



Danish Crown

Supplier Code of Conduct

December 2022



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About this Supplier Code of Conduct

1.0 Introduction

As one of the largest meat producers in the world, Danish Crown carries a significant corporate responsibility. We strive to live up to this by managing our business in a profitable and sustainable way and by integrating environmental, social and ethical considerations in our business operations and throughout our value chain.

This Supplier Code of Conduct (Code) defines the minimum requirements that our suppliers, partners and sub-suppliers of goods and services must comply with when conducting business with Danish Crown. Compliance with this Code is a prerequisite for collaboration and a legally binding document for all Suppliers to any entity within the Danish Crown group.

The Code reflects Danish Crown's commitment to the UN Global Compact and draws upon compliance with applicable national and international law, respectively, rules and regulations as well as recognised international standards and treaties (collectively referred to as Law throughout this Code).

In order for us to reach our goals and live up to our commitments, our Suppliers play a vital role. Our Suppliers are required to fulfil our requirements set out in this document. However, we encourage an open dialogue and good cooperation with our Partners and Suppliers to fulfil our commitments. The Supplier must notify Danish Crown if the Supplier is unable to fulfil the requirements in this document.

1.1 Implementation

To ensure and deliver compliance on each of the requested areas, Suppliers are expected to implement and maintain management systems appropriate to the size and sector of the business, including:

- Suppliers must appoint a senior member of management to be responsible for the implementation of this Code and act as contact for Danish Crown regarding related compliance matters.
- Suppliers are expected to fully integrate the standards of this Code into their business and operations and are encouraged to contact Danish Crown for advice at sustainability@danishcrown.com.
- Suppliers are expected to implement due diligence procedures, policies & procedures/processes, including training and communication to relevant persons.
- Suppliers must ensure that transparent, full and correct documentation is available to verify compliance with this Code upon request.
- Suppliers must enforce this Code to their Suppliers and Sub-suppliers, thus extending the standards throughout their entire supply chain.
- Monitoring and transparency

Suppliers must notify Danish Crown if they detect a violation of this Code in any of their own or Sub-suppliers' products or services produced for Danish Crown.

All Suppliers are required to provide full access to on-site inspection, by Danish Crown or its designated representatives, and access to all records that might determine compliance or non-compliance with the Code.

Upon request, Suppliers should share relevant information and data with Danish Crown in the format requested for any product and service.



As a tool for demonstrating and managing compliance with this Code, Danish Crown encourages the Supplier to enrol with Sedex ([sedexglobal.com](https://www.sedex.com)) and share the information with Danish Crown. Other social audits demonstrating compliance with this Code might also be used for evaluation and should be presented upon request.

A Danish Crown whistleblower system is available for Suppliers to file confidential reports on illegal, unethical or inappropriate conduct related to our business. The whistleblower system can also be used by our external stakeholders such as business partners, suppliers and customers. The system is hosted by an independent third party, which allows for anonymous and confidential reporting in numerous languages, and which is compliant with all personal data protection regulations. The scheme can be accessed via our website ([Whistleblower - Danish Crown](#)).

In case of non-compliance, the Supplier must submit a corrective action plan to address any specific non-compliance issues. The corrective action plan must be fulfilled within a given timeframe and be agreed with Danish Crown.

Danish Crown may terminate the agreement with the Supplier due to the seriousness of a breach or repeated non-compliance with this Code.

2.0 Product stewardship

As a global leader in the food industry, Danish Crown does not compromise in terms of upholding the highest standards within food safety and the quality of our products. Danish Crown will only source goods and services from Suppliers sharing the same standards.

By signing this Code, Suppliers confirm that they comply with Danish Crown's specific set of requirements within food safety and quality as outlined in our supplier demand and product specifications.

In accordance with these specific requirements, Danish Crown expects that Suppliers have obtained a GFSI (Global Food Standard Initiative) recognised Food Safety Certification for any supply of food products.

Danish Crown expects Suppliers of any meat-related product to have a special focus on limiting the use of

antibiotics and ensuring both animal and human health.

3.0 Sustainable farming

3.1 Animal welfare

Suppliers must commit to Danish Crown's Animal Welfare Policy ([Animal Welfare Policy - Danish Crown](#)).

Suppliers must ensure that all animals delivered to Danish Crown are treated decently and have their basic needs met.

Animal welfare must be based on the recommended Five Freedoms as set out by the World Organisation for Animal Health.

3.2 GMO and deforestation

Suppliers must commit to Danish Crown's GMO and Deforestation Policy covering deforestation and biodiversity (GMO and Deforestation Policy - Danish Crown).

3.3 Soy and palm oil

Suppliers must only use soy and palm oil in final products or soy in feed that is responsibly produced and certified according to EU organic standards, ProTerra, RSPO, RTRS or similar standards.

4.0 Labour & human rights

Suppliers and any of their Sub-suppliers must support and respect Human Rights and ensure that they are not complicit in Human Right abuses. This includes compliance with legislation, including the International Labour Organization (ILO).

Where Suppliers have an adverse impact on Human Rights with any of their stakeholders, they must address these issues and enable effective remediation based upon a policy endorsed at the highest management level.

4.1 Freely chosen employment

Suppliers must ensure that no forced, bonded or involuntary prison labour is employed nor involved in the work on behalf of Danish Crown. Suppliers must not require employees to lodge deposits or original ID papers, and any employee must be free to leave their Supplier after reasonable notice. Nor is it acceptable for any employee to be requested to pay a recruitment fee at any time in the recruitment process.



4.2 Freedom of association

Employees, without distinction, have the right to join or form trade unions of their own choosing and to bargain collectively.

Where the right of freedom of association and collective bargaining is restricted under Law, Suppliers must facilitate, and will not hinder, the parallel means for independent and free association and bargaining.

Employee representatives are not discriminated against and have access to carry out their representative functions in the workplace.

4.3 Health and safety

Suppliers must provide a safe and hygienic working environment.

Adequate steps must be taken to prevent accidents and injury to health arising out of, associated with, or occurring in the course of work, by minimising, so far as is reasonably practicable, causes of hazards inherent in the working environment.

This approach includes conducting an occupational safety and health risk assessment as well as providing regular and recorded training for all applicable employees. Adequate lighting, ventilation and fire safety is part of a safe and healthy working environment and Personal Protective Equipment (PPE) must be provided for free.

Access to clean toilet facilities and potable water shall be provided.

4.4 Accommodation

Where part of the Employee's compensation package includes long or short-term accommodation, Suppliers must ensure that health, security, legal conditions and employee rights are fair, decent and comply with all applicable Law. This includes, but is not restricted to, fire safety, risk protection, sanitation, electrical, mechanical and structural safety as well as meeting the basic needs for the employee.

4.5 Child labour and young workers

Suppliers must adhere to the principle that no child should be harmed by any related business operation, either directly or indirectly, and are committed to effectively abolishing child Labour.

The minimum age of the employees should not be less than the age of completion of compulsory schooling, and generally not less than 15 years of age for standard work if allowed by Law.

Young workers, defined as being above the minimum age, but under the age of 18 years must not be employed at night or work in hazardous conditions.

Age verification should be carried out for all employees and evidence of age documented and kept on record.

4.6 Wages, benefits, working hours & overtime

Suppliers must ensure that wages and benefits paid for a standard working week meet, as a minimum, national legal standards or food industry benchmark standards. In any event, wages should always be sufficient to meet basic needs, to provide some discretionary income collective and be based on collective bargaining agreements.

All employees must be provided with an employment contract, in a comprehensible language, clearly stating employment conditions including wage, prior to entering into employment, and a fully understandable pay slip for each pay period. The employment contract must be signed by employee and Supplier.

Deductions from wages as a disciplinary measure is not allowed nor is any deduction not provided for by Law permitted, without the expressed permission of the employee concerned. All disciplinary measures must be recorded.

Suppliers must ensure that working hours comply with Law or collective bargaining agreements, whichever affords the greater protection for the employee.

Working hours, excluding overtime hours, must be defined in the employment contract and must not exceed 48 hours per week*.

Overtime must be voluntary and used responsibly, taking into account the extent, the frequency and hours worked by the individual employee and the workforce as a whole. Overtime hours may not be used to replace regular working hours due to inadequate production planning.

* International standards recommend the progressive reduction of normal hours of work, when appropriate, to 40 hours per week, without any reduction in workers' wages as hours are reduced.



Overtime must as a minimum be compensated in accordance with local law. In case collective bargaining sets a higher premium, this must be adhered to.

In exceptional circumstances, working hours may, however, exceed 60 hours/week in a 7-day period if all the following criteria are met:

- This is allowed by Law.
- This is allowed by collective bargaining agreement freely negotiated with an employee organisation representing a significant portion of the workforce.
- Appropriate safeguards are taken to protect the employee's health and safety.
- The Supplier can demonstrate that exceptional circumstances apply, such as unexpected production peaks, accidents or emergencies.

Employees must be provided with at least one day off in any consecutive 7-day period or where allowed for by Law two days off in every 14-day period.

4.7 Non-discrimination & fair treatment

Suppliers must ensure non-discrimination in hiring, compensation, access to training, promotion, termination or retirement in relation to race, caste, national origin, religion, age, disability, gender, marital status, sexual orientation, union membership or political opinion.

Suppliers must treat their employees with fairness, dignity and respect. Physical abuse or discipline, the threat of physical abuse, sexual or other harassment and verbal abuse, or other forms of intimidation is prohibited.

4.8 Regular employment

Any employee recruited via Suppliers or employment agencies must be legally authorised, which is to be documented appropriately prior to engagement to work in the applicable location/country.

To every extent possible, work performed must be on the basis of a recognised employment relationship established through Law and practice. Obligations to employees under labour or social security laws and regulations arising from regular employment relationship may not be avoided through the use of labour-only contracting, subcontracting or home working agreements or through apprenticeship schemes where this is not a real intent to impart skills or to provide regular employment. Nor may any such obligation be avoided through the excessive use of fixed-term contracts of employment.

Suppliers are requested to use only employment agencies who adhere to the requirements stated in this Code, and who supply only workers registered with them. The requirements in this Code adhere to the hiring and management of all employees irrespective of status: Migrant, Contract, Agency, Temporary or Casual.

Suppliers must take appropriate steps to prevent, investigate and address violations of human and labour rights.

4.9 Sub-contracting

No suppliers must engage in any subcontracting or home working to 3rd party for production related to Danish Crown, unless previously agreed with Danish Crown.

5.0 Environment

Suppliers are expected to take full responsibility for their impact on the climate and environment.

Suppliers must as a minimum meet the requirements of local Law.

Suppliers must pursue a sustained and systematic approach to environmental impacts and risks and be committed to taking action to combat climate change and protect the environment.

Suppliers must be able to demonstrate that they have all the relevant and valid permits, including permits for the use and disposal of resources e.g., water, waste, chemicals etc. and fulfil other legal requirements in relation hereto. Documentation should be provided to Danish Crown or its designated representative on request.



Suppliers must be aware of environmental standards and code requirements from end clients/customers.

Suppliers must have an environmental policy, covering environmental protection and means to combat climate change. The policy must be communicated to all appropriate parties, including sub-suppliers.

Suppliers must be aware of the significant environmental impact of products, processes and services delivered to Danish Crown. Upon request, Suppliers must share this information with Danish Crown in the data format requested for environmental impact and life cycle assessments of any product and service.

On the sites, Suppliers must assess the adverse impacts, including continuous recording and regular reviews of use and discharge of natural resources e.g., energy and water consumption.

Suppliers must ensure that transparent, full and correct documentation is available to verify compliance with this Code upon request. This also includes data on e.g., environmental performance of products and services.

Suppliers must make continuous improvements in their environmental performance and actions towards climate change.

Date: _____

Name of Supplier

Signature

Suppliers must reduce the amount of packaging used and aim to use recycled packaging not compromising on food safety, durability or the quality of the products.

Suppliers should present Danish Crown with the most environmentally and climate friendly alternatives and solutions. Equipment to be used in Danish Crown production must live up to BAT requirements (Best Available Technologies).

6.0 Anti-corruption

Suppliers must conduct their business responsibly without engaging in corruption, in any form, including extortion, facilitation payment, money laundering, kickbacks, embezzlement and bribery or any type of fraudulent business practice. Suppliers must be able to demonstrate that they comply with all fiscal and other legislative requirements and provide relevant documentation to Danish Crown on request.

Suppliers must have an anti-corruption policy covering corruption, including extortion, bribery or any type of fraudulent business practice.

Suppliers should ensure that staff whose positions carry a higher level of risk in the area of corruption (e.g. sales, purchasing, logistics) receive training on how to react in the event of an issue arising in their area.

Name of signatory