



Danish Crown

Supplier Code of Conduct



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About this Supplier Code of Conduct

1. Introduction

1.1. Responsible business conduct

As a leading food company, Danish Crown carries a significant corporate responsibility. We strive to meet to this responsibility 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.

Danish Crown is committed to acting responsibly and complying with all applicable laws, rules and regulations (collectively the "Law") as well as recognised international standards and treaties.

The Danish Crown Supplier Code of Conduct (the "Code") recognises that our responsibility is linked to the cooperation we have with our Suppliers, and we therefore hold our Suppliers accountable to the same Law and standards for responsible business conduct as we hold ourselves. Those standards deriving from Danish Crown's commitment to the UN Global Compact, the UN Guiding Principles on Business and Human Rights, OECD Guidelines and the ILO core conventions (collectively the "Standards").

1.2. Scope of application

The Code applies to Danish Crown's Suppliers. A Supplier (the "Supplier") is defined as anyone with whom we cooperate and who supplies goods and services to the Danish Crown Group.

1.3. Compliance with the Code

The Code defines the minimum requirements that the Supplier to Danish Crown must comply with when conducting business with Danish Crown. Compliance with this Code is a prerequisite for collaboration.

The Supplier is required to implement and comply with the Code in its business and operations and in turn to extend the standards of responsible business conduct to its own Suppliers, thus extending the standards throughout the entire supply chain.

The Supplier is required to ensure compliance with the most updated version of the Supplier Code of Conduct, which can be found on [our website](#).

2. Environment

The Supplier is expected to take full responsibility for its impact on the climate and environment and must as a minimum meet all applicable regulatory requirements as well as recognised international standards. The Suppliers must be aware of environmental standards and code requirements from end clients/customers.

Danish Crown also expects the Supplier to integrate environmental considerations in its activities and strive for continuous improvement, by minimising and preventing any adverse impacts its activities may have on the environment.

The Supplier must have an environmental policy, covering environmental protection and means to combat climate change. The Supplier's policy must be communicated to the Supplier's business relations and including its sub-suppliers.

Suppliers shall present Danish Crown with the most environmentally and climate friendly alternatives and solutions. Equipment to be used in Danish Crown's production must live up to BAT requirements (Best Available Technologies). To meet this requirement the Supplier must be committed to take action in the following areas:

2.1. Climate impact

The Supplier must pursue a sustained and systematic approach to environmental impacts and risks and be committed to taking action to combat climate change by reducing greenhouse gas emissions.

The Supplier must make continuous improvements in its environmental performance and actions towards climate change.



2.2. Resource use

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

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

Danish Crown is committed to the Science Based Target initiative (SBTi) and Carbon Disclosure Project (CDP) and therefore encourage the Supplier to sign up to the same initiative.

2.3. Packaging

The Supplier 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.

2.4. Environmental impact

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

2.5. Animal welfare

The Supplier must commit to Danish Crown's Animal Welfare Policy (Animal Welfare Policy – Danish Crown).

The Supplier 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.

2.6. Genetically Modified Organisms (GMO)

The Supplier must commit to Danish Crown's Policy on GMO (GMO and Deforestation Policy – Danish Crown).

2.7. Deforestation

The Supplier must commit to Danish Crown's Policy on Deforestation and Land Conversion.

2.7.1. Soy

The Supplier must only use soy in goods and ingredients delivered to Danish Crown's processing sites that is responsibly produced (verified and certified by one of the schemes that follow the FEFAC guidelines (such as RTRS, ProTerra, etc.).

The Supplier must be able to provide documentation upon request.

2.7.2. Palm oil

The Supplier must only use palm oil in goods and ingredients or delivered to Danish Crown's processing sites that is responsibly produced (RSPO certified or similar standards).

The Supplier must be able to provide documentation upon request.

3. Social

The Suppliers and all of its sub-suppliers must support and respect human and labour rights and ensure that they are not complicit in human and labour rights abuses. This includes compliance with legislation, including the International Labour Organization (ILO).

Where the Supplier has an adverse impact on the human and labour rights of any of its stakeholders, it must address such impact and enable effective remediation based upon a policy endorsed at the highest management level.

3.1. Freedom of association and collective bargaining

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 the Law, the Supplier must facilitate, and will not hinder, the parallel means for independent and free association and bargaining.



Employee representatives cannot be discriminated against and must have access to carry out their representative functions in the workplace.

3.2. Forced labour and modern slavery

The Supplier must ensure that no forced, bonded or involuntary prison labour is employed nor involved in the any work performed on behalf of Danish Crown. The Supplier must not traffic persons or engage in any form of slavery. The Supplier must not require employees to lodge deposits or original ID papers, and no employee shall work against their will and shall be free to leave their work-place when their working hours end. The Supplier allow its employees to terminate their employment on giving reasonable notice. It is not acceptable for any employee to be requested to pay a recruitment fee at any time in the recruitment process. Where employees have paid recruitment fees, the Supplier must reimburse such fees.

3.3. Child labour and young workers

Danish Crown will not conduct business with the Supplier if associated with child labour. The Supplier must adhere to the principle that no child shall be harmed by any related business operation, whether directly or indirectly, and shall be committed to effectively abolish child labour.

The age of employee shall not be less than the minimum age of completion of compulsory schooling, and as a general not under the age of 15 years for standard work if allowed by the Law.

If an incident of child labour is identified in the Supplier's employment, the supplier shall provide adequate remediation to the child and the child's family.

Young workers, defined as workers above the minimum working age, but under the age of 18 years must not be employed for night work or work under in hazardous conditions that could jeopardise their health, safety or morals.

Age verification shall be performed for all employees and evidence of age shall be documented and kept on record.

3.4. Non-discrimination and fair treatment

The Supplier must ensure that its workplaces are free from discrimination and harassment on the

basis of race, caste, national or social origin, religion, age, disability, gender identification, marital status, sexual orientation, union membership or political opinion or any other status protected by law. The Supplier shall ensure non-discrimination in hiring, compensation, access to training, promotion, termination and retirement.

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

3.5. Working conditions

3.5.1. Working hours

The Supplier must ensure that working hours comply with applicable laws or collective bargaining agreements, whichever affords the greater protection for its employee.

Working hours, excluding overtime hours, must be defined in the employment contract and must not exceed 48 hours per week. The total hours worked in a seven-day period must generally not exceed 60 hours.*

In exceptional circumstances, working hours may, however, exceed 60 hours per week within a seven-day period if all the following criteria are met:

- This is permitted by the Law.
- This is permitted under 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 seven-day period or where permitted by Law two days off in any 14-day period. Overtime must be voluntary and used responsibly, taking into account the extent, the frequency and hours worked by the individual employee and the workforce in general. Overtime hours may not be

* 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.



used to replace regular working hours due to inadequate production planning.

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

3.5.2. Wages and benefits

The Supplier 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 shall always be sufficient to meet basic needs, to provide some discretionary income and be based on collective bargaining agreements.

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

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

Where part of the employee's compensation package includes long or short-term accommodation, the Supplier must ensure that the health, security, and legal conditions of the employee's accommodation are fair, decent and comply with the 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 of the employee.

The Supplier must ensure that all employees have the right to sick leave and annual holiday, as well as parental leave. Employees that make use of those benefits must not face dismissal or threat of dismissal.

3.6. Occupational health and safety

The Supplier 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.

3.7. Regular employment

Any employee recruited via Suppliers, or an employment agency must be legally authorised, which is to be documented appropriately by the Supplier prior to engaging the employee to work in the applicable location/country.

To every extent possible, work for Danish Crown must be performed on the basis of a recognised employment relationship established through the Law.

The Supplier's obligations towards its employees under the Law arising from a 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.

The Supplier is required to use only employment agencies which adhere to the requirements stated in this Code, and which only facilitate workers registered with the agency. The requirements of this Code apply to the hiring and management of all employees irrespective of status: migrant, contract, agency, temporary or casual.

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

3.8. Sub-contracting

The Supplier must not engage in any subcontracting or home working with a third party for production



related to Danish Crown, unless agreed in advance with Danish Crown.

3.9. Local people and communities

The Supplier shall acknowledge that it is a part of the community in which it operates. It is important to ensure a constructive dialogue with such communities.

3.10. Right to privacy

The Supplier must respect employees' right to privacy and protect the privacy of employees' personal information. The Supplier must ensure that appropriate technical and organisational measures are implemented to protect employee's personal information against unauthorised or unlawful access.

3.11. Product stewardships

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 its products. Danish Crown will only source goods and services from the Supplier on the conditions that it satisfies the same standards.

The Supplier must comply with Danish Crown's specific set of requirements for food safety and quality as outlined in our supplier demand and product specifications.

In accordance with these specific requirements, Danish Crown expects that the Supplier has obtained a GFSI (Global Food Standard Initiative) recognised Food Safety Certification for any supply of food products. Danish Crown expects the Supplier of any meat-related product to have a special focus on limiting the use of antibiotics and ensuring both animal and human health.

4. Anti-corruption

Danish Crown is strongly committed to ensure compliance with the anti-corruption and anti-bribery laws in force.

Danish Crown has a zero tolerance towards corrupt behaviour of any kind in any jurisdiction in which we operate. This is part of Danish Crown's commitment to act with integrity.

Corrupt behaviour includes, among other things, bribery, extortion, facilitation payments, kickbacks, trading in influence, nepotism, and a conflict of interest.

The Supplier shall comply with all applicable laws and regulations relating to anti-corruption and anti-bribery including the UK Bribery Act.

The Supplier shall refrain from any corrupt behaviour and any activity that may imply involvement in corrupt behaviour when cooperating with or working for Danish Crown.

This includes in specific the use of facilitation payments or the giving or receiving of preferential treatment that may be perceived as a bribe for or on behalf of Danish Crown.

The Supplier shall not accept or provide any gifts or favours to or from government officials or commercial parties for or on behalf of Danish Crown.

The Supplier shall take all relevant measures to ensure that its subcontractors, agents, or other third parties, subject to its control or determining influence, do not engage in corrupt behaviour.

5. Transparency

5.1. Implementation

The Supplier shall implement and maintain management systems that are appropriate for its size and structure to ensure compliance with the Code in its business activities. This includes, but is not limited to (i) risk management in line with the requirements of the Code; (ii) appropriate measures to ensure compliance with the Code in the Supplier's own operations such as policies and controls, (iii) appropriate measures to ensure compliance with the Standards of the Supplier's supply chain such as policies and controls, communication on the Standards to and obtaining contractual assurances from subcontractors and other contractual partners of the Supplier ("Sub-Supplier") that substantially comply with the requirements of this section 5; and (iv) the implementation and maintenance of an accessible and effective complaints procedure through which employees of the Supplier can report possible violations of the Standards.

Insofar as the Supplier does not fulfil its obligations pursuant to Section 5 Danish Crown reserves the right to commit the Supplier to a jointly prepared preventive action plan ("Preventive Action Plan") to prevent violations of the Code in its own operations and supply chains.

For this purpose, the Supplier shall upon request and without undue delay provide Danish Crown with a



proposal for a Preventive Action Plan that is appropriate with regard to the breach of its obligations and the risks of violating human or environmental rights. The Preventive Action Plan must include at least the following aspects: (i) appropriate measures to remedy the breach; (ii) a timeframe for the implementation of the measures; and (iii) a concept for the verification of the implementation of the measures based on quantitative and qualitative criteria.

The Supplier shall implement the Preventive Action Plan agreed with Danish Crown.

5.2. Reporting

If the Supplier becomes aware of an actual or potential violation of the Standards ("Violation") in its own operations or its supply chain, it shall immediately inform Danish Crown in writing about such Violation and the relevant circumstances. This also applies to any relevant information received through the complaint procedure.

In the event of a reported Violation the following applies:

If the Violation occurred in the Supplier's own operations, the Supplier is obliged to take all necessary measures to minimise and end the Violation immediately. If this is not possible, the Supplier shall without undue delay develop and implement a concept for minimising and ending the Violation as soon as reasonably possible ("Corrective Action Plan") and report on the Corrective Action Plan to Danish Crown.

If the Violation occurs at a sub-supplier, the Supplier shall immediately make all reasonable efforts to ensure the Sub-Supplier shall remedies the Violation or at least to minimise the extent of the Violation. The Supplier shall keep Danish Crown informed of its efforts.

5.3. Documentation

The Supplier shall comply with Danish Crown's requests for information based on the Code or this Section 5 without undue delay, answer any relevant questions completely and truthfully and notify Danish Crown in writing of any material changes without undue delay.

Danish Crown works with Sedex Information Exchange Limited ("Sedex"), a globally recognised platform for responsible sourcing. Danish Crown may require the Supplier to register with Sedex and to maintain such membership for the duration of the business relationship with Danish Crown.

Danish Crown may also request the Supplier to submit a self-assessment questionnaire ("SAQ") regarding compliance with the Code.

5.4. Audit

Danish Crown reserves the right to verify the Supplier's compliance with the Code on an annual basis as well as on an ad-hoc basis in case of a reasonable suspicion of the Supplier's non-compliance with the obligations.

For this purpose, Danish Crown may (i) require the Supplier to provide Danish Crown with documents and information required for this purpose in a complete and appropriate form; (ii) after prior notification given at a reasonable notice period on a date agreed with the Supplier, carry out its own inspection measures at the Supplier's facilities ("Audit"); and/or (iii) commission an independent third party approved by Danish Crown to carry out an Audit ("External Audit"). This Audit may be announced or un-announced.

The Supplier shall fully cooperate and take all actions reasonably necessary to enable the performance of the measures without undue delay. The Supplier shall bear the costs of External Audit. The Supplier's facilities shall include all areas relevant for the verification of compliance with the requirements of the Code such as the Supplier's operating and production sites, farms, workers' accommodation, offices, distribution centres and storage facilities.

5.5. Sanctions

The Supplier is required to fulfil requirements set out in this document. However, we encourage an open dialogue and good cooperation with the Supplier.

In the case of a Violation, Danish Crown is entitled to suspend the business relationship with the Supplier and to set a reasonable period for the Supplier to fulfil its obligations under this Code.

However, a severe Violation or a material breach of the Supplier's obligations pursuant to this Section 5 shall constitute good cause for Danish Crown to terminate the business relationship. A material breach shall include, but not be limited to cases (i) of a severe Violation of the Code; (ii) where the Supplier is not willing or able to agree on a Preventive or Corrective Action Plan; or (iii) if the Supplier fails to comply with the requirements of a Preventive or Corrective Action Plan.

6. Reporting concerns

6.1. Whistleblower reporting

Danish Crown's whistleblower reporting system is available for third parties, including the Supplier and its



employees, to file confidential reports on illegal, unethical or inappropriate conduct related to Danish Crown's business.

The Danish Crown whistleblower reporting 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 Danish Crown's website ([Whistleblower - Danish Crown](#)).

6.2. Grievances mechanisms

The Supplier is expected to provide its employees with a channel for raising legal or ethical issues or concerns without fear of retaliation; and shall provide access to remedy through effective grievance mechanisms where its operations have caused or contributed to a material adverse impact on human rights, the environment, or corruption, including, where necessary, reporting to and collaborating with the appropriate authorities.

7. Contact

The Supplier is required to implement and comply with the Code in its business and operations and is encouraged to contact Danish Crown for advice.

Date: _____

Name of Supplier

Name of signatory

Signature