



Danish Crown

ESG Policy

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Our policy

1.1 Our purpose

Danish Crown is among the largest meat processing companies in the world and thus plays an important role when it comes to driving an ESG agenda. We strive to live up to this responsibility by managing our business in a profitable and sustainable way and by integrating social, environmental and ethical considerations in our production and processes.

We are committed to leading a sustainable development of our business and ensuring high levels of food safety and quality, limited resource consumption, good working conditions for all employees, whether at our own sites or in the supply chain, responsible sourcing, animal welfare and a continuous dialogue with stakeholders.

Danish Crown is a signatory to the UN Global Compact and we fully support the Sustainable Development Goals (SDGs) and the United Nations' Guiding Principles on Human Rights. Through our Code of Conduct and Supplier Code of Conduct we aim to implement these principles throughout our organisation and our supply chains.

1.2 Our strategic ambitions

Our ambition is to contribute to the fulfilment and promotion of the SDGs and we believe that Danish Crown is in a position to be a positive contributor in this context. Likewise, the SDGs guide us in determining our ESG ambitions and targets.

As part of our strategic ambitions, we have the vision of becoming climate neutral by 2050. We have signed up for the Science Based Targets initiative, which have validated our 2022-2030 emission reduction target. We have also signed up for the UN Global Compact and the EU Code of Conduct on Responsible Food Business and Marketing Practices.

Our corporate strategy and our ESG ambitions are fully aligned. By using ESG as a strategic lever, we want to be even more relevant to our customers and to consumers by offering sustainable food solutions. We do that by investing in both innovation and production and by driving sustainable development throughout our value chain.

Our sustainability efforts are centred around four main aspects:

- Sustainable farming
- Sustainable food production
- Good jobs for everyone
- Together with customers and consumers

1.3 Our sustainability efforts

The sustainability efforts of Danish Crown comply with all legislation and regulations in force in our markets of operation. Our efforts are aligned with the UN Global Compact principles, the SDGs and the UN Guiding Principles on Business and Human Rights, as well as underlying international standards on human and labour rights, environment and climate, food safety, animal welfare and anti-corruption.

1.3.1. Environment

Danish Crown pursues a sustained and systematic approach to environmental challenges and is committed to taking action to protect the environment and combat climate change by reducing the greenhouse gas emissions of our own operations and in our value chain. An inherent part of this effort is to comply with national legislation, make international commitments and integrate the expectations of our stakeholders for sustainable production.

We focus on minimising our negative impact on the environment through resource reductions and increased energy efficiency and by increasing environmental awareness and actively considering the climate and environmental impact of our activities and products.

Through dialogue with our suppliers and customers, we strive to reduce the use of unnecessary packaging so that the best options are used whenever possible.

To support consistent improvements in climate and environmental matters, we develop and implement management tools that optimise and document our resource consumption, activities, and impact. All tools are adapted to the needs of each business unit.

Greater environmental responsibility and the use of environmentally-friendly technologies internally at Danish Crown and among business partners is promoted via tools, training and involvement of all relevant employees and stakeholders in the day-to-day environmental efforts.



Our focus on *Sustainable farming*, *Sustainable food production* and *Together with customers and consumers* provides us with a platform for setting targets for reducing our environment and climate impact, especially through the reduction of waste and efficient use of natural resources. Also, we focus on sustainable consumption and sustainable farming by working to protect, restore, and promote the sustainable use of terrestrial ecosystems.

1.3.2. Social

Human rights

In all Danish Crown operations and activities, we respect human rights, and we have a responsibility to avoid infringing the human rights of others.

As part of this effort, we identify the actual and potential negative impact on human rights activities of our business units and facilities and seek to prevent or mitigate any adverse impact that is directly linked to our operations or to the services of our business partners.

We work to ensure compliance with human rights-related legislation and have a particular focus on privacy and data protection throughout the Danish Crown organisation.

Our focus on *Sustainable farming* and *Together with customers and consumers* gives us the opportunity to actively respect the rights to health, well-being and access to adequate food. This endeavour encompasses our own operations and those of our business partners.

Labour rights

Danish Crown is committed to providing healthy and safe workplaces for our employees and thus respect their right to just and favourable conditions of work.

This includes compliance with legislation, the International Labour Organization (ILO) Conventions and collective agreements on fair wages, working hours, rest and leisure, equal remuneration for men and women, anti-discrimination, and equal opportunities in terms of access to employment and career. We are committed to eliminating any form of discrimination made on the basis of race, colour, sex, religion, political opinion, national extraction or social origin.

We respect the freedom of association and the right to collective bargaining of all our employees. In our supply chain and with other business partners, we are also committed to identifying and mitigating or eliminating any risk of infringing the right to

freedom of association and to collective bargaining.

We are also committed to eliminating all forms of forced and compulsory labour and to effectively abolishing child labour, and as part of this effort we comply with the UK Modern Slavery Act.

Our focus on *Good jobs for everyone* provides a basis for Danish Crown to contribute to sustained, inclusive and sustainable economic growth and at all times ensuring good and safe jobs for our employees.

1.3.3. Governance

Anti-corruption

Corruption has a significant negative impact on society and on the individual's enjoyment of healthy and decent living, access to adequate food and to fair and safe working conditions. We see the elimination of corruption as a precondition for the full enjoyment of the rights and freedoms we support as part of our sustainability efforts. Participation in corruption may also impact our economic sustainability, as it generates a company risk for penalties, fines, and reputational damage.

Risk assessments and plans therefore form an integral part of our business planning and operations, especially when establishing new facilities in countries with high corruption risk.

As a responsible company, Danish Crown combats corruption in all its forms, including extortion and bribery and operates in compliance with international standards and the UK Bribery Act. Under our Supplier Code of Conduct, suppliers and business partners are required to support and respect anti-corruption principles.

Our approach to anti-corruption is further elaborated in our [Anti-corruption Compliance Policy \(Anti-corruption Compliance Policy – Danish crown\)](#).

Grievance mechanisms

Danish Crown has established a whistleblower scheme for the reporting of illegal, unethical or inappropriate conduct in relation to our business. The whistleblower scheme provides employees with a way of raising a concern that they, for some reason, feel they cannot discuss with their immediate manager.

Employees are also able to file concerns as part of the formalised health and security system and through managers or trade union representatives in the workplace.



In addition to our employees, the whistleblower scheme represents a safe channel for board members, customers, suppliers and business partners to report any perceived or suspected criminal or unethical issues with respect to Danish Crown.

Our whistleblower scheme and the related policy is available on our website ([Whistleblower - Danish Crown](#)).

1.3.4. Sector specific

Food safety

Live animals are Danish Crown's primary raw material, and it is essential that our raw materials meet a number of criteria in terms of both food safety and food quality. This is a prerequisite for enabling Danish Crown to supply quality products that meet the desired food safety standards. To that end, suppliers must comply with a number of conditions, including EU requirements as regards information concerning origin, health status and veterinary conditions.

Animal welfare

Our vision is that all animals in our care are treated as sentient beings and with respect and decency throughout their lives. We are committed to that all animals are treated humanely, that their needs are met and that the globally recognised Five Freedoms (as defined by the Farm Animal Welfare Council) are respected. Our commitment to ensuring and maintaining high standards of animal welfare across our operations throughout the Group is reflected in our [Animal Welfare Policy \(Animal Welfare Policy - Danish Crown\)](#).

1.4 Partnerships and dialogue

Dialogue and cooperation with business partners and stakeholders have been an inherent and vital part of Danish Crown since the formation of the cooperative more than 125 years ago.

Danish Crown aims to establish and maintain an open and constructive dialogue with the general public about initiatives to reduce the environmental and social impacts of our production activities, improving animal welfare, combating corruption and climate change and developing future products.

We actively participate through our memberships of various organisations, and we engage in and promote effective public, public-private and civil society partnerships. Also, we aim to contribute to a harmonised and balanced approach to legislation

relevant for a sustainable development.

We also encourage other parts of the value chain to consider sustainability in relation to our products and to contribute to socially, environmentally, and economically sustainable developments.

1.5 Implementation and reporting

In implementing our sustainability work, we focus on management commitment, ESG risk assessments, definitions of ESG ambitions, targets and policies, execution through activities and adjustment of practices, measuring and monitoring progress and impacts achieved, as well as communication and reporting.

The ESG Policy is implemented through procedures and guidelines that ensure compliance with sections 99 (a) and (b) of the Danish Financial Statements Act, the UN Global Compact and UN Guiding Principles, selected UN SDGs, the UK Modern Slavery Act and UK Bribery Act and the EU General Data Protection Regulation. The policy is also supplemented by several other policies. You can see an overview of our public policies on our website ([Policies - Danish Crown](#)).

ESG-related risk assessments are carried out as an integral part of business-relevant risk assessment schemes and procedures.

The annual sustainability report demonstrates how this policy is transformed into activities supporting the corporate strategy, the fulfilment of sustainability goals, including the results of risk assessments and steps taken to prevent, mitigate or eliminate sustainability-related risks, as well as applied indicators, achieved results and expected progress. Main results are also disclosed in the annual report of the Danish Crown Group. You can see an overview of our sustainability reports and our financial reports on our website ([Policies - Danish Crown](#)).

1.6 Documentation

In implementing our sustainability efforts, we use and develop management tools which are intended to optimise and document the employment of resources, social and environmental efforts and performance to ensure continuous improvements. Systems are selected and optimised with reference to the needs of our business.

We apply KPIs to document the results and achievements of our sustainability efforts and activities. The indicators are inspired by the Global Reporting Initiative standards as well as other relevant frameworks and legislation.