

Modern Slavery Act Statement - Financial year 2021/22

12 December 2022

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 2021 to 30 September 2022.

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 Sustainability report 2021/22, 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 26,600 employees globally. We have a total of 57 abattoirs and processing facilities, 46 casing facilities, 12 separate warehouses and 49 offices in 26 countries.

Danish Crown is a global food company operating in different business units. 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, Sokołów, 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 5,404 owners, all Danish farmers, 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 a number of 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 CSR Policy](#) (will be renamed to Sustainability Policy)
- [The Danish Crown Code of Practice Danish Crown's Pig and Sow Suppliers](#)
- [The Danish Crown Supplier Code of Conduct](#)
- [The Danish Crown Whistleblower Scheme and policy](#)
- [The Danish Crown Anti-corruption compliance policy](#)
- The Danish Crown Offensive Behaviour 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 2021 we also use the EcoVadis platform to rate our business activities among others related to ethics and human and labour rights. This assessment is done annually and evaluated by sustainability specialists.

Risk mapping and management

Below, we would like to highlight some of the most important issues impacting Danish Crown over the past years, next to current global developments, which we are facing having an impact on employment market and increase the risk of modern slavery and human trafficking. We continue to view the following as risk categories:

- Suppliers in our supply chain, where we have no direct management control, could be, workers at farms supplying livestock, but also those farmers making broader use of migrant workers, which also covers suppliers of some food ingredients
- Drivers involved in transport and logistics
- 3rd party contract workers at a minor amount of production facilities
- Country risk – Due to our global supply chain we have different potential risk in relation to the country of operation of our production facilities

Actions taken to prevent modern slavery - Key performance 2021/22

In the recent financial year, we focused on:

- Supplier risk evaluation, as an indicator for selecting suppliers to audit in the following year
- Continued rollout Supplier Code of Conduct and Framework Agreements, which lead to a total acceptance rate of 74%
- Human and labour rights assessment as part of this year's Sedex assessments
- EcoVadis assessment, which included the assessment of business ethics and human and labour rights standards at Danish Crown
- Information campaigns to support the right use of the whistleblower scheme



Priorities for 2022/23

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:

- Update Supplier Code of Conduct. Strengthening it with information about our whistleblower scheme, compliance with ILO, commitment to combat climate change and deforestation.
- Expand supplier self-questionnaire to cover logistic suppliers
- Planning of development and implementation of Code of Practices for suppliers so they also cover third-party suppliers of pigs and cattle in Denmark, Sweden, Germany and Poland and of sheep in Sweden and Germany by the end of 2023
- Group Procurement to continue the work with the SAQ and use the results as part of the supplier approval process and a more comprehensive social audit framework going forward
- Group Procurement focusing on reaching the goal of 90% commitment to the Supplier Code of Conduct for the above-mentioned category 1-3 suppliers (As of September 30th: 84 %)
- Continue working with Sedex analysis and prepare bi-annual assessment in 2024 within the Danish Crown Group

More information about our sustainability ambitions and targets, main activities conducted in 2021/22 and future activities can be found on page 80 on in [our Sustainability report 2021/22](#).

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 Sustainability report 2021/22](#) as well as on [our website](#).

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

Yours sincerely

Danish Crown Group

Jais Valeur
Group CEO