



**Danish Crown**

# **Policy on Deforestation and Land Conversion**

*December 2022*

# Our policy

## 1. Vision

Danish Crown aims to drive all deforestation and land conversion (legal and illegal) linked to soy and palm oil production out of its supply chains.

## 2. Scope

This policy applies to all Danish Crown markets with primary operations and outlines our position towards the sourcing of soy and palm oil for animal feed and food production. It is a part of our sustainability policy framework and our sustainability strategy, which aims to meet both societal and customer expectations that their food is produced responsibly.

In line with the definitions outlined by European Feed Manufacturers' Federation, we understand deforestation as a loss of natural forest due to conversion to agriculture, conversion to a tree plantation, or severe and sustained degradation, while land conversion is defined as a change of a natural ecosystem to another land use.

## 3. Commitment

Danish Crown is a global meat production and processing company and among the largest in its field, with primary production facilities in Denmark, Sweden, Germany, and Poland. Considerable amounts of soy and palm oil are purchased each year for the animal feed within our supply chain. We recognize the responsibility we hold for ensuring that these commodities have been produced responsibly and do not contribute to deforestation and land conversion in valuable ecosystems, such as the Amazon Rainforest in Brazil.

We have a strong commitment to ensure that all deforestation linked to the feed of animals slaughtered or ingredients used in Danish Crown processing activities is gradually eliminated. We are members of the global organizations, namely the Roundtable on Sustainable Soy (RTRS) and the Roundtable on Sustainable Palm Oil (RSPO), that develop and implement global standards for sustainable production as well as promote the production, trade and use of responsible soy and palm oil.

We are also active members of local ethical trade organizations (such as Ethical Trade Denmark and Ethical Trading Initiative Sweden) and their initiatives on relevant commodities (such as the Danish Alliance for Responsible Soy, the Danish Alliance for Responsible Palm Oil, and The Swedish Soy Dialogue). Here we have committed ourselves to the ambitious targets set by these organizations and assigned specialists to actively

engage in the organizations' work and efforts to transform the market. Through our memberships in these organizations, we take accountability for deforestation and land conversion linked to our operations and actively participate in the work to lift the entire industry towards more responsible and more sustainable supply chains.

Finally, in 2021 we became signatories of the UK Soy Manifesto, where partners in the industry work together to ensure that all physical shipments of soy to the UK are deforestation- and conversion-free no later than in 2025.

Our ambition is to develop clear soy and palm oil sourcing strategies accompanied with defined roadmaps for each of our markets with production activities.

## 4. Partnerships & 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. The same is true when it comes to challenges with soy and palm oil supply chains. We know we cannot solve these complex issues ourselves, therefore we aim to establish and maintain an open and constructive dialogue with other industry players, such as our customers, NGOs, politicians, certification bodies, and feed companies.

## 5. Reporting

Every year we release a Danish Crown Sustainability Report, where we provide an update on our progress and initiatives in the different areas of sustainability, including responsible sourcing. The report is publicly available on Danish Crown's website. Besides reporting on the performance at company level, we provide data and status updates to several organizations that analyse the progress on the market (for example, Denmark) or customer level (for example, 3Keel report for European retailers and food service).