

Modern Slavery Act Statement - Financial year 2022/23

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Danish Crown A/S

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This statement is published in accordance with section 54 of the UK Modern Slavery Act 2015. The statement covers the period 1 October 2022 to 30 September 2023.

Danish Crown acknowledges that the risk of modern slavery including human trafficking, forced labour or bonded labour can occur in any industry, including in the food industry. This statement provides an overview of Danish Crown's policies and processes relating to the management of the risk of modern slavery occurring in our supply chain and at our production facilities.

This statement should be regarded as complementary to the Danish Crown Integrated Annual Report 2022/23, which constitute our annual UN Global Compact Communication on Progress report.

Danish Crown – organisation and supply chain

Danish Crown is a cooperative headquartered in Denmark, and one of the largest meat processing companies in the world, with approximately 25,700 employees globally. We have a total of 69 abattoirs and processing facilities, 44 casing facilities, 13 separate warehouses and 55 offices in 26 countries.

Danish Crown is a global food company which operates in different business unit. The launch of the Feeding the Future strategy resulted in structural changes to the business. Danish Crown's business is now centred around four business units: Danish Crown, Sokolow, KLS and DAT-Schaub. The core work within the business units differs, however, can be categorised into Livestock, Fresh Meat, Foods and Traded Goods. Some categories of the later are handled by Group Procurement including Food ingredients, Packaging Material, Logistics, MRO (spare parts) and Facility and Business Services.

In our fresh meat business alone, we source livestock directly from 5,373 Danish farmer owners, as well as livestock from farmers in Sweden, Germany, and Poland. In addition, Group Procurement handles more than 10,000 suppliers across all our entities, countries, and global regions, which implies an extensive and complex value chain.



Policies and governance on modern slavery and human trafficking

Danish Crown strives to conduct its business in a responsible and sustainable manner, and we are committed to respecting international human and labour rights and to managing the risk of modern slavery occurring at our production facilities or externally.

In addition to the fundamental principles expressed in the International Bill of Human Rights and the ILO Declaration of Fundamental Principles of Rights at Work, Danish Crown is committed to respecting several initiatives relevant to Modern Slavery Act, including:

- [UN Global Compact](#)
- UN Guiding Principles on Business and Human Rights
- UN 2030 Sustainable Development Goals

These initiatives have been implemented in our policies and process and form an integral part of our day-to-day working procedures.

Since 2021 we are signatory to

- The EU Code of Conduct on Responsible Food Business and Marketing Practices

While having committed to publicly reporting specifically on Aspirational Objective #3 "A Climate neutral food chain in Europe by 2050" we also support the Aspirational Objective #5 "Sustained, inclusive and economic growth, employment and decent work for all" through our various initiatives deriving from our sustainability strategy.

Additionally, we are part of

- The UK Soy Manifesto
- The Swedish Soy Manifesto
- The Danish Alliance for Responsible Palm oil
- The Danish Alliance for Responsible Soy
- The Roundtable on Sustainable Palm Oil
- The Round Table on Responsible Soy

With all these commitments, we also commit to combat the underlying issue of potential forced or child labour and human and labour rights violations. Moreover, we work toward increased protection of workers' rights.

Specific Danish Crown policies and schemes directly or indirectly covering labour and human rights, hence, anti-trafficking and anti-human slavery. Danish Crown policies are adopted by the Board of Directors and followed by a group-wide implementation.

- [The Danish Crown Code of Conduct](#)
- [The Danish Crown ESG Policy](#) (has previously been named CSR Policy)
- [The Danish Crown Human and Labour Rights Policy](#) (to be approved the first time in December 2023)
- [The Danish Crown Code of Practice Danish Crown's Pig and Sow Suppliers and Cattle Suppliers](#)
- [The Danish Crown Supplier Code of Conduct](#)
- [The Danish Crown Business Partner Code of Conduct](#) (to be approved the first time in December 2023)
- [The Danish Crown Whistleblower Scheme and policy](#)
- [The Danish Crown Anti-corruption compliance policy](#)
- The Danish Crown Offensive Behaviour standard (internal standard)
- [The Danish Crown Diversity and Inclusion Policy](#)



Enforcement of the above and the handling of the risk of modern slavery is aligned with the governance model laid out of our sustainability strategy. Specifically, for modern slavery and human trafficking

Due diligence process and management

We use the Sedex platform and tools for bi-annual assessment of our operational facilities. These assessments are based upon the ETI base code, which is consistent with our policies.

Among other things, the assessments enable a close dialogue between Danish Crown headquarter and the global operational facilities, ensuring that we stay focused on reducing risk and on our commitments to respect labour and human rights, and on providing healthy and safe workplace for all employees, including migrant and/ or third-party contract workers. And that we comply with all applicable laws.

We encourage our operational facilities to constantly update the information provided on Sedex. Additionally, they have set targets for improvements, they should be able to reach in the bi-annual assessment.

In 2022 we also use the EcoVadis platform to reassess our business activities among others related to ethics and human and labour rights. This assessment is done annually and evaluated by sustainability specialists. Therefore, the next assessment cycle is running from November to December 2023.

Risk mapping and management

Our risk management approach plays a crucial role in identifying and mitigating risks throughout our supply chain, and strive to prevent human and labour rights violations, counter environmental risks and avoid incidents of corruption and bribery.

Below, we would like to highlight how we plan to go forward evaluate our suppliers based on several factors, which are essential parameters for Danish Crown also including imposing an increased risk of modern slavery and human trafficking.

In our supplier rating we plan to focus in two set of parameters:

- Inherent risk of a given supplier due to associated risk with the product or service category and the country risk
- Supplier's risk management measures

In our rating of product and service category risks we place the highest focus on products and services that ultimately will end up with our customers and/or the end-consumers. As a rule, we associate product and service categories purely for internal use with a lower risk.

Actions taken to prevent modern slavery - Key performance 2022/23

In the recent financial year, we focused on:

- Supplier risk evaluation
- Continued rollout Supplier Code of Conduct and Framework Agreements, which lead to a total acceptance rate of 80% for non-livestock suppliers.
- Continuous work with Sedex and our production sites
- EcoVadis assessment, which included the assessment of business ethics and human and labour rights standards at Danish Crown.
- Participation on external human and labour rights training for the Subject Matter Expert
- Development of new Human and Labour Rights policy (to be approved by Board of Directors in December 2023) enhancing the importance of respecting human and labour rights and increase awareness internally.
- Update Supplier Code of Conduct. Strengthening it with information about our Whistleblower scheme, compliance with ILO, commitment to combat climate change and deforestation.



- Developed Code of Practice for third-party supplier of lamb in Sweden. The Code of Practice for cattle has been implemented in Denmark.

Priorities for 2023/24

In the coming year, we will continue to focus on managing and reducing the risk of modern slavery and human trafficking in our value chain. Our current plans cover the items set out below, but the list may be extended:

- Expand supplier self-questionnaire to cover logistic suppliers.
- Finalise Codes of Practice for remaining relevant animal types in remaining markets.
- Further develop our responsible procurement practices Group Procurement to continue the work with the ESG related SAQ and use the results more comprehensive responsible sourcing framework going forward.
- Group Procurement focusing on increased commitment to the Supplier Code of Conduct for all supplier categories within scope.
- Continue working with Sedex analysis and prepare annual assessment in early 2024 within the Danish Crown Group for all production entities.
- Prepare and take first steps for EU CSDDD implementation and other national due diligence laws.

More information about our sustainability ambitions and targets, the main activities conducted in 2022/23 and future activities can be found from page 59 on in [our Annual Report 2022/23](#).

Staff training on modern slavery

New employees at Danish Crown need to complete a mandatory course on the Code of Conduct and Anti-corruption. After that, employees receive a revitalisation at least once a year. Furthermore, we train our employees in relation to our [Whistleblower policy and scheme](#), which is further supported by awareness campaigns.

More insights can be found in the [Danish Crown Annual Report 2022/23](#) as well as on [our website](#).

This statement has been approved by the Danish Crown Group on behalf of the Board of Directors and it will be subject to an annual review.

Yours sincerely

Thomas Ahle
Danish Crown Group CFO