



Danish Crown

ESG Policy

Governance	
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Contents

1. Our policy.....	4
1.1. Our requirements.....	4
1.2. Our strategic ambitions.....	4
1.3. Our due diligence process.....	4
1.4. Partnerships and dialogue.....	4
2. Our ESG approach.....	5
2.1. Our ESG approach.....	5
2.2. Environment.....	5
2.2.1. Climate.....	5
2.2.2. Resource Use.....	5
2.2.3. Packaging.....	5
2.1.4 Animal welfare.....	5
2.3. Social.....	5
2.3.1. Human and labour rights.....	5
2.3.2. Food safety.....	6
2.4. Governance.....	6
2.4.1. Anti-corruption.....	6
3. Implementation, reporting and documentation.....	7
3.1. Implementation.....	7
3.2. Reporting.....	7
3.3. Documentation.....	7
4. Our complaints procedure.....	8
4.1. Our whistleblower scheme.....	8
4.2. Grievance mechanisms.....	8

1. Our policy

1.1. Our requirements

As one of the largest meat processing companies in the world, Danish Crown plays an important role when it comes to driving an ESG agenda. We strive to meet this responsibility by managing our business in a profitable and sustainable way and by integrating social, environmental, and ethical considerations in our operations and processes and throughout our value chain.

Danish Crown is a signatory to the UN Global Compact. We fully support the Sustainable Development Goals (SDGs), the United Nations' Guiding Principles on Human Rights, the International Bill of Rights and the International Labour Organization's (ILO) Declaration on the Fundamental Principles and Rights at Work and are guided by the International Bill of Rights.

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.

Our Code of Conduct and our ESG-related policies guide the conduct of all Danish Crown employees with respect to ESG.

Through our Supplier Code of Conduct, Business Partner Code of Conduct and our Codes of Practice, we implement our ESG commitments in our value chain in relation to human and labour rights, the environment, animal welfare and anti-corruption.

The codes set out our expectations that our direct suppliers and other business partners have appropriate risk management and reporting mechanisms in place and promptly notify us of any potential violations within their own operations or their supply chain. We also refer to the consequences of violating our requirements including the potential suspension and termination of a business relationship.

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.

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

Our ESG strategy is aligned with our corporate strategy and is centred around four main aspects:

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

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.

1.3. Our due diligence process

Danish Crown will act with due diligence in its operations and its supply chain and will conduct regular assessments to identify the risks of adverse impacts on human and labour rights, the environment, and corruption inherent in both our operations and our supply chain. This enables us to assess and prioritise relevant risks; to adopt consistent and appropriate measures to mitigate identified risks, and to measure the effectiveness of these actions.

1.4. Partnerships and dialogue

Danish Crown aims to establish and maintain an open and constructive dialogue with suppliers, business partners and stakeholders concerning 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 various effective partnerships. We aim to contribute to a harmonised and balanced approach to legislation relevant for sustainable development.

2. Our ESG approach

2.1. Our ESG approach

The sustainability efforts of Danish Crown comply with all legislation and regulations on human and labour rights, climate and the environment, food safety, animal welfare and anti-corruption in force in our markets of operation. 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.

2.2. Environment

2.2.1. Climate

Danish Crown pursues a 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 supply chain.

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 relevant employees and stakeholders in the day-to-day environmental efforts.

2.2.2. Resource Use

We focus on minimising our negative impact on the environment by reducing the use of resources, increasing energy efficiency, increasing environmental awareness and actively considering the climate and environmental impact of our activities and products.

Our ESG strategy 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.

2.2.3. Packaging

Packaging has an important function in all our food products as it serves to protect the food, prolong shelf life and prevent food from being wasted along the value chain. We aim to reduce the amount of

packaging material used and want to increase the recyclability of the packaging material we use. We strive to achieve this through dialogue with our suppliers and customers.

2.1.4 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 ensuring 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 are reflected in our [Animal Welfare Policy](#).

2.3. Social

2.3.1. Human and labour rights

Respect for human and labour rights is fundamental to all Danish Crown operations and activities, and we have a responsibility to avoid infringing the human rights of others. Danish Crown is committed to providing healthy and safe workplaces for our employees and in the value chain, and we respect the right to just and favourable conditions of work.

As part of this effort, we identify actual and potential negative impacts our business and value chain have on human rights, and we 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 and labour rights-related legislation and have a particular focus on privacy and data protection throughout the Danish Crown organisation.

This includes compliance with legislation, the International Labour Organization (ILO) core 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 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 ESG strategy provides a basis for Danish Crown to contribute to sustained, inclusive and sustainable economic growth, while at all times ensuring good and safe jobs for our employees.

Our commitment to ensuring and maintaining high standards within human and labour rights is further reflected in our Human and Labour Rights Policy.

2.3.2. 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.

Our ESG strategy 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.

2.4. Governance

2.4.1. Anti-corruption

Corruption has a significant negative impact on society and on the individual's enjoyment of healthy and decent living, 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](#).

3. Implementation, reporting and documentation

3.1. Implementation

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 on Business and Human Rights, selected UN SDGs, the UK Modern Slavery Act, the German Act on Corporate Supply Chain Due Diligence ("Lieferkettensorgfaltspflichtengesetz"), the UK Bribery Act and the EU General Data Protection Regulation.

The ESG policy is also supplemented by several other ESG policies. You can see an overview of our [public policies](#) on our website.

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

3.2. Reporting

Danish Crown's annual report and website demonstrate how this ESG policy and related policies are 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 reports](#) on our website.

3.3. 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.

4. Our complaints procedure

4.1. Our whistleblower scheme

Danish Crown has established a whistleblower scheme for the reporting of any perceived or suspected illegal, unethical or inappropriate conduct in relation to our business operations and the activities of our business partners, especially our suppliers.

The whistleblower scheme provides both employees and anyone outside our Group with a safe channel for raising a concern.

The whistleblower scheme 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. Concerns received are investigated thoroughly and appropriate preventive or corrective action is initiated, if necessary.

Information from our employees, suppliers and third parties help us to identify violations and take appropriate action to protect people and the environment, and to avoid future violations.

Reports that are submitted via the above-mentioned channel are reviewed by a small group of authorised employees.

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

4.2. Grievance mechanisms

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.

We require our direct suppliers to provide employees with a channel for raising legal or ethical issues or concerns without fear of retaliation; and to provide access to remedy through effective grievance mechanisms where their operations may 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 authority.

Contact details

In case of questions regarding the ESG policy, please reach out to Group Sustainability at sustainability@danishcrown.com



Danish Crown