



Danish Crown

Policy on Corporate Social Responsibility (CSR)

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 a sustainability 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 lead a sustainable development of our business and ensure high levels of food safety and quality, limited resource consumption, good working conditions for all employees, whether at our own sites and in the supply chain, responsible sourcing, animal welfare and a continuous dialogue with stakeholders.

Danish Crown is 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 sustainability goals.

As part of our strategic ambitions, we have signed up for the Science Based Targets initiative and the EU Code of Conduct on Responsible Food Business and Marketing Practices, and we have committed to becoming Climate Neutral by 2050.

Our corporate strategy and our sustainability ambitions are fully aligned. By using sustainability 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 entire 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 Human rights

In all Danish Crown operations and activities, we respect human rights and avoid infringing the human rights of the individuals involved.

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 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.



1.3.2. Labour rights

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

This includes compliance with legislation and collective agreements on fair wages, rest and leisure, equal remuneration for men and women, anti-discrimination, and equal opportunities in terms of access to employment and career. In our supply chain and with other business partners, we are particularly committed to identify and mitigate or eliminate any risk of infringing the right to freedom of association and to collective bargaining.

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

Our focus on *Good jobs for everyone* form the basis for Danish Crown to contribute to sustained, inclusive and sustainable economic growth, to full and productive employment and decent work.

1.3.3. Environment and climate

Danish Crown pursues a sustained and systematic approach to environmental challenges and is committed to take action to combat climate change and protect the environment. 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 actively consider the impact of our activities and products on climate and the environment.

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

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

Greater environmental responsibility and usage 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* provide 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 protecting, restoring, and promoting the sustainable use of terrestrial ecosystems.

1.3.4. 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.

1.3.5. Animal welfare

We are committed to driving animal welfare standards within the business and with our suppliers. The globally recognized Five Freedoms (as defined by the Farm Animal Welfare Council) form the core of our work on animal welfare and compliance with them is a requirement for delivering animals to us.

1.3.6. Anti-corruption

Corruption has a significant negative impact on society and on the individual's enjoyment of a healthy and decent living, access to adequate food, and to fair and safe working conditions. We see anti-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 sentences, 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. In our Supplier Code of Conduct, suppliers and business partners are required to support and respect anti-corruption principles.

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, and aim to contribute to a harmonised and balanced approach to legislation relevant for a sustainable development.

We also encourage other links in 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, sustainability risk assessments, definitions of sustainability goals and policies, execution through activities and adjustment of practices, measuring and monitoring progress and impacts achieved, as well as communication and reporting.

The CSR 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.

Sustainability-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 Group annual financial report.

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 and developed in accordance with Global Reporting Initiative Standards.

1.7 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 whatever reason, feel they cannot discuss with their immediate manager.

Employees are also able to file concerns as part of the formalized 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.