.

As a result from our risk assessment, we identified the following laws and regulations as those which could potentially have a material effect on the financial statements in case of non-compliance: feed safety, environmental law and health and safety law.

Based on the above and on the auditing standards, we identified the following fraud risks that are relevant to our audit and responded as follows:

Management override of controls (a presumed risk)

Risk:

- According to auditing standards, the Executive Board is in a unique position to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.

Responses:

- We evaluated the design and the implementation of internal controls that mitigate fraud risks, such as controls related to journal entries and post-closing adjustments.
- We performed a data analysis of high-risk journal entries, specifically those posted on revenues and cost of sales. Where we identified instances of unexpected manual journal entries or other risks through our data analytics, we performed additional audit procedures to address each identified risk, including testing of postings back to source information.
- We verified the accuracy of material post-closing entries recorded in the general ledger with source information.
- We evaluated key estimates and judgments for bias by the company’s management, including retrospective reviews of prior years’ estimates with respect to remeasurement of the Tasomix put option liability, valuation of non-current assets in the United Kingdom and goodwill for CGU the Netherlands.
- We assessed the appropriateness of changes compared to prior year in the methods and underlying assumptions used to prepare accounting estimates.

Revenue recognition (a presumed risk)

Risk:

- According to auditing standards, there is a presumed risk of fraudulent revenue recognition.
- Based on our evaluation of fraud risk factors, we identified a fraud risk for certain components in relation to overstatement of revenues, amongst others through the occurrence of inappropriate manual journal entries and, at certain components, fraudulent accounting for customer-specific discounts.

Responses:

- We evaluated the design and the implementation of internal controls related to manual journal entries posted in revenue accounts and related to customer-specific discounts.
- We performed data analyses on the revenue accounts to identify manual journal entries posted in revenue accounts.
- We tested manual journal entries posted in revenue accounts based on high risk criteria, including inspection of the source documentation to assess the validity of the business rationale and testing back to source information.
- We verified the accuracy of material post-closing adjustments recorded in the general ledger on revenue related accounts.
- We performed test of detail procedures at certain components on revenue transactions with customer-specific discounts.

Our evaluation of procedures performed related to fraud did not result in a key audit matter. We communicated our risk assessment, audit responses and results to the Executive Board and Supervisory Board.

Our audit procedures did not reveal indications and/or reasonable suspicion of fraud and non-compliance that are considered material for our audit.

Audit response to going concern

The Executive Board has performed its going concern assessment and has not identified any going concern risks. Therefore, the financial statements are prepared under the going concern assumption. Our main procedures to assess the Executive Board's assessment were:

- we considered whether the Executive Board's assessment of the going concern risks includes all relevant information of which we are aware as a result of our audit;
- we inspected the financing agreement for terms of conditions that could lead to going concern risks, including the term of the agreement and any covenants;
- we analysed whether the headroom of the ratios included in the financing agreement is sufficient or if it gives rise to the risk of the covenants in the financing agreement being breached;
- we analysed the company's financial position as at year-end and compared it to the previous financial year in terms of indicators that could identify going concern risks.

The outcome of the abovementioned procedures did not give reason to perform additional audit procedures on the Executive Board's going concern assessment.

Audit response to climate-related risks

The company has set out its ambitions relating to climate change in the Executive Board's Report. The company has an ambition to reduce, by 2030, their absolute scope 1 and 2 emissions by 75% per ton of feed, compared to 2015, and the scope 3 (upstream) emissions of feed materials by 30%, compared to 2020.

Management has assessed, at a high level, against the background of the company's business and operations, how climate-related risks and opportunities and the company's own targets could have a significant impact on its business or could impose the need to adapt its strategy and operations.

Also, regarding the impact of feed-related nitrogen emissions on biodiversity, which is closely related to climate change, the company has assessed the potential impact of the ongoing public debate regarding the reduction of animal feed-related nitrogen

emissions. In particular, this uncertainty is related to potential future legislation that may negatively affect live-stock population and thereby the demand for animal feed that the company produces and sells to its customers.

Management has considered the impact of both transition and physical risks resulting from climate change on the financial statements in accordance with the applicable financial reporting framework, more specifically on the valuation of non-current assets. Management prepared the financial statements, including considering whether the implications from climate-related risks and targets have been appropriately accounted for and disclosed, and concluded that no material impact is identified on the 2023 financial statements which is disclosed in chapter "Risk Management" of the Executive Board's Report and note 4d to the financial statements.

As part of our audit we performed a risk assessment of the impact of climate-related risk and the targets set by the company in respect of climate change on the financial statements and our audit approach. In doing this we performed the following:

- Understanding management's processes: we made enquiries with Executive Board and Supervisory Board on the climate risk assessments integrated in the structural risk management approach of the company, we assessed management's 2025 strategic plan and 2024 business plan which both incorporates targets and strategic actions relating to climate change to understand management's assessment against the background of the company's business and operations of the potential impact of climate-related risk and opportunities on the company's financial statements and the company's preparedness for this.
- We made enquiries of management to understand the process by which climate related narrative is developed and the governance process in place over the narrative.
- We have considered the presence of climate related fraud risk factors. The climate related fraud risk factor we have assessed relates to the pressure resulting from potentially increasing regulation and the political debate regarding nitrogen;

- Used KPMG climate risk experts to assist in our understanding of the Company's risk assessment as to how climate-related risks and opportunities may affect the company and its accounting for the valuation of non-current assets as reflected in the current year's financial statements.

Based on our risk assessment procedures we concluded that climate related risks have no material impact on the current financial statements under the applicable financial reporting framework.

Furthermore we have read the 'Other information' with respect to climate-related risks as included in the annual report and considered whether such information contains material inconsistencies with the financial statements or our knowledge obtained through the audit, in particular as described above and our knowledge obtained otherwise.

Our key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the Supervisory Board. The key audit matters are not a comprehensive reflection of all matters discussed.

Compared to last year the key audit matter with respect to the valuation of non-current assets in the United Kingdom has been added, as lower than budgeted results in combination with lower (forecasted) utilization levels in specific mills resulted in an impairment trigger for the non-current assets.

Remeasurement of Tasomix put option liability

Description

As part of the acquisition accounting for Tasomix in 2018, the Company recognized a put option liability for the remaining 40% of the shares of Tasomix of EUR 30.0 million at acquisition date.

The Company is required to remeasure this liability at fair value at each period-end. The remeasurement of this liability was significant to our audit due to the judgments and assumptions involved, which are affected by the forecasted EBITDA and the forecasted net debt of Tasomix, the discount rate and the exercise date.

The fair value remeasurement in 2023 resulted in an adjustment with a net effect of EUR 4.5 million (increase). As per 31 December 2023, the put option liability amounts to EUR 27.7 million. The adjustment is recorded in the net finance costs in the income statement and has been disclosed in note 6, 11, 16 and 29 of the financial statements.

Our response

We have evaluated the design and implementation of the internal controls related to the remeasurement of the put option liability. We challenged the applied model and management's key assumptions included in the fair value remeasurement for the put option liability, through performing, among other procedures, a retrospective review, a verification of the consistency with the data included in the management's latest mid-term plan for Poland and by comparing the data used to external and historical data, such as external market growth expectations and by analyzing sensitivities in the Company's valuation model.

We assessed the adequacy of the disclosures in note 6, 11, 16 and 29 to the financial statements 2023.

Our observation

We consider management's key assumptions and estimates used to determine the put option liability to be within the reasonable range.

We consider the disclosures in note 6, 11, 16 and 29 to the financial statements to be adequate.

Valuation of non-current assets United Kingdom

Description

As at 31 December 2023, the Group's non-current assets amount to EUR 437.6 million, of which EUR 101.6 million relates to the CGU United Kingdom. The Company is required to assess the valuation of non-current assets when there is an indication that the CGU or an asset may be impaired. Lower than budgeted results for the United Kingdom, in combination with lower (forecasted) utilization levels for specific mills, resulted in an impairment trigger for the non-current assets in the United Kingdom.

The valuation of non-current assets of the United Kingdom was significant to our audit due to the judgments and assumptions applied in the impairment test.

Our response

We have evaluated the design and implementation of the internal controls relating to the impairment test. We assessed the recoverable amount as determined the Company by challenging the cashflow projections and fair value information as included in the impairment test and we assessed the appropriateness of the data used by comparing them to external and historical data, such as external market growth expectations, and by analysing sensitivities in the Company's valuation models.

Our audit procedures included the involvement of a valuation specialist to assist us in evaluating the assumptions, in particular the (terminal) growth rate and discount rate used by ForFarmers. We verified the mathematical accuracy of management's valuation model.

We applied sensitivity analyses and assessed management's key assumptions, challenged the overall outcome and consistency and the historical accuracy of management's estimates and retrospective review.

We assessed the adequacy of note 17 to the financial statements 2023.

Our observation

We consider management's key assumptions and estimates used to determine the valuation of non-current assets in the United Kingdom to be within the reasonable range.

We consider the disclosure in note 17 to the financial statements to be adequate.

Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements; and
- contains the information as required by Part 9 of Book 2 of the Dutch Civil Code for the management report and other information.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures

performed is less than the scope of those performed in our audit of the financial statements.

The Executive Board is responsible for the preparation of the other information, including the information as required by Part 9 of Book 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements and ESEF

Engagement

We are the auditor of the Company since 2014. We were re-engaged by the General Meeting of Shareholders as auditor of the Company on 13 April 2023 for the year 2023.

No prohibited non-audit services

We have not provided prohibited non-audit services as referred to in Article 5(1) of the EU Regulation on specific requirements regarding statutory audits of public-interest entities.

European Single Electronic Format (ESEF)

The Company has prepared its annual report in ESEF. The requirements for this are set out in the Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (hereinafter: the RTS on ESEF).

In our opinion the annual report prepared in XHTML format, including the (partly) marked-up consolidated financial statements as included in the reporting package by the Company, complies in all material respects with the RTS on ESEF.

The Executive Board is responsible for preparing the annual report including the financial statements in accordance with the RTS on ESEF, whereby the Executive Board combines the various components into one single reporting package.

Our responsibility is to obtain reasonable assurance for our opinion whether the annual report in this reporting package complies with the RTS on ESEF. We performed our examination in accordance with Dutch law, including Dutch Standard 3950N 'Assurance-opdrachten inzake het voldoen aan de criteria voor het opstellen van een digitaal verantwoordingsdocument' (assurance engagements relating to compliance with criteria for digital reporting). Our examination included among others:

- Obtaining an understanding of the entity's financial reporting process, including the preparation of the reporting package;
- Identifying and assessing the risks that the annual report does not comply in all material respects with the RTS on ESEF and designing and performing further assurance procedures responsive to those risks to provide a basis for our opinion, including:
 - Obtaining the reporting package and performing validations to determine whether the reporting package containing the Inline XBRL instance document and the XBRL extension taxonomy files have been prepared in accordance with the technical specifications as included in the RTS on ESEF;
 - Examining the information related to the consolidated financial statements in the reporting package to determine whether all required mark-ups have been applied and whether these are in accordance with the RTS on ESEF.

Description of responsibilities regarding the financial statements

Responsibilities of the Executive Board and the Supervisory Board for the financial statements

The Executive Board is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the Executive Board is responsible for such internal control as the Executive board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error. In that respect the Executive Board, under supervision of the Supervisory Board, is responsible for the prevention and detection of fraud and non-compliance with laws and regulations, including determining measures to resolve the consequences of it and to prevent recurrence.

As part of the preparation of the financial statements, the Executive Board is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the Executive Board should prepare the financial statements using the going concern basis of accounting unless the Executive Board either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Executive Board should disclose events and circumstances that may cast significant doubt on the Company's ability to continue as a going concern in the financial statements.

The Supervisory Board is responsible for overseeing the Company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

A further description of our responsibilities for the audit of the financial statements is included in appendix of this auditor's report. This description forms part of our auditor's report.

Amstelveen, 21 February 2024

KPMG Accountants N.V.

A. el Hessaïni RA

Appendix: Description of our responsibilities for the audit of the financial statements

Appendix

Description of our responsibilities for the audit of the financial statements

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Executive Board;
- concluding on the appropriateness of the Executive Board's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern;
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We are solely responsible for the opinion and therefore responsible to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the financial statements. In this respect we are also responsible for directing, supervising and performing the group audit.

We communicate with the Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit. In this respect we also submit an additional report to the audit committee in accordance with Article 11 of the EU Regulation on specific requirements regarding statutory audits of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

We provide the Supervisory Board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Supervisory Board, we determine the key audit matters: those matters that were of most significance in the audit of the financial statements. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

Overview financial history

Consolidated statement of financial position

In millions of euro	2023	2022	2021	2020	2019
Property, plant and equipment	304.4	311.8	292.5	291.4	261.6
Intangible assets and goodwill	90.0	105.2	96.3	139.8	168.0
Other fixed assets	43.2	44.3	39.6	41.3	41.8
Non-current assets	437.6	461.3	428.4	472.4	471.4
Current assets	403.2	559.1	388.3	393.1	402.3
Total assets	840.8	1,020.4	816.7	865.5	873.7
Equity	311.5	335.1	356.9	413.2	435.6
Non-controlling interests	8.9	9.1	5.6	5.1	5.2
Total equity	320.4	344.2	362.5	418.4	440.8
Non-current liabilities	148.9	175.6	132.5	115.1	142.5
Current liabilities	371.5	500.6	321.7	332.0	290.5
Total equity and liabilities	840.8	1,020.4	816.7	865.5	873.7
Average capital employed	460.8	497.9	496.4	547.0	434.5
Net debt	62.0	98.4	-15.8	7.0	17.1
Solvency ratio⁽¹⁾	38.1%	33.7%	44.4%	48.3%	50.4%
Equity as a percentage of total liabilities	61.6%	50.9%	79.8%	93.6%	101.8%
ROACE on underlying EBITDA ⁽²⁾	15.2%	15.3%	19.4%	16.2%	23.0%
ROACE on underlying EBIT ⁽²⁾	7.1%	7.8%	12.4%	10.2%	17.6%

¹ Solvency ratio is equity divided by total assets.

² ROACE means underlying EBIT(DA) divided by 12-month average capital employed

Consolidated statement of profit or loss

In millions of euro	2023	2022	2021	2020	2019
Revenue	2,974.7	3,315.0	2,670.5	2,351.9	2,463.1
Gross profit	477.3	494.8	436.3	433.2	440.7
Operating profit	4.6	24.4	22.6	24.2	14.2
Net finance result	-9.7	-6.5	-5.6	1.9	10.7
Profit before tax	0.1	22.2	20.8	30.2	27.6
Profit for the year	1.9	18.2	12.5	14.7	18.0
Profit attributable to shareholders of the Company	-1.0	18.0	12.0	14.2	17.7
Compound feed (in million tonnes)	5.87	6.28	6.82	6.80	7.08
DML (in million tonnes)	2.32	2.49	2.55	2.62	2.71
Fertilizer (in million tonnes)	0.10	0.12	0.14	0.15	0.14
Other (in million tonnes)	0.14	0.12	0.16	0.17	0.15
Total volume (x million tonnes)	8.43	9.03	9.67	9.74	10.10
Number of employees at year-end (in fte's)	2,269	2,468	2,444	2,502	2,570
Underlying EBITDA ⁽¹⁾	70.0	76.1	78.2	96.2	88.5
Underlying EBITDA as % of revenue	2.4%	2.3%	2.9%	4.1%	3.6%
Underlying EBITDA as % of gross profit	14.7%	15.6%	18.9%	22.2%	20.1%
Underlying EBIT ⁽¹⁾	32.7	38.9	40.7	61.6	55.7
Underlying EBIT as % of revenue	1.1%	1.2%	1.5%	2.6%	2.3%
Underlying profit ^(1, 2)	22.7	30.0	29.0	46.3	42.1
Underlying profit per share ^(1, 2)	0.25	0.33	0.32	0.49	0.43
Dividend (€ million)	13.3	17.9	27.1	27.6	27.4
Dividend per share (€)	0.15	0.20	0.29	0.29	0.28
Impact of acquisitions and divestments on revenue	-0.3%	0.2%	4.4%	0.0%	4.7%
Impact of acquisitions and divestments on gross profit	-0.9%	0.1%	4.5%	0.1%	3.9%
Impact of acquisitions and divestments on operating profit (EBIT)	2.5%	0.0%	26.4%	0.0%	1.2%
Impact of acquisitions and divestments on operating profit before depreciation (EBITDA)	0.4%	0.1%	9.0%	0.1%	5.1%

¹ Underlying metrics are Alternative performance measures (APM) not defined by IFRS. These measures are used as the Group believes they provide a better perspective of ForFarmers' business development and performance. For a reconciliation between IFRS measures and underlying measures, reference is made to Note 17 of the financial statements

² Underlying profit is an APM since 2017

Non-financial indicators

	Target by 2025	2023	2022	2021	2020	2019
Social						
Number of employees (FTE)		2,269	2,468	2,502	2,570	2,654
Gender Diversity (total) (% female)		22%	22%	22%	21%	20%
Gender Diversity (new hires) (% female)		21%	27%	24%	29%	26%
Retention rate (% of FTE at 1 January)		84%	82%	83%	86%	81%
Lost Time Incidents (LTI) (#) ⁽¹⁾	<18	20	17	28	24	36
LTI Frequency Rate (per 200,000 hours worked) ⁽¹⁾	<0.5	0.79	0.65	1.05	0.87	
Investment training & Development (expenses in €k)		1,539	1,688	1,283	1,867	2,238
Internal promotions into senior management (#)		–	1	2	2	2
Cumulative participation rate in open share participation plans		7%	10%	13%	15%	18%
Absentee rate (% of total FTE)		3.1%	3.8%	3.4%	3.0%	2.5%
Environmental						
Greenhouse gas emissions Production scope 1+2 (kg CO ₂ /T) ⁽¹⁾		13.0	12.0	18.6	19.7	18.3
Greenhouse gas emissions Logistics scope 1 (kg CO ₂ /T) ⁽¹⁾		8.2	8.0	8.0	8.7	8.5
Greenhouse gas emissions per tonne scope 1+2 change (y-o-y, %)		6%	–25%	–6%	6%	–8%
Greenhouse gas emissions Raw Materials scope 3 incl land use change (kg CO ₂ /T)		1,052.0	1,073.0	819.0	958.0	
Energy usage Production (kWh per tonne)	<52.97	58.55	57.64	58.75	58.86	
Energy usage Logistics (kWh per tonne)	<31.3	34.9	33.7	34.5	34.8	
Renewable energy (% of total energy usage)	50%	0.2	0.2	0.1	0.1	
Suppliers signing Sedex code (% of total suppliers)	85%	85%	85%	85%	79%	83%
Sustainable palm oil purchases (%) ⁽¹⁾	100%	75%	70%	70%	70%	70%
Sustainable soy bean meal purchases (%) ⁽¹⁾	100%	75%	75%	75%	75%	75%
Phosphate efficiency dairy NL (%) ⁽¹⁾			38.0%	38.3%	39.6%	39.6%
Phosphate efficiency Finishers NL (%) ⁽¹⁾			53.8%	56.2%	54.6%	54.1%
Phosphate efficiency broilers regular NL (%) ⁽¹⁾			70.5%	72.3%	62.7%	62.9%
Phosphate efficiency broilers animal welfare concepts NL (%) ⁽¹⁾			59.3%	60.0%	53.1%	52.2%
Nitrogen efficiency dairy NL (%)			29.7%	29.6%	29.8%	29.6%
Nitrogen efficiency Finishers NL (%)			42.9%	42.9%	42.9%	41.4%
Nitrogen efficiency broilers regular NL (%)			62.1%	63.1%	61.3%	61.5%
Nitrogen efficiency broilers animal welfare concepts NL (%)			53.2%	53.0%	51.6%	50.7%
Feed material not suited for human consumption (% of total) ⁽²⁾		69%	67%	64%	64%	
Number of feed safety incidents (#) ⁽¹⁾	13	7	5	3	8	9

¹ Reviewed by independant auditor

² The Netherlands, Belgium and Germany

Glossary

Corporate Governance Code	The Corporate Governance Code applies to all companies with a registered office in the Netherlands, whose shares or depositary receipts thereof are admitted to trading on a regulated market or multilateral trading facility within the EU, or a comparable market or trading facility outside the EU.
Additives	Ingredients that are added to feed to improve the feed, for instance with respect to shelf life, taste, odour or nutritional value.
AGM	Annual General Meeting of Shareholders.
Agrifirm	Dutch cooperative of farmers and horticulturists with subsidiaries in multiple countries in and outside Europe. Strategic partner of ForFarmers for the purchase of fertilisers, seeds and crop protection products in NL.
AMR	Anti-Microbial Resistance.
AMX	The AMX Index (short for Amsterdam Mid Cap Index) is a stock market index composed of Dutch companies, ranking 26-50 in size, which trade on the Euronext Amsterdam stock exchange.
AScX Index	The AScX Index (short for Amsterdam Small Cap Index) is a stock market index composed of Dutch companies, ranking 51-75 in size, which trade on the Euronext Amsterdam stock exchange.
Bedding products	Products such as chopped straw, flax or wood shavings that are used as bedding in barns.
Better Life concept	Quality label developed by 'Dierenbescherming' (The Dutch Society for the Protection of Animals) in the Netherlands for products that are produced with extra care for animal welfare. The number of stars (1, 2 or 3) indicates the extent to which producers meet the quality requirements.
Blend	Mixture consisting of various (unground) raw materials, minerals and pre-mix.
Board	The Supervisory Board of ForFarmers N.V.
BPO	Business Process Optimisation is part of the strategic pillar Optimal Business Operations of the Build to Grow 2025 strategy. The aim is to enhance customer experience in a (cost)efficient way by harmonising and standardising the way of working across departments.
Broiler parent stock	Produce hatching eggs which are delivered to the hatchery where the broiler chicks are born.
Build to Grow 2025	ForFarmers' strategy to further enhance the organisation, through organic growth and by means of acquisitions in existing markets and in two new growth markets, possibly outside of Europe

Carbon capture	Capturing carbon dioxide.
CEO	Chief Executive Officer of ForFarmers N.V.
CFO	Chief Financial Officer of ForFarmers N.V.
Co-products	Products derived from the manufacturing process of human food, such as brewers' grains, which are used for animal feed.
Code of Conduct	These are the values, company principles and rules of conduct that apply to everyone who works at ForFarmers. These specify, inter alia, the rules of integrity and responsibilities for both the organisation and the employee.
Company	ForFarmers N.V.
Compliance Officer	Person, employee of the company, who is responsible for monitoring and managing regulatory compliance issues within an organisation.
Compound feed	The collective name for dry animal feeds composed of different ingredients to give them certain properties.
Concentrates	A highly concentrated supplementary feed that is diluted at the farm with raw materials available there.
COO	Chief Operating Officer, Director responsible for a specific ForFarmers cluster (operating segment).
Coöperatie FromFarmers U.A.	Coöperatie (Cooperative) FromFarmers U.A. is the majority shareholder of ForFarmers N.V. and has some 4,500 members, which are predominantly active in the ruminant, swine and poultry sectors.
Corn silage	Forage crop that is harvested with a chipper as whole plant and then stored in a silo at the cattle farm. Serves as cattle feed.
Disclosure Committee	A disclosure committee is a group tasked with reviewing all proposed disclosures prior to their release. This committee is mandatory for publicly held companies.
DML	DML stands for Dry, Moist and Liquid co-products. See also co-products.
Employee participation plan	ForFarmers introduced an employee share ownership plan in 2015 for permanent staff through which employees could purchase a maximum of € 5,000 of ForFarmers depositary receipts per person at a discount. A lock-up period applies to the purchased depositary receipts.
EPS	Earnings per share.
ESG	Environmental & Social Governance.
Executive Board	The executive board of the company (ForFarmers N.V.). The Company's statutory management board composed of three members, the CEO, CFO and COO.
Executive Team	ForFarmers' Executive Team is composed of three members of the Executive Board, the five country managing directors, and the three directors for M&A, Supply Chain and HR.

FAO	Food and Agriculture Organisation of the United Nations.
Feed Chain Alliance	Feed Chain Alliance Standard (before GMP) is a quality system. managed by OVOCOM, a Belgian platform for animal feed sector.
Feed conversion	The amount of feed an animal consumes as compared to the produce of the animal as a ratio. The aim is to get a higher output with a diminishing amount of feed.
Feed efficiency	Ratio which indicates how many kilos of animal product (milk, meat, eggs) are made from one kilo of feed.
Feed equivalents	The key for allocating equity to members. A member that has feed equivalents can use them by acquiring feed or other products. Members receive a credit on their participation account linked to the use of feed equivalents. This credit consists of the right to depositary receipts.
Feed evaluation system	Programme with an overview of all of the nutrients per raw material, the degree to which these nutrients are available for the various animals at various ages and the specific nutrient requirements of animals in various phases of life. This data is combined with the available raw materials in order to give the animal exactly those nutrients that it needs in the most (cost) efficient manner.
Feed performance	The final result that is achieved from the feed, such as feed intake, growth, milk production, etc.
Feed solutions	A supply of feed products that provides for the specific needs of an animal in terms of nutrition.
Feed system	The (technical) way the farmer delivers the feed to his animals.
Feed2Milk	Feed2Milk is the ForFarmers' approach to feed for dairy cattle. It allows a better assessment of the nutritional value of the feed and as a result, higher milk production, better feed efficiency and healthier animals.
FEFAC	European Feed Manufacturers' Federation.
Fermentation	Process through which lactic acid bacteria convert (pig) feed into a healthy, tasty mash with high levels of lactic acid, leading to more efficient feed usage, lower feed costs and healthier pigs.
Fertiliser	Administration of fertilisers (nitrogen, phosphate, potassium, etc.) to the soil for optimal crop growth. Both animal and chemical fertilisers.
FFEEC	ForFarmers European Employees Council. The Europe-wide employee representative which consists of employee representatives from the Netherlands, Belgium, Germany and the United Kingdom. It discusses subjects that concern several countries.
Fluxx	A unique production process produces a flour form that is dust-free, does not segregate and has excellent running properties.
Forage / roughage	Unperishable products that are specifically cultivated for livestock feed purposes, such as grass and corn silage.

ForFarmers dealers	ForFarmers works in the cattle sector in the Netherlands through regional dealers. These are independent businesses which sell ForFarmers products and advise livestock farmers on various issues, including feed recommendations and business development.
ForFarmers European Employees Council	FFEEC, the Europe-wide employee representative which consists of employee representatives from the Netherlands, Belgium, Germany and the United Kingdom. It discusses subjects that concern several countries.
ForFarmers Group	The Company along with the legal persons or companies with which the Company has organisational links forming an economic unit as referred to in Article 2:24b of the Dutch Civil Code. Also referred to as the 'Company'.
ForFarmers N.V.	Also referred to as the 'Company'.
GMO	A GMO is an animal, plant, or other organism whose genetic structure has been changed by genetic engineering. GMO is an abbreviation for 'genetically modified organism'.
GMP+	GMP+ FSA (Feed Safety Assurance) is an internationally recognised scheme to certify the safety of animal feed in all links of the animal feed chain, including the companies supplying raw materials.
GRI	The Global Reporting Initiative is a guideline for sustainability reporting. The GRI's goal is to make sustainability reporting a "standard practice" for all companies and to bring sustainability reports to the same level as financial ones.
Group	The Company along with the legal persons or companies with which the Company has organisational links forming an economic unit as referred to in Article 2:24b of the Dutch Civil Code.
GWP	Global Warming Potential is the internationally used designation for the extent to which a greenhouse gas can contribute to global warming.
GWP100 v GWP	The extent to which a greenhouse gas can contribute to global warming in a 100-year period of 1 kg of gas compared to 1 kg of CO ₂ .
IFRS	The International Financial Reporting Standards (IFRS) are an accounting standard for company annual reports. Companies in the EU listed on the stock exchange are required to report in this manner since 1 January 2005.
Integrated feed solutions	A combination of feed products, related advice and resources in order to first establish and then achieve the customer's business objectives and monitor results.
Issued ordinary shares	Issued Shares relates to the total number of shares that are sold to and held by shareholders of the company and include treasury shares (i.e., repurchased shares held by the company).

'Kringlooplandbouw' or Circular Farming	Circular farming is a form of <u>sustainable farming</u> in which the cycle of substances is closed. The <u>available resources</u> are used in the most efficient way possible whereby the outflow and inflow of resources are optimally balanced.
LCA	LifeCycle Analysis. Demonstrates the environmental performance of the entire production chain.
Like-for-like (LFL)	Excluding translation effects of currency and the net effect of acquisitions and divestments.
Liquid co-products	Liquid products derived from the manufacturing process of human food, such as whey, brewer's yeast or glucose syrup, and which are used as animal feed.
LTI	Lost Time Incident. Accidents at work that lead to one day or more of absence from work.
Material aspect	A main aspect of the ForFarmers sustainability strategy. It is an indicator for the GRI guidelines.
Materiality analysis	Analysis in which it is determined whether a subject is or is not significant to stakeholders of ForFarmers or to ForFarmers itself. Often used in relation to sustainability.
Materiality matrix	A manner (matrix) in which the importance of Corporate Social Responsibility (including sustainability) issues is plotted in 2 dimensions; the relevant importance of the issues to the stakeholder groups and the importance of the issue to the company.
Micro-ingredients	Vitamins, minerals, medicines and other substances used in very small quantities and weighed in milligrams, micrograms or parts-per-million (ppm).
MilkEfficient	A programme developed by ForFarmers that combines determining factors of dairy farm results and enables farmers to understand different scenario's how they can improve returns.
MSCI Netherlands Index	The MSCI Netherlands Index is designed to measure the performance of the large and mid-cap segments of the Netherlands market.
NIC	ForFarmers' Nutrition Innovation Centre works, inter alia, on improving the technical performance of feed, such as feed efficiency and optimal animal growth, and on developing innovative nutritional solutions to contribute to good animal health. The NIC also focuses on making our products more sustainable as well as the farming industry as a whole.
NL GAAP	NL GAAP (also Dutch GAAP) stands for Dutch Generally Accepted Accounting Principles and is used in order to indicate the system of reporting and accounting principles that is applicable in the Netherlands. ForFarmers reported according to NL GAAP until and including 2014. As of 2015, the Company reports according to IFRS.

Nitrogen and nitrogen crisis	Nitrogen oxides and ammonia end up in the environment mainly as a result of livestock farming including manure applications in farming, and emissions from traffic and industry. The Dutch government needs to take measures to reduce emissions of these reactive forms of nitrogen, following a ruling of the Council of State in May 2019.
NOVA	A concept for sows. The NOVA products provide a higher milk production per sow, more piglets per litter, a higher weaning weight per piglet and a longer lifespan for sows.
Nutreco	International organisation, operating worldwide in the animal feed and fish feed sector. Strategic partner of ForFarmers.
Nutrient requirements	A specific animal's need for nutrients such as amino acids, energy, essential fats, vitamins, minerals and trace elements.
Nutrient value	Nutritional value, for example, levels of protein, oil, fibre, ash, starch, sugar, calcium, phosphorous, or sodium.
Nutrition Innovation Centre (NIC)	Department within ForFarmers responsible for nutrition, research and innovation.
Nutritional matrix	Schedule of nutrients and the nutrient requirements of different animals in various phases of life, which forms the basis for the feed solutions that ForFarmers provides.
Nutritional total solutions	Total solution offered to cover all livestock feed needs of any type.
Organisation	ForFarmers Group. The company headed up by ForFarmers N.V. and/or ForFarmers Group. When 'the Organisation' is referred to, it means ForFarmers Group.
Outstanding ordinary shares	Outstanding Shares are the number of issued shares minus the number of treasury shares (i.e. repurchased shares held by the company)
Palm oil	Vegetable oil extracted from the fruit of the palm tree.
Participation account	The participation in the capital of Coöperatie FromFarmers (the proprietary rights per member) registered a member which can be converted by the member into depositary receipts.
Pavo	Company specialising in horse feed for both recreational and competitive horses, with branches in the Netherlands and Belgium and sales in practically all of Europe. A subsidiary of ForFarmers.
Performance feed	Feed aimed at high performance of the animal (e.g. compound feed, specialties etc.).
Phosphate efficiency	Indicator of how efficiently a livestock farm handles phosphates.
Phytases	Phytases are enzymes that improve phosphorus digestion in pigs and poultry.

Plant	The name of a ForFarmers business unit that focuses on agriculturists, contractors and cattle farmers that produce forage.
PoultryPlus	Breeding organisation for broiler chickens with sales in the Netherlands, Germany, Belgium, Switzerland and Austria. A subsidiary of ForFarmers.
Premixes	Mixture of vitamins, (trace) minerals and additives that are added to the feed in order to meet the animal's needs.
Priority share	The priority share is held by Coöperatie FromFarmers U.A. The priority shareholder has the rights as specified in the ForFarmers Articles of Association.
Priority shareholder	The priority share is held by Coöperatie FromFarmers U.A.
Reudink	Animal feed supplier specialised in organic animal feeds, operating in the Netherlands, Germany and Belgium. A subsidiary of ForFarmers.
Risk Advisory Board (RAB)	Risk Advisory Board is composed of the CFO, Director Supply Chain, Director Reporting, Tax & Risk. The Internal Auditor participates in meetings as an observer.
Roots in the top layer of soil	The quantity and distribution of root growth in the top layer of soil.
Roughage+	Farming approach in which the soil, fertiliser, crop growth and management of planting and harvesting are properly synchronised with each other.
RSPO	Round Table on Sustainable Palm Oil. Round Table for responsibly produced palm oil. (www.rspo.org)
RTRS	Round Table Responsible Soy. Round Table for responsibly produced soy. (www.responsiblesoy.org)
Ruminants	Ruminants have four stomachs. They chew the feed again in the mouth after it has been in the rumen. Examples are dairy cattle, beef cattle, goats, and sheep.
SDGs	The Sustainable Development Goals are a collection of 17 global goals set by the United Nations, to Transform our World.
SecureFeed	Organisation that guarantees the food safety of animal feeds in the Netherlands. SecureFeed develops and manages a common system for monitoring and risk assessment of raw materials and their suppliers. Dutch dairy farmers are obliged to purchase from SecureFeed members.
Sedex code	Supplier Ethical Data Exchange.
Seeds	Seeds from cultivated crops for planting. Collective name for the entire range of seeds for grasses, grains, maize etc.
Semi-finished products	Raw materials that have already been processed but need to be further processed to make a finished product.

Single raw materials / straights	Raw materials, including types of grain such as wheat and maize, which the farmer mixes with other feed products at the farm.
Slurry	A mixture of solid and liquid manure (urine and dung) from animal origin.
Soybean meal	Also known as 'soya meal', 'soya bean meal' or 'soybean meal'. Heat-treated product that remains after extraction of soy oil from the soybean. Serves as protein-rich raw material for cattle feed.
Special feed	Feed for animals in a specific phase of life or with specific requirements.
Stackable co-products	Co-products with a lot of moisture that are not fluid but stackable, for example potato starch.
Statutory Board (of the Company)	The executive board of the company fundamentally composed of three members.
Stichting Beheer	See Stichting Beheer- en Administratiekantoor ForFarmers.
Stichting Beheer- en Administratiekantoor ForFarmers	The ForFarmers Trust Office Foundation holds shares in the capital of the Company and its purpose is, inter alia, to acquire and administrate shares for safekeeping against the granting of depositary receipts and to exercise the voting rights attached thereto and other control rights.
Stichting Continuïteit ForFarmers	The ForFarmers Continuity Foundation. This Foundation was set up to safeguard the identity, strategy, independence and continuity of the Company headed up by the organisation. It is fully autonomous and has a fully independent management.
Strategic partnership	Close cooperation with other specialist players in the market with the goal of reinforcing each other in terms of knowledge, innovation and purchasing.
Sunflower seed meal	A protein-rich co-product of the extraction of oil from sunflower seed.
Supervisory Board	The Supervisory Board (the Board) is composed of six members and is tasked with the supervision of the Executive Board's strategy and of the general affairs of the company and the organisation linked to it.
Sustainability Advisory Board	Composed of three members of ForFarmers' Executive Committee, one member of the ForFarmers Supervisory Board and six external members. Its role is to provide advice on ForFarmers' sustainability strategy and on major trends and issues that should be taken into account.
Terra+	A total feed approach, introduced in 2017 by ForFarmers, with which dairy farms can improve the quality and output of forage.
Toll manufacturing	Manufacture (of feeds) for third parties based on specifications provided by these third parties.

Tools	Collective name for apps, checklists, programmes, analyses, etc. that ForFarmers offers its customers in order to monitor results or to adjust and improve management.
Total Feed	A ForFarmers strategy to offer livestock producers a complete package consisting of feed solutions, corresponding advice and resources in order to establish the customer's business objectives and to monitor the results thereof.
Total Feed approach	See Total Feed.
Total Feed Business	See Total Feed.
Translac	Feed concept for cows in the period around calving.
UFAS	Universal Feed Assurance Scheme. The AIC (Agricultural Industries Confederation) have developed a range of Trade Assurance Schemes covering areas of the agri-supply industry. UFAS deals with the production and delivery of compound feeds and the supply of feeds to farms.
ULTRA	Feed concept for finishers (pigs).
VIDA	Brand name for one of ForFarmers' feeds for piglets.
Virtual chain integration	Companies in a virtual (supply) chain share information across the supply chain to derive additional value e.g. provenance / traceability.
Vital	A new approach by Reudink for organic cattle farmers to positively influence the feed intake and health of young animals.
Wellfare concept	Livestock concepts with extra focus on animal welfare.

Corporate governance statement for 2023

This statement sets out how ForFarmers applies the Dutch Corporate Governance Code. It also discusses risk management and control, financial reporting and the composition of the Executive Board.

The corporate governance of ForFarmers is established based on Dutch law, the company's [articles of association](#) and regulations stemming from the [Dutch Corporate Governance Code](#) (hereafter: the code). The Executive Board and the Supervisory Board are responsible for the corporate governance of ForFarmers and discuss this topic annually, deriving from several individual provisions.

The Dutch Corporate Governance Code Sustainable long-term value creation

The Executive Board is responsible for managing the company and safeguarding the continuity of ForFarmers and its affiliated enterprise. It has developed a vision on sustainable [long-term value creation](#) and formulated a fitting strategy in consultation with the Supervisory Board. The value creation model outlines the contribution that ForFarmers makes on a social, sustainability and economic level.

The Executive Board expands on its vision on value creation in the annual report. It also explains the strategy it pursues to create value and how people have been working on it over the past year. The annual report also contains a [report by the Supervisory Board](#) in which the latter reports on its involvement in the realisation of the strategy and the supervision of its implementation.

Internal risk management and control systems

ForFarmers has appropriate internal risk management and control systems in place (hereafter: internal systems). In the [Risk Management section](#), the Executive Board sets out the main financial and non-financial risks associated with the company's strategy and activities. It also expands on the company's risk appetite and the mitigating measures that have been put in place. It monitors and assesses the design and operation of the internal systems, in part with the help of the internal auditor. The board discusses the effectiveness of the design and operation of the internal systems with the audit committee and reports on this to the Supervisory Board. In addition, the principles and best practice provisions relating to the appointment, evaluation and performance of the external auditor's work are subscribed to.

Effective management and supervision

The Executive Board and the Supervisory Board are composed in such a way that the required expertise, background, skills and (in the case of the Supervisory Board) independence are guaranteed, enabling members to fulfil their tasks. The composition is in line with the principles and best practice provisions on effective governance and supervision.

Executive Board and Executive Team

The Executive Board of ForFarmers works with an Executive Team that manages the operational activities. This team consists of the members of the Executive Board and people who help the Executive Board fulfil its tasks, appointed by the CEO. The members of the Executive Board are appointed by the AGM and only on a binding nomination by the Supervisory Board. However, the AGM may override the binding nature of a nomination by an absolute majority at a meeting in which at least one third of the company's issued share capital is represented. In that case the Supervisory Board must make a new nomination. The AGM may suspend or dismiss members of the Executive Board if a majority at a meeting in which at least one third of the issued share capital is represented so decides.

Supervisory Board

The Supervisory Board consists of six people and is tasked with supervising the policy of the Executive Board and the general course of affairs in the company. The Supervisory Board is also focused on the effectiveness of the internal systems and the integrity and quality of financial reporting. With regard to the independence of members of the Supervisory Board, reference is made to the Deviations section of the Code.

The Supervisory Board meets annually with the Executive Board according to a set schedule. Additional meetings are scheduled if necessary. Executive Team members who are not members of the Executive Board occasionally expand

on topics for which they are responsible at Supervisory Board meetings.

The Supervisory Board evaluates at least once a year its own performance, that of the committees and the performance of the individual Supervisory Board members. The desired [profile](#) and the composition, competencies and expertise of the Supervisory Board are also discussed at that time. This evaluation takes place without the Executive Board being present.

The Supervisory Board discusses the performance of the Executive Board as a team and that of the individual Executive Board members at least once a year. The conclusions attached to the findings are also discussed, in part with a view to the succession of Executive Board members. In addition, the [diversity policy](#) is regularly discussed.

The members of the Supervisory Board are appointed by the AGM for a maximum period of four years.

This appointment takes place on a binding nomination by the Supervisory Board. The AGM may override the binding nature of a nomination by an absolute majority at a meeting in which at least one third of the company's issued share capital is represented. In that case the Supervisory Board must make a new nomination.

The cooperative has the right to nominate four of the six members of the Supervisory Board if it has more than fifty percent of the voting rights or can exercise more than 50 percent of the voting rights on the most recent reference

date of 1 January. In that case the cooperative, in consultation with the Supervisory Board, can appoint a Supervisory Board member as chair. If less than fifty percent of the voting rights can be exercised, the cooperative has the right to nominate three of the six Supervisory Board members and the Supervisory Board will appoint the chairman in consultation with the cooperative.

These situations are also applicable to the dismissal of the chair, although a dismissed chair shall continue their term of office as a member of the Supervisory Board without holding the title of chair. The AGM has the power to suspend or dismiss a member of the Supervisory Board at any time. Such a decision is taken by an absolute majority at a meeting in which at least one third of the issued share capital is represented. If the decision is taken on a proposal from the Board, only a decision by majority is required, regardless of the part of the subscribed capital represented at the meeting.

Remuneration

ForFarmers applies the principles and best practice provisions of the Code with regard to remuneration. The annual report contains a [remuneration report](#) which gives an account of how the remuneration policy was implemented in the year under review. The Supervisory Board determines the remuneration of the individual members of the Executive Board at the proposal of the Remuneration Committee. The [remuneration policy](#) is established by the AGM and is reviewed regularly. The Supervisory Board submits amendments to the AGM

for adoption. The revised remuneration policy for the Executive Board was adopted by the [AGM](#) of 14 April 2022 and the adjusted remuneration policy for the Board was adopted by the [AGM](#) of 13 April 2023.

In selecting what information about variable remuneration to include in the Remuneration Report, the Supervisory Board weighs the interests of transparency and share price and market sensitivity. The Supervisory Board has the power to adjust the variable remuneration if it has been granted based on inaccurate information. ForFarmers has the right to claw back that part of the variable remuneration from members of the Executive Board. The Supervisory Board is authorised to adjust the level of the variable component of the remuneration for members of the Executive Board where its allocation was dependent, in whole or in part, on attaining certain targets or on certain circumstances to an appropriate level if paying it would be unacceptable based on standards of fairness and reasonableness.

In the event of early termination of their employment contract by ForFarmers, members of the Executive Board will receive a maximum of one year's salary. The same applies to members of the Executive Board who are not eligible for reappointment. No severance payment is made if the contract is terminated early at the initiative of the Executive Board member or if the Executive Board member is guilty of culpable or negligent conduct. The Supervisory Board has the power to withhold or reduce the aforementioned severance pay if it is of the opinion that a payment equalling one year's fixed salary would be

unacceptable based on the reason for the dismissal. Severance pay is payable immediately upon termination of the contract. The Main elements in the contracts of members of the Executive Board have been published on the Company's website in accordance with the Code.

General Meeting of Shareholders

ForFarmers largely applies the principles and best practice provisions relating to the General Meeting of Shareholders (AGM). The company's registered share capital equals € 3,600,000.01 and is divided into 180 million ordinary shares, 180 million preference shares (of which none are issued) and one priority share (which is issued). Each share has a nominal value of € 0.01.

ForFarmers has no provisions that restrict voting rights. Each share grants the right to cast one vote at the AGM.

The ordinary shares are listed on Euronext Amsterdam ([FFARM](#)). Furthermore, depositary receipts have been issued with the cooperation of the Company. The board of Stichting Beheer- en Administratiekantoor ForFarmers (the ForFarmers Trust Office Foundation) operates independently of ForFarmers. The Trust Office Foundation follows the voting instructions given by the Cooperative, exercises voting rights and grants proxy votes.

Members of the Cooperative can hold a participation account with the Cooperative that can be converted into ForFarmers shares or depositary receipts for shares. The Cooperative grants proxy votes to participation account holders to enable them to vote and attend the AGM.

The Executive Board or the Supervisory Board shall, with due observance of the [Policy on bilateral contacts](#), inform all shareholders and other parties on the financial markets simultaneously about matters that could affect the share price. Analyst meetings and press conferences are announced in advance via our website and can be followed via a live stream. Analyst presentations and presentations given during the AGM are posted on the company's website prior to or after the meeting in question. No analyst meetings, investor presentations or direct discussions with investors take place shortly before the publication of regularly scheduled financial information, such as half-year and annual results.

It is important to the Supervisory Board and the Executive Board that as many shareholders as possible participate in decision-making at shareholders' meetings. ForFarmers facilitates this by giving shareholders the opportunity to issue a proxy with voting instructions. Convening notices, agendas and documents for discussion at shareholders' meetings are published in a timely manner. The agenda for shareholders' meetings state which items on the agenda are discussion items and which are voting items.

Decisions by the Executive Board regarding any major change in the identity or nature of ForFarmers are subject to approval by the AGM. This may for example concern the transfer of the company to another party, the commencement of termination of a long-term collaboration or the acquisition or disposal of a stake in the capital of another company amounting to at least one

third of the value of the assets. The ordinary shares and preference shares carry no special control rights.

The AGM can decide to amend the Articles of Association by a simple majority of votes at the proposal of the Executive Board and subject to the approval of the Supervisory Board. Such a decision can only be taken by the AGM with prior or simultaneous approval from the priority shareholder. The same applies for decisions regarding entering into a merger or undertaking a demerger.

Those entitled to attend meetings may propose agenda items for shareholders' meetings. Items proposed in writing by one or more parties who are entitled to attend meetings and individually or jointly represent at least 3 per cent of the issued share capital of the Company will be included in the convening notice or announced in the same way provided that the Company receives the reasoned request or proposed resolution no later than 60 days before the date of the AGM. In addition, shareholders' meetings can be convened by parties who are entitled to attend meetings and jointly represent at least 10 per cent of the issued share capital of the Company.

Members of the Cooperative who can demonstrate that a participation account is held in their name with the Cooperative are in principle admitted to the AGM. A report is written of each shareholders' meeting and made available to the shareholders. The results of the voting on each of the agenda items are published on the company's

website within 15 calendar days of the shareholders' meeting.

Governance structure

ForFarmers has a two-tier management structure with a separate Executive Board and a Supervisory Board. The principles and best practice provisions relating to the one-tier governance structure therefore do not apply. The company does endorse the principles and best practices relating to conflicts of interest. The [Executive Board Regulations](#) and [Supervisory Board Regulations](#) include rules for handling potential conflicts of interest. These regulations include rules regarding the holding of and undertaking of transactions in securities by members of the Supervisory Board and Executive Board.

Deviations from the Code

All deviations from the Code are expanded on in the corporate governance section of the annual report. A few of the deviations are discussed in more detail below.

Decree implementing article 10 of the EU takeover directive

In accordance with the provisions of Article 1, paragraph 1 of the Decree implementing Article 10 of the EU Takeover Directive the following information is provided and explained insofar as this has not been done already.

Capital structure: distributions

With due observance of the [Articles of Association](#) the profits as shown in the Company's annual accounts for any financial year shall be allocated as follows and in the following order:

If preference shares are cancelled without full payment of the distribution having been made, an amount equal to the remaining shortfall will be distributed to the persons or parties who were holders of preference shares at the time the cancellation came into effect. If any preference distribution for previous financial years has not yet been fully made, an amount equal to the remaining shortfall will be distributed with on preference shares. A distribution for the financial year to which the financial statements pertain shall then be made with on the preference shares.

At that time and subject to the approval of the Supervisory Board, the Executive Board will determine which part of the remaining profit will be added to ForFarmers' reserves. An amount equalling the nominal amount of the priority share will be distributed on the priority share from the remaining profit. Any profit then remaining will be attributable to the AGM for distribution on the ordinary shares. ForFarmers will use its reserves to cover the deficit if it cannot pay the distributions from its annual profit.

Restrictions on transfer of shares

ForFarmers imposes no restrictions on the transfer of shares, except for the restriction provided for in the Articles of Association regarding the transfer of preference shares or the priority share and the quality requirements applicable to the priority share. Any transfer of preference shares or the priority share shall be subject to prior approval by the Executive Board. The priority share may only be held by the Company itself, or a cooperative whose members, in the opinion of the

Executive Board, are primarily active in the agricultural sector, in any case including Coöperatie FromFarmers U.A., and which has voting rights or can issue voting instructions in connection with at least 20% of all shares as determined in the Articles of Association, or a party to be designated in writing by the Executive Board.

Depository receipts for shares in the company's capital may only be transferred by means of a deed drawn up by the parties for that purpose as well as acknowledgment in writing by Stichting Beheer- en Administratiekantoor ForFarmers (the ForFarmers Trust Office Foundation). The board of the Trust Office Foundation may only grant approval for the delivery of depository receipts if the delivery occurs in connection with the execution of a pledge.

Ordinary shares may only be converted using the trading platform operated by Captin B.V. A similar rule applies to the transfer of a participation account held by a member of the Cooperative and is set out in the Cooperative's Articles of Association. Conversion of a participation account into ordinary shares may take place through the same trading platform.

If a private offer for a business unit or participating interest valued in excess of the threshold specified by law is made public, the Executive Board, after consultation with the Supervisory Board, shall publicly announce its opinion with regard to the offer along with the reasons for its opinion as soon as possible.

Substantial holdings

As at 31 December 2023 the following entities held a stake of 3% or more in ForFarmers, according to the Register of Substantial Holdings of the Netherlands Authority for the Financial Markets (AFM):

	Capital interest ⁽¹⁾	Registration date
Coöperatie FromFarmers U.A. (direct en indirect) ⁽²⁾	59.50%	18 October 2017
Stichting Beheer- en Administratiekantoor ForFarmers ⁽²⁾	11.53%	31 March 2017
Kempen Capital Management N.V. ⁽³⁾	3.08%	24 February 2022
D. Lindenbergh ⁽⁴⁾	5.33%	11 April 2022

¹ Notifications made before 11 September 2020 were made on the basis of 106,261,040, i.e. the number of issued ordinary shares at the time of the notification to the AFM. On 11 September 2020, repurchased treasury shares were cancelled. As a result, 95,218,821 ordinary shares in ForFarmers were issued as of that date and the notifications were made on the basis of this number as of that date. On 27 June 2023, repurchased treasury shares were cancelled. As a result, 89,283,817 ForFarmers ordinary shares were issued as of that date and the notifications were made on or after that date on the basis of this number. If a participant's capital interest does not exceed or fall below a threshold value, a new notification does not have to be made to the AFM. The withdrawals on 11 September 2020 and 27 June 2023 did not result in thresholds being exceeded or below for the Coöperatie FromFarmers U.A. and the Stichting Beheer- en Administratiekantoor ForFarmers, as a result of which the reported capital interest to the AFM may deviate from the actual interest as long as it remains within the existing thresholds

² As at 31 December 2023, the interest of Coöperatie FromFarmers U.A. is 48.07%, of Stichting Beheer- en Administratiekantoor ForFarmers 9.04% based on 89,283,817 issued ordinary shares

³ As at 31 December 2023, ForFarmers N.V.'s interest is 0.57%, based on 89,283,817 issued ordinary shares

⁴ As at 31 December 2023, D. Lindenbergh's interest is 5.33% based on 89,283,817 issued ordinary shares

Shareholder agreements

Except for the restrictions that apply to ordinary shares or depositary receipts thereof obtained under an employee participation plan the Company is not aware of any agreements involving a shareholder which could lead to a restriction on the transfer of ordinary shares or depositary receipts thereof or to restriction of the voting rights.

Provisions relating to a change of control in important agreements

The €300 million credit facility that ForFarmers has entered into with banks includes a change-of-control clause, which stipulates that the banks that are a party to the facility must be notified of any change of control.

In that case the banks in question have the option of demanding early redemption. Change-of-control clauses are also included in various agreements and cooperation agreements to which the Company or its subsidiaries are party. Such information is not published due to potential competitive sensitivity.

Change of control clauses in employment contracts and contracts of assignment

There are no agreements with members of the Executive Board or other employees that provide for a payment in the event of the employment being terminated as a result of a public offer.

Decree on disclosure of non-financial information

The following information is provided and explained in accordance with the provisions of the Decree on the disclosure of non-financial information.

Social and HR policy

ForFarmers' Human Resources strategy is focused on attracting and retaining qualified people and helping them develop. The company's approach is geared towards learning and applying best practices. This improves the effectiveness, efficiency and health of the organisation and staff alike, with ForFarmers seeking to strike a balance between the needs of the company and those of its employees.

In our social and HR policy, we assume equal opportunities, as set out in the [Code of Conduct](#). The company has a zero-tolerance policy on discrimination and uses measures including the HR annual cycle to ensure that business decisions are based on relevant qualifications, performance and other job-related factors. ForFarmers devotes a great deal of attention to providing a safe workplace and good working conditions and has established a KPI for reducing the number of Lost Time Incidents (LTIs).

Environment and respect for human rights

Sustainability is part of ForFarmers' mission, business profile, and core values. Feeding the growing global population in a sustainable way is a challenge that will

require optimum use of raw materials and natural resources such as energy, land and water.

ForFarmers contributes to this for example by improving feed efficiency: using less feed to produce more animal proteins. We have also set targets to incorporate more and more co-products in our feed. These ingredients are co-products from the food industry or are not suitable for human consumption. By doing so, we combat waste and contribute to making the sector more sustainable.

In addition, the company has set specific objectives to operate more sustainably in its own production activities, in the supply chain and on-farm. ForFarmers is committed to safeguarding the safety of people, processes and products, and seeks to establish fair and responsible working conditions throughout the chain. ForFarmers has a [Code of Conduct](#) for our suppliers in place, also to ensure a sound environmental policy and respect for human rights at its suppliers.

Anti-corruption and anti-bribery policy

ForFarmers has a zero-tolerance policy on bribery and corruption and endorses this stance in the Code of Conduct. The company expects its staff to work with people who understand that corruption and bribery are unacceptable. The anti-corruption and anti-bribery policy includes due diligence procedures when hiring staff and entering into business relations, as well as procedures for reporting bribery and corruption.

D&I Policy

As a result of the changes in the new Corporate Governance Code, the Board has adopted a D&I policy for the Board and the Board (as a successor to the current existing diversity policy). The board, in turn, is responsible for the D&I policy for the executive team and the other employee base and, with the approval of the board, has adopted it. As part of the implementation of the new policy, targets have now been set for the board, the board and the executive team. These targets are evaluated annually as part of the D&I policy, also taking into account changes in legislation and regulations. These targets are indicative of the D&I policy that will be implemented in the near future.

The D&I policy discusses the concrete and ambitious goals that are appropriate and ambitious for ForFarmers to achieve a good balance in gender diversity and other aspects of D&I relevant to ForFarmers in terms of the composition of the board, the board, the executive team and the other workforce. ForFarmers specifically considers nationality, age, gender, education and professional experience to be relevant aspects for the company, because the Board and the Board believe that these aspects together contribute to a varied perspective in the development of ideas and thus support innovation. They also contribute to giving and receiving supported feedback and to careful decision-making.

In this corporate governance statement, we explain the results of the diversity policy for 2023. We will discuss the goals used, what we have done to achieve those goals and

what the results have been in the past financial year. If the results deviate from the objectives of the policy, or from the target for the male-female ratio, we will also explain in the corporate governance statement what the state of affairs is, what measures we are taking to achieve the objectives and when we want to achieve them. The latter will also be taken into account in the new D&I policy. We aim to be able to fully report on the D&I policy by 2024.

1. Diversity in terms of knowledge and experience

ForFarmers aims to ensure the presence of a substantial level of knowledge and experience in the Executive Board and Executive Team in the following 11 areas: (1) national and international agribusiness, (2) management of a listed company, (3) financial matters, administrative organisation and internal control, (4) strategy, (5) sales and marketing, (6) manufacturing and logistics, (7) innovation, research and development, (8) safety and the environment, (9) personnel and organisation, (10) IT and (11) legal matters.

Each member of the Executive Board and Executive Team has the knowledge and experience relevant to their range of duties and keeps up with developments in agribusiness. The Executive Board and Executive Team members have attended compliance and awareness courses that are relevant for listed companies and were made aware of these when joining the Executive Board or Executive Team. The topics covered included handling price-sensitive information and communication.

The areas of knowledge and experience sought by ForFarmers in composing the Supervisory Board are

stated in the [Profile of the Supervisory Board](#). They are set out in more detail in the [Composition of the Supervisory Board and Committees](#) section in the Annual Report for 2023 which also comprises an overview of the specific knowledge and experience of each Supervisory Board member.

Rob Kiers was nominated by the Supervisory Board for appointment to the Executive Board at the AGM of 13 April 2023 due to his extensive knowledge and experience in livestock farming as well as his management experience. His background and education, commercial focus and sustainability ambitions were decisive factors for the Supervisory Board.

On 13 April 2023, the nomination to the Supervisory Board took place for the reappointment of Erwin Wunnekink as a member of the Supervisory Board. The Council paid particular attention to diversity in terms of professional background. The Council explained this in the agenda of the AGM. The nomination was made on the recommendation of the cooperative. The continuity of the Supervisory Board has also been taken into account in the reappointments.

This policy resulted in the presence of a significant level of knowledge and experience in the areas relevant to the Executive Board, the Executive Team and the Supervisory Board in 2023. This is expected to remain the case in the coming years.

2. Diversity and composition with regard to male/female ratio

ForFarmers' objective is to have at least 30% of the positions on the Executive Board and the Executive Team to be occupied by both men and women. In line with Dutch legislation at least one third of the seats on the Supervisory Board must be held by both men and women.

In 2023, the board was made up entirely of men. For new vacancies, it is therefore important that attention is paid to diversity. In view of the departure of Mr. R.J. Tjebbes as CFO, the Board has once again endorsed the importance of including sufficient female candidates in the search.

At the beginning of 2023, the executive team also initially consisted entirely of men. In the course of 2023, two women have been added, approaching the target occupancy of at least 30% men and at least 30% women. For future vacancies, explicit attention will be paid to improving diversity. In the event of equal suitability of candidates, decisions will be made in a way that benefits diversity.

3. Diversity in terms of nationality

It is important to ForFarmers that there is diversity in terms of nationalities on the Executive Team. That is why there is an objective in place that at least two members of the Executive Team members do not have Dutch nationality. Moreover, we want the managing director of a country in which we operate to be a national of the country in question.

In 2023, the Executive Team consisted of nine members (three of whom were statutory directors). Of the eight members of the executive team, four have a non-Dutch nationality.

4. Diversity and composition in terms of age

We agree that experience and wisdom come with age and that young people are usually more open to new developments. We strive for a balanced mix in terms of age in the composition of the board and the board. For the executive team, the goal is that every age category from the age of 36 is represented (this concerns 36-45, 46-55 and 56-67). With the current composition of the executive team, this goal has been achieved.

About ForFarmers' 2023 Sustainability Reporting

ForFarmers aims to provide a balanced, reliable and clear view of its sustainability approach and performance. This document provides specific information on the management and reporting methods used to arrive at the externally assured sustainability data, results and topics included in the sustainability reporting. ForFarmers references to ESG reporting is guided by the World Economic Forum report: *Measuring Stakeholder Capitalism: Towards Common Metrics and Consistent Reporting of Sustainable Value Creation* (September 2020).

Sustainability reporting content and scope

In line with the previous year, ForFarmers will report on the results and sustainability objectives for the year 2023 that follow from our sustainability agenda. These are included in the chapter on sustainability and are partly based on the material topics that emerged from the double materiality analysis. This materiality analysis based on double materiality took place in 2023 in preparation for the upcoming Corporate Sustainability Reporting Directive (CSRD) legislation. Not all material sustainability topics that emerged from this analysis are included in the sustainability report. For the year 2024, in line with the introduction of the CSRD, we will report on all material topics included in our materiality matrix.

The sustainability information in the annual report includes the sustainability performance of all ForFarmers operating segments, business units and staff departments. The reporting extends to all entities over which Forfarmers has direct or indirect control. A number of sustainability KPIs are more limited in scope, as shown in the table on page 250.

Companies or business activities acquired during the current or previous reporting period are excluded from the scope of this reporting. The reason for this is that recently acquired companies or business activities must first be integrated into the ForFarmers organisation and become familiar with ForFarmers' way of working before the reliability of the figures they report can be guaranteed. Companies or business activities that have been divested are included in the report up to the time of sale.

Double Materiality Analysis

In preparation for the CSRD's reporting requirements, we recalibrated our material topics in 2023 based on the double materiality concept. The material topics provide insight into the impact of ForFarmers on social issues (impact materiality) and how social issues influence the development, performance and position of ForFarmers (financial materiality). A sustainability topic is material if it meets the criteria of impact materiality and/or financial materiality. In order to arrive at the double materiality matrix with relevant impacts and prioritisation, we involved the most important stakeholder groups or experts

representing stakeholder groups (hereafter: stakeholders) in the various phases of our materiality analysis. The main stakeholders are: shareholders, customers, employees, suppliers, processors and retailers and NGOs. The starting point for the recalibration of the materiality matrix was the materiality matrix 2022 and the European Sustainability Reporting Standards (ESRS). The list of potentially material sustainability topics ('long-list') has been refined on the basis of sector publications, peer review, social and societal topics and interviews with ForFarmers' senior management. Based on interviews with stakeholders, we have collated a short-list of potential sustainability topics, focusing on our activities, the activities of our business relations and other factors.

For each potential material sustainability topic, it has been determined what possible positive and negative impacts are on people and the environment and which social developments represent a possible opportunity or risk for ForFarmers. We then asked our key internal and external stakeholders to validate and prioritise the outcomes. The outcome is shown in the materiality matrix as included in the chapter Our dialogue with stakeholders

Sustainability reporting criteria

The policies ensure that consolidated information is recorded on a uniform basis with reference to the Global Reporting Initiative (hereafter: GRI) standards issued by the Global Sustainability Standards Board as a reference. Details regarding compliance with GRI (GRI content index) can be found in the sustainability section on the corporate website.

For each sustainability KPI, ForFarmers has defined specific reporting criteria, see table below:

Sustainability KPI	Definition used	Specifics on scope
100 % responsibly sourced palm oil and soy bean meal by 2030 Responsible sourced soy bean meal and palm oil purchases	ForFarmers considers soy meal sustainable when certificates are bought from soy programmes that have successfully passed the benchmarking process against the baseline criteria established in the FEAC Soy Sourcing Guidelines and displayed on FEAC's customised page on ITC Standards Map. ¹ . ForFarmers considers palm oil & palm oil derivatives sustainable when RSPO (Roundtable on Sustainable Palm Oil) certificates are bought for the equivalent tonnage of palm oil included in the raw materials used by ForFarmers.	Organic soy meal used (e.g. Reudink, ForFarmers UK organic) or sold (e.g. as straights) is excluded from the scope of the sustainable soy meal target as certificate schemes are only applicable to conventional soy and it is therefore not logical to buy conventional certificates against organic soy used/sold.
85% Suppliers signed Sedex Code of Conduct	The number of suppliers who are members of Sedex expressed as a % of spend over the reporting period. Includes suppliers of raw materials, DML products and indirect procurement	No specific exclusions
Take leadership position on reduction CO₂ emissions of feed materials (scope 3 upstream)	ForFarmers uses FeedPrint to calculate the CO ₂ emissions of the major feed materials. Our formulation team now also uses this information to calculate the upstream emissions (scope 3) based on materials being delivered to the feed mill. Where materials are used by ForFarmers which are not yet in FeedPrint (usually micro-ingredients), alternative sources of information for example from Nevedi are used until 100% of the formula is included.	No specific exclusions
Take leadership position on % non human edible feed materials in diets	ForFarmers uses the FAO definition and categorisation of human edible and non-edible feed materials. All feed and DML materials are categorised and converted to an 88% dry matter basis. The volume of materials categorised as by-products, grass and leaves, oil seed cakes and other non-edible are divided by the total to produce a % non-human edible feed materials over the reporting period	Poland is currently excluded
Largest mill carbon neutral as proof of concept	Scope 1 and 2 greenhouse gas emissions associated with production at the Lochem 12 plant are reported for the reporting period. The energy generated from the biomass boiler and solar panels is converted into CO ₂ and included in the total.	Transport and offices are not included in the calculation
50% renewable energy	Current reporting includes the primary energy used from the biomass boiler at Lochem, solar panels at Lochem and a number of locations in the UK, the biodiesel content of the diesel used in logistics and the % renewable energy included in the electricity supply in each country. The energy from these sources (converted into kWh) is expressed as a percentage of the total primary energy usage (kWh).	Transport and offices are not included in the calculation
10% energy/fuel reduction per tonne compared to 2020	Primary energy usage per fuel type is recorded (either in kWh or litres) for the reporting period. Primary energy usage is divided either by production volume or logistics volume (in the case of diesel).	ForFarmers only reports on the scope 1 and scope 2 emissions from ForFarmers controlled compound feed plants for bagging and bulk. The emissions from storage and blend facilities, treatment and drying of raw materials and the pet food factory in Calveslage, Germany are excluded from the scope.

¹ ForFarmers also uses other soy bean derivatives (e.g. soy oil) in production but is not buying additional certificates for those as they are covered via the certificates already bought for soy meal

Sustainability KPI	Definition used	Specifics on scope
10% energy/fuel reduction per tonne compared to 2020	<p>Greenhouse gas (GHG) emissions are emissions related to gas that contributes to the greenhouse effect by absorbing infrared radiation. The GHG emissions are categorised by scope:</p> <ul style="list-style-type: none"> • Direct (scope 1) GHG emissions: GHG emissions from sources that are owned or controlled by ForFarmers (production and logistics). For the diesel emissions, the tank-to-wheels cycle is applied; • Energy indirect (scope 2) GHG emissions: GHG emissions that result from the generation of purchased or acquired electricity consumed by ForFarmers. The market-based method for reporting on scope 2 GHG emissions is applied as of 2019. <p>In the full tables, the total GHG/tonne shown is calculated using the volume produced using each energy type (not total volume).</p>	ForFarmers only reports on the scope 1 and scope 2 emissions from ForFarmers controlled compound feed plants for bagging and bulk. The emissions from storage and blend facilities, treatment and drying of raw materials and the pet food factory in Calveslage, Germany are excluded from the scope.
GHG emissions	The calculated value for phosphate and nitrogen efficiency indicates the amount of phosphate and nitrogen which is taken up via feed deposited in animals and animal products. In other words, the phosphate and nitrogen efficiency value informs about the phosphate and nitrogen utilisation on the farm.	<p>The scope of both phosphate and nitrogen efficiency calculations is restricted to dairy cows, swine and poultry in the Netherlands. The results are always one year behind due to the availability of the data.</p> <p>Considering that (reliable) data which is required for the calculation of phosphate efficiency is only available for Dutch farmers, the scope is restricted to The Netherlands only.</p>
Take leadership position in phosphate and nitrogen efficiency	<p>A Lost Time Incident is defined as any unplanned event that results in personal injury, where the injured party is unable to work during their next scheduled day. This also includes employees, contractors and visitors who have an accident on our (customers') premises, at a company organised event or during driving on our (contractors') lorries. Excluded are driving to and from normal or contracted place of work.</p> <p>The LTI Frequency Rate per quarter is calculated by the following formula: (200.000 hours x LTIs per quarter) / total hours worked (= contract hours + overtime hours) per quarter. This is in line with the formula used in GRI, the international standards for sustainability reporting.</p>	No specific exclusions
Lost Time Incident Frequency Rate @0.5 per 100 FTE and a 50% reduction in number of LTIs compared to 2019	An incident is considered a feed safety incident when human health and/or animal health is at risk. Total number of feed safety incidents regarding non-compliance with regulations and voluntary codes concerning the health and safety impact of products and services, resulting in a fine or penalty; resulting in a warning or via external audits (minor incidents excluded).	No specific exclusions

ForFarmers has several environmental certifications: in Germany ForFarmers is ISO 50001 certified and in the UK there are ISO 50001 and 14001 certifications. ISO 50001 supports ForFarmers to use energy more efficiently through the development of an energy management system and ISO 14001 helps ForFarmers to enhance the environmental performance through the development of an environmental management system. ForFarmers uses publicly available conversion factors to convert energy use (kWh or litre) to CO₂. The factors used are shown below.

Governance related to Sustainability

ForFarmers has a two-tier governance approach to sustainability in the form of the Sustainability Advisory Board and the Sustainability Task Force. Due to the handover of CEO responsibilities, the Sustainability Advisory Board did not meet formally, however an informal briefing on the updated strategy was provided in December. In addition there were a number of changes to the membership of the Advisory Board and additional members will be recruited in 2023

The Sustainability Advisory Board is scheduled to meet twice a year and is chaired by the CEO of ForFarmers (see note above). The role of the Sustainability Advisory Board is to provide advice on ForFarmers' sustainability strategy and on major trends and challenges that should be taken into account. The Sustainability Advisory Board is composed of the CEO, chair, two members of ForFarmers' Executive Team and a number of external members who are all major players in ForFarmers' supply chain, academia and NGOs.

Coefficients to GHG (in kg of CO₂)

Energy Type	Country	From	To	2023	2022
Gas	Netherlands	Kwh	Kg of CO ₂	0.183	0.182
Gas	Germany	Kwh	Kg of CO ₂	0.182	0.182
Gas	Belgium	Kwh	Kg of CO ₂	0.182	0.182
Mazout	Belgium	Kwh	Kg of CO ₂	n/a	n/a
Gas	Poland	Kwh	Kg of CO ₂	0.182	0.182
Gas	UK	Kwh	Kg of CO ₂	0.183	0.183
Electricity	Netherlands	Kwh	Kg of CO ₂	0.128	0.034
Electricity	Germany	Kwh	Kg of CO ₂	0.308	0.252
Electricity	Belgium	Kwh	Kg of CO ₂	0.144	0.149
Electricity	Poland	Kwh	Kg of CO ₂	0.412	0.634
Electricity	UK	Kwh	Kg of CO ₂	0.363	0.193
Woodchips	Netherlands	Kwh	Kg of CO ₂	0.000	0
Solar	Netherlands	Kwh	Kg of CO ₂	0.000	0
Solar	UK	Kwh	Kg of CO ₂	0.000	0
Gas oil	UK	Kwh	Kg of CO ₂	0.254	0.257
Kerosene	UK	Kwh	Kg of CO ₂	0.246	0.248
Medium fuel oil	UK	Kwh	Kg of CO ₂	n/a	n/a
Gas oil	Poland	Kwh	Kg of CO ₂	0.240	0.278
Coal	Poland	Kwh	Kg of CO ₂	0.306	0.306
Diesel	All	Litres	Kg of CO ₂	2.557	2.558

	Sustainability advisory board	Taskforce Going Circular																									
Purpose	<ul style="list-style-type: none"> • Provide oversight of ForFarmers sustainability performance • Provide input from key external stakeholders 	<ul style="list-style-type: none"> • Working group which reviews progress against implementation plan • Identifies gaps in current performance and agree corrective actions 																									
Composition	 Chairman Pieter Wolleswinkel, CEO	 Chairman Rob Kiers, COO																									
	<table border="0"> <tr> <td>Corporate affairs & legal director</td> <td>Ilse Niehof-Duivelshof</td> </tr> <tr> <td>ESG Director</td> <td>Henry Verwaijen</td> </tr> <tr> <td>director Food & Agri at Rabobank NL and dairy farmer</td> <td>Alex Datema</td> </tr> <tr> <td>Special professor at WUR and member of the Council for Animal Affairs</td> <td>Prof. Dr. Ir. Leo den Hartog</td> </tr> <tr> <td>director Sustainable Farming at FrieslandCampina</td> <td>Dr. Sanne Griffioen-Roose</td> </tr> <tr> <td>director at Centraal Bureau Levensmiddelenhandel</td> <td>Marc Jansen</td> </tr> </table>	Corporate affairs & legal director	Ilse Niehof-Duivelshof	ESG Director	Henry Verwaijen	director Food & Agri at Rabobank NL and dairy farmer	Alex Datema	Special professor at WUR and member of the Council for Animal Affairs	Prof. Dr. Ir. Leo den Hartog	director Sustainable Farming at FrieslandCampina	Dr. Sanne Griffioen-Roose	director at Centraal Bureau Levensmiddelenhandel	Marc Jansen	<table border="0"> <tr> <td>Corporate affairs & legal director</td> <td>Ilse Niehof-Duivelshof</td> </tr> <tr> <td>CoE & procurement Director</td> <td>Falko Weinberg</td> </tr> <tr> <td>ESG Director</td> <td>Henry Verwaijen</td> </tr> <tr> <td>ESG UK Manager</td> <td>Beth Auster Muhle</td> </tr> <tr> <td>Formulations, Quality and Laboratory Director</td> <td>Wilco Engberts</td> </tr> <tr> <td>Internal Audit & CSRD</td> <td>Jan Louissen</td> </tr> <tr> <td>CSRD specialist</td> <td>Andy Gillard</td> </tr> </table>	Corporate affairs & legal director	Ilse Niehof-Duivelshof	CoE & procurement Director	Falko Weinberg	ESG Director	Henry Verwaijen	ESG UK Manager	Beth Auster Muhle	Formulations, Quality and Laboratory Director	Wilco Engberts	Internal Audit & CSRD	Jan Louissen	CSRD specialist
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CSRD specialist	Andy Gillard																										

Composed of one member of the Executive Team and nine senior managers, the Sustainability Task Force is responsible for the implementation of ForFarmers' sustainability approach. Each business owner is responsible for a specific sustainability focus area. The task force coordinates improvement measures with respect to KPIs and provides relevant information to the Executive Board and Team and the Supervisory Board. Within the Executive Team, the director Supply Chain is responsible for ForFarmers' sustainability approach.

¹ Excluding phosphate and nitrogen efficiency as these are reported annually, and one year behind, due to the availability of data.

Sustainability management approach

Sustainability data is integrated in ForFarmers' internal reporting processes. Each sustainability focus area has assigned a business owner for coordinating the sustainability performance on the respective pillar and determining future actions and initiatives. The collected data is reviewed by the business owner. On a quarterly basis¹ the sustainability data is consolidated by the Corporate Affairs Director and reviewed by Finance and Internal Audit. Several internal controls, including sanity checks and qualitative analysis, are performed to ensure the accuracy and completeness of the data used to calculate the KPI performance. The sustainability performance is then discussed within the Sustainability Task Force as well as the country management teams to

discuss the current status and next steps. Subsequently it is submitted to the Executive Board, the Executive Team and the Supervisory Board for evaluation.

Stakeholder dialogue

ForFarmers recognises the importance of understanding the views of its stakeholders. They challenge us, they share their expectations and concerns, they raise issues, they provide feedback and they collaborate with us. ForFarmers identified two stakeholder groups: level A stakeholders have been defined as those directly involved in the ForFarmers supply chain (employees, suppliers, customers, processors, and retailers). Level B includes all other stakeholder groups (shareholders, members, NGOs, regulators, government, media, investors and banks).

Engagement with these stakeholders is key for ForFarmers and takes place regularly on a formal and informal basis. We communicate with the stakeholders through various channels and at a variety of levels. The following table provides an overview about how ForFarmers engages with each stakeholder group, what has been shared and discussed during these engagements with them and, subsequently, ForFarmers' responses to these raised topics. This is in addition to the separately, formally organised stakeholder dialogue to update the materiality matrix.

Stakeholders Level A	Engagement with stakeholders	Expectations shared and topics discussed	Expectations/topics addressed in ForFarmers' reporting
Employees	<ul style="list-style-type: none"> Day-to-day contact Employee intranet continuously Employee magazine half-yearly Regular team meetings Bi-annual employee survey Regular employee councils Management conferences half-yearly 	<ul style="list-style-type: none"> Best-in-class employer Safe working environment Fair remuneration Flexible working arrangements Openness and transparent communications Support for social projects 	<p>Our innovation and sustainability agenda: Going Circular For the Future of Farming and in particular the following sustainability focus areas:</p> <p>4. People and Society</p> <p>Developing Talent For The Future of Farming</p>
Suppliers	<ul style="list-style-type: none"> Day-to-day contact Code of conduct when relevant Regular audits meetings and visits continuously Contracts and specifications when applicable 	<ul style="list-style-type: none"> Partnership approach Fair pricing Honour all obligations Openness and transparency Traceability Feed safety Responsible sourcing Green house gas emissions 	<p>Our innovation and sustainability agenda: Going Circular For the Future of Farming and in particular the following sustainability focus areas:</p> <p>1. Feed Resources 2. Feed Production 3. Feed Solutions 4. People and Society</p>
Customers	<ul style="list-style-type: none"> Day-to-day contact Website and social media continuously 3-4 magazines per year Monthly digital newsletter Quarterly sounding boards Advertising and promotions when relevant Regular events 	<ul style="list-style-type: none"> Fair pricing On-time, in-full delivery Product quality Technical advice and support Innovation Feed efficiency and feed safety Support for industry initiatives Resource (phosphate/nitrogen) efficiency Animal health and welfare Antimicrobial resistance 	<p>Our innovation and sustainability agenda: Going Circular For the Future of Farming and in particular the following sustainability focus areas:</p> <p>1. Feed Resources 2. Feed Production 3. Feed Solutions 4. People and Society</p>
Processors	<ul style="list-style-type: none"> Day-to-day contact Regular technical meetings and projects 	<ul style="list-style-type: none"> Technical advice and support Innovation Openness and transparency Traceability Feed safety Resource efficiency Animal health and welfare Antimicrobial resistance Responsible sourcing Green house gas emissions 	<p>Our innovation and sustainability agenda: Going Circular For the Future of Farming and in particular the following sustainability focus areas:</p> <p>1. Feed Resources 2. Feed Production 3. Feed Solutions 4. People and Society</p>
Retailers	<ul style="list-style-type: none"> Day-to-day contact Regular technical meetings and projects 	<ul style="list-style-type: none"> Technical advice and support Innovation Openness and transparency Traceability Feed safety Resource efficiency Animal health and welfare Antimicrobial resistance Responsible sourcing Green house gas emissions 	<p>Our innovation and sustainability agenda: Going Circular For the Future of Farming and in particular the following sustainability focus areas:</p> <p>1. Feed Resources 2. Feed Production 3. Feed Solutions 4. People and Society</p>

Stakeholders Level B	Engagement with stakeholders	Expectations shared and topics discussed	Expectations/topics addressed in ForFarmers' reporting
Shareholders	<ul style="list-style-type: none"> Annual shareholder meeting Publication and presentation of annual and half-year results Quarterly trading updates Regular roadshows Annual Report 	<ul style="list-style-type: none"> Return on investment Openness and transparency Strong culture and values Dividend performance Clear strategy Sustainability approach Reporting and disclosure 	<p>Our innovation and sustainability agenda: Going Circular For the Future of Farming Developing Talent For The Future of Farming Governance and Compliance Financial Statements Appendix: Sustainability Reporting</p>
Members	<ul style="list-style-type: none"> Regular meetings and events Newsletter/member magazine 3-4 per year Continuously via website 	<ul style="list-style-type: none"> Strong culture and values Openness and transparency Long-term management focus Resource efficiency Animal health and welfare Antimicrobial resistance 	<p>Our innovation and sustainability agenda: Going Circular For the Future of Farming and in particular the following sustainability focus areas:</p> <ol style="list-style-type: none"> 1. Feed Resources 2. Feed Production 3. Feed Solutions 4. People and Society <p>Developing Talent For The Future of Farming</p>
NGOs	<ul style="list-style-type: none"> Participation in conferences when relevant Ad hoc meetings 	<ul style="list-style-type: none"> Sustainable practices Openness and transparency Responsible sourcing of raw materials Animal health and welfare Environmental impact of livestock production 	<p>Our innovation and sustainability agenda: Going Circular For the Future of Farming and in particular the following sustainability focus areas:</p> <ol style="list-style-type: none"> 1. Feed Resources 2. Feed Production 3. Feed Solutions 4. People and Society <p>Developing Talent For The Future of Farming</p>
Regulators	<ul style="list-style-type: none"> Membership of national and European trade associations Regular site visits and certification audits 	<ul style="list-style-type: none"> Compliance with regulations and standards Responsible sourcing of raw materials Animal health and welfare Environmental impact of livestock production Cooperation between national competent authorities and company schemes 	<p>Our innovation and sustainability agenda: Going Circular For the Future of Farming and in particular the following sustainability focus areas:</p> <ol style="list-style-type: none"> 1. Feed Resources 2. Feed Production 3. Feed Solutions 4. People and Society <p>Developing Talent For The Future of Farming</p>
Government	<ul style="list-style-type: none"> Membership of national and European trade associations Technical groups and committees when applicable 	<ul style="list-style-type: none"> Compliance with regulations and standards Contribution to policy consultations Development and implementation of regulations and standards Development of policy 	<p>Our innovation and sustainability agenda, Going Circular For the Future of Farming Developing Talent For the Future of Farming Appendix: Sustainability Reporting</p>
Media	<ul style="list-style-type: none"> Interviews when relevant Press releases when relevant 	<ul style="list-style-type: none"> Transparency Sustainability approach Specific projects and initiatives 	<p>Annual Report and ForFarmers website</p>
Investors and banks	<ul style="list-style-type: none"> Annual Report Regular roadshows Investor conferences and meetings when relevant 	<ul style="list-style-type: none"> Transparent reporting and disclosure Corporate governance Sustainability approach 	<p>Our innovation and sustainability agenda: Going Circular For the Future of Farming Developing Talent For the Future of Farming Financial Statements Appendix Sustainability Reporting</p>

Through this structural stakeholder engagement with all stakeholder groups, ForFarmers identifies emerging topics that are important for the company to consider in relation to strategic topics.

Memberships

As an important player in the livestock and feed industry, ForFarmers collaborates with industry associations and partnerships to further sustainability progress within the industry. ForFarmers' memberships include, among others, European Feed Manufacturers Federation (FEFAC) of which a ForFarmers employee is the immediate past President and national feed associations (Nevedi in the Netherlands, Deutscher Verband Tiernahrung (DVT) in Germany, the Belgian Feed Association (BFA) and the Agricultural Industries Confederation (AIC) in the UK). Tasomix is not a member of the Polish Feed Association. Through these memberships ForFarmers helps to represent, promote and defend the interests of the European compound feed industry with the National and European Institutions and international bodies. A comprehensive list of all our memberships can be found on the website.

EU taxonomy

The EU Taxonomy Regulation, adopted by the European Commission in 2020 (Regulation EU 2020/852), is a classification system that defines which economic activities contribute to specific environmental objectives. The tables as set out in Article 2.2 (Regulation EU 2021/2178) are presented below in a condensed table.

Revenue	2023						2022
	Code(s)	Turnover (EURm)	Proportion of turnover (%)	Substantial Contribution Criteria ⁽¹⁾	DNSH criteria ('Does Not Significantly Harm') ⁽¹⁾	Minimum Safeguards ⁽¹⁾	Proportion of Taxonomy aligned or eligible turnover (%)
Economic activities							
Taxonomy-eligible activities							
Environmentally sustainability activities (Taxonomy-aligned)							
Turnover of environmentally sustainable activities (Taxonomy-aligned)		-	0.0%	N/A	N/A	N/A	0.0%
Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)							
Turnover of taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)		-	0.0%				0.0%
Turnover of taxonomy-eligible activities		-	0.0%				0.0%
Turnover of taxonomy non-eligible activities		2,975	100.0%				
Total		2,975	100.0%				

¹ Based on the standard table as provided in the EU Taxonomy (Article 8 Delegated Act, Annex 2) and as described in the EU taxonomy section, none of the economic activities qualify as Taxonomy-aligned, therefore ForFarmers reports the condensed format of the table for 2023. As a result, a brief overview of the substantial contribution criteria and the DNSH criteria is provided, without disaggregating the six environmental objectives included in Annex II of the Delegated Regulation.

Capital expenditure

2023

2022

				Substantial Contribution Criteria ⁽¹⁾	DNSH criteria (‘Does Not Significantly Harm’) ⁽¹⁾	Minimum Safeguards ⁽¹⁾	Proportion of Taxonomy aligned or eligible turnover (%)
Economic activities	Code(s)	CapEx (EURm)	Proportion of CapEx (%)				
Taxonomy-eligible activities							
Environmentally sustainability activities (Taxonomy-aligned)							
CapEx of environmentally sustainable activities (Taxonomy-aligned)		–	0.0%	N/A	N/A	N/A	0.0%
Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)							
Production of heat/cool from bioenergy	CCA 4.24	0.0	0.0%				0.0%
Transport by passenger cars	CCM 6.5	4.0	4.2%				2.6%
Freight transport services by road	CCM 6.6	15.3	16.0%				1.4%
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	0.6	0.6%				2.8%
Installation, maintenance and repair of charging stations for electric vehicles in buildings	CCM 7.4	0.0	0.0%				0.0%
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	CCM 7.5	0.3	0.3%				0.1%
Installation, maintenance and repair of renewable energy technologies, on-site	CCM 7.6	0.0	0.0%				0.1%
CapEx of taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)		20.2	21.1%				7.0%
CapEx of taxonomy-eligible activities		20.2	21.1%				7.0%
CapEx of taxonomy non-eligible activities		75.7	78.9%				
Total		96.0	100.0%				

¹ Based on the standard table as provided in the EU Taxonomy (Article 8 Delegated Act, Annex II) and as described in the EU taxonomy section, none of the economic activities qualify as Taxonomy-aligned, therefore ForFarmers reports the condensed format of the table for 2023. As a result, a brief overview of the substantial contribution criteria and the DNSH criteria is provided, without disaggregating the six environmental objectives included in Annex II of the Delegated Regulation.

Operational expenditure

2023

2022

				Substantial Contribution Criteria ⁽¹⁾	DNSH criteria ('Does Not Significantly Harm') ⁽¹⁾	Minimum Safeguards ⁽¹⁾	Proportion of Taxonomy aligned or eligible turnover (%)
Economic activities	Code(s)	OpEx (EURm)	Proportion of OpEx (%)				
Taxonomy-eligible activities							
Environmentally sustainability activities (Taxonomy-aligned)							
OpEx of environmentally sustainable activities (Taxonomy-aligned)		-	0.0%	N/A	N/A	N/A	0.0%
Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)							
Production of heat/cool from bioenergy	CCA 4.24	0.2	0.5%				0.4%
Transport by passenger cars	CCM 6.5	1.5	4.1%				3.5%
Close to market research, development and innovation	CCA 9.1	0.7	1.9%				0.4%
OpEx of taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)		2.5	6.4%				4.3%
OpEx of taxonomy-eligible activities		2.5	6.4%				4.3%
OpEx of taxonomy non-eligible activities		35.6	93.6%				
Total		38.0	100.0%				

¹ Based on the standard table as provided in the EU Taxonomy (Article 8 Delegated Act, Annex II) and as described in the EU taxonomy section, none of the economic activities qualify as Taxonomy-aligned, therefore ForFarmers reports the condensed format of the table for 2023. As a result, a brief overview of the substantial contribution criteria and the DNSH criteria is provided, without disaggregating the six environmental objectives included in Annex II of the Delegated Regulation.

Overview of subsidiaries

Subsidiaries	2023 Interest
The Netherlands	
ForFarmers Nederland B.V.	100%
ForFarmers Corporate Services B.V.	100%
FF Logistics B.V.	100%
PoultryPlus B.V.	100%
Reudink B.V.	100%
Van Gorp Schalkwijk B.V.	100%
Van Gorp Biologische Voeders B.V.	100%
Stimulan B.V.	100%
ForFarmers Poland B.V.	100%
ABC Vermogensbeheer B.V.	100%
Agri Focus Advies B.V.	100%
Veevoederhandel Van der Steijn Deurne B.V.	100%
Agri Focus Service Centrum B.V.	100%
Agri Focus H&B B.V.	100%
Agri Focus Rundevee B.V.	100%
ForFarmers Vleuten B.V.	60%
Vleuten Voeders B.V.	60%
Wise Feed B.V.	60%
Germany	
ForFarmers GmbH	100%
ForFarmers Langförden GmbH	100%
ForFarmers BM GmbH	100%
ForFarmers Hamburg GmbH & Co. KG	100%
ForFarmers Thesing Mischfutter GmbH & Co. KG	60%
ForFarmers Thesing Mischfutter GmbH	60%
ForFarmers Beelitz GmbH	100%
Pavo Pferdenahrung GmbH	100%
Vleuten Futtermittel GmbH	60%
Steijn Voeders GmbH	100%
HaBeMa Futtermittel GmbH & Co. KG Produktions- und Umschlagsgesellschaft	50%
HaBeMa Futtermittel-Verwaltungs GmbH	50%

Subsidiaries	2023 Interest
Belgium	
ForFarmers BE B.V.	100%
De Wulveput B.V.	100%
Poland	
Tasomix Sp. z o.o	60%
Tasomix Pasze Sp. z o.o	60%
United Kingdom	
ForFarmers UK Holdings Ltd.	100%
ForFarmers UK Ltd.	100%
FeedCo Ltd.	25%

Colophon

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Forward-looking statements

This document could contain forward-looking statements, which, rather than referring to historical facts, refer to the Executive Board's expectations based on current insights and assumptions which are subject to known and unknown risks and uncertainties, and may cause the actual results, presentations or events to differ materially from the statements in this annual report. Many of these risks and uncertainties are linked to factors over which ForFarmers has no control and/or which it is unable to accurately estimate, such as, for example, the effect of general economic or political circumstances, price development and the availability of raw materials, animal diseases or interest-rate and currency fluctuations. ForFarmers accepts no obligation or responsibility whatsoever to update forward-looking statements contained in this document, irrespective of whether they reflect new information, future events or otherwise, subject to ForFarmers' legal obligation to do so.

Third-party market data

Statements regarding market share, including the group's competitive position, contained in this annual report are based on outside sources including governmental reports and statistics, broker research reports and specialised research institutes, in combination with management estimates.