



Danish Crown

Policy Statement on our Human and Labour Rights and Environmental Protection Strategy

*Danish Crown A/S**

Governance	
Version	1.0
Application date of present version	01.06.2024
Approved by	Respective board of the entity
Accountable for implementation of policy	Respective management board of the entity
Scope	Respective entity
Review frequency	Annually

April 2024 - Version 1



Content

1. Our commitment	4
2. Our human and labour rights strategy	5
3. Risk management and risk analysis in our own operations	6
4. Risk management and risk analysis in our supply chain	7
5. Complaints Procedure	8
6. Preventive, remedial measures and violations	9
7. Implementation, documentation, and reporting	10



1. Our commitment

**Danish Crown Holding GmbH, Danish Crown Fleisch GmbH and Danish Crown Foods Germany GmbH are affiliated company of Danish Crown A/S ("Danish Crown Group") and are committed to respecting human and labour rights and to protecting the environment. This statement is equally applying and covering each of the mentioned entity.*

As a leading producer of foods, Danish Crown Group strives to meet its corporate responsibilities by managing its business in a responsible manner and by integrating environmental, social, and ethical considerations in our operations and throughout our value chain.

We are committed to 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 our stakeholders.

We are guided by our *Code of Conduct* which describes our standards on human and labour rights issues, and environmental and ethical topics, these standards being detailed in several Group policies which explain our commitment as a Group and the obligations we place on all our employees.

This due diligence policy statement describes our strategy to meet our responsibility for the protection of human and labour rights and the environment, both in our own operations and in our supply chain in accordance with the German Act on Corporate Due Diligence Obligations for the Prevention of Human Rights in Supply Chains ("Lieferkettensorgfaltspflichtengesetz- LkSG").

Our commitment to respect human and labour rights

Our commitment is informed and guided by international recognized frameworks, in particular:

- A. UN Global Compact Ten Principles;
- B. United Nations' Guiding Principles on Business and Human Rights;
- C. International Labour Organization's (ILO) Declaration on the Fundamental Principles and Rights at Work;
- D. International Bill of Rights.



2. Our human and labour rights strategy

Respect for human and labour rights is fundamental to all Danish Crown Group operations and activities. Danish Crown Group is committed to providing healthy and safe workplaces for its employees and in the supply chain, and we respect the right to just and favourable work conditions. As part of this effort, we identify the actual and potential negative impacts that our business and value chain may have on human and labour rights, and we seek to prevent or mitigate any identified adverse impact that is directly linked to our operations or to the services of our suppliers and other business partners.

Our approach to implementing our human and labour rights strategy applies equally to our management, employees, and contract workers in all entities. They must engage and take responsibility for complying with our standards. This is done by ensuring that initiatives are developed and implemented, but also by building a human and labour rights awareness culture.

Our direct suppliers are required to comply with both the laws applicable in their respective country and with internationally recognized human and labour rights standards, to respect human and labour rights and to counter environmental risks. We also require that our direct suppliers in turn impose these requirements on their business partners.

Through our *Supplier Code of Conduct* together with our Codes of Practice, we implement our standards for respecting human and labour rights and for protecting the environment in our supply chains.

We hold our suppliers accountable to the same laws and standards for responsible business conduct as we hold ourselves.

We also require that our suppliers have appropriate risk management and reporting mechanisms in place that are appropriate for their size and structure and keep us notified of any potential violations in their own operations or along their supply chains.

Supplier Code of Conduct

Our Supplier Code of Conduct defines the minimum requirements that a supplier to Danish Crown Group must comply with when conducting business with Danish Crown Group. Our Supplier Code of Conduct requires our direct suppliers to adhere to our standards on human and labour rights including in specific freedom of association, forced labour, child labour and young workers, non-discrimination, and occupational health and safety. Our Supplier Code of Conduct also sets out our requirements on our suppliers in terms of environmental considerations, together with our zero-tolerance policy on corruption.



3. Risk management and risk analysis in our own operations

Risk management plays a crucial role in identifying and mitigating risks in our operations and throughout our supply chain. To prevent human rights violations, counter environmental risks and avoid incidents of corruption and bribery, Danish Crown Group implements appropriate risk management systems and processes in relation to our own operations.

To identify and address human and labour rights and environmental risks arising from our business activities, we annually conduct an internal risk analysis process using tools provided by Sedex. Sedex is an internationally recognized organization that provides data insights and tools to analyse, share and report on sustainability practices. It allows us to assess our business activities based on inherent risk data, site specific information among others provided through self-assessment questionnaire. We communicate the results to the management as a part of our internal reporting procedures.

Priority Risks in our own business operations

Based on our risk assessment processes, we have identified high priority areas applying to our entity, where we see the greatest risks of potential adverse effects on people who are directly or indirectly affected through our business activities:

- Health and safety
- Discrimination
- Regular employment

In our efforts to respect human and labour rights, we focus on the following groups of people, as their rights are potentially affected:

- Own employees with focus on blue-collar workers

Within these group of people, we have identified individuals who are at a higher risk of adverse human rights impacts:

- Women
- Migrant workers in relation to being a ethnic/ religious minority
- Temporary workers



4. Risk management and risk analysis in our supply chain

Our responsible procurement approach is centered around an effective risk management system including an appropriate risk analysis of our direct suppliers, in which a risk-based approach entails that our suppliers are rated according to a set of pre-defined criteria related to environmental, social, animal welfare, ethical, and economic behaviour, and any impacts. In doing so, we focus on the inherent risks and the supplier's effective risk management measures.

As a first step, we rate all suppliers according to their inherent risk, firstly based on risks associated with the category of product supplied or service provided and secondly on country risks. We measure country risk by way of external, acknowledged ratings from Sedex.

Secondly, we investigate whether our supplier has risk management measures in place in its operations and supply chain to mitigate the inherent risks. We do this by investigating if commitments have been made to a recognised initiative like the UN Global Compact, Sedex, Amfori, EcoVadis, the Science Based Targets initiative or the Carbon Disclosure Project, or if the supplier holds a third-party audit from an audit scheme acknowledged by Danish Crown Group and performed by an auditing firm accepted by Danish Crown Group.

Based on this rating, preventive measures are taken to reflect the potential risks associated with doing business with a particular supplier. These preventive measures may include mandatory signing of our

codes, self-assessment questionnaires, third-party audits etc.

We seek to implement our Supplier Code of Conduct or our Code of Practices as a prerequisite for doing business with Danish Crown Group and Danish Crown Group reserves the right to verify the supplier's compliance with our codes 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.

Priority Risks in our supply chain

Through our supplier risk assessment processes, we have identified the following high priority areas for our entity and see as the greatest risks of potential adverse effects along our global supply chain in terms of ESG:

- Supplier in the agricultural sector
- Supplier in the trading sector
- Supplier of animal origin products



5. Complaints Procedure

Danish Crown Group 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, including reporting on human and labour rights and environmental-related risks or violations.

The whistleblower scheme provides both employees and anyone outside Danish Crown 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.

The Audit and Risk Committee annually monitors the effectiveness of the complaint's procedure.

Danish Crown Group Whistleblower scheme

Danish Crown Group whistleblower scheme for reporting concerns and the related policy is available on *our website*.

Concerns received are investigated thoroughly and impartially by the Danish Crown Group Whistleblower Committee entrusted with the procedure and acting independently.

As part of the investigations the Whistleblower Committee will ensure that the facts related to the reporting are gathered, including by dialogue with the reporter.

Appropriate preventive or corrective action is initiated, if necessary.



6. Preventive, remedial measures and violations

We have established standardized risk management processes, including the implementation of our human rights strategy in business processes, responsible procurement strategies and purchasing practices that prevent or minimize the risks.

We are mindful that an increased awareness of our standards on human and labour rights and our environmental requirements is an important element in preventing risks in our own operations and in our supply chains. Accordingly, Danish Crown Group has implemented and published a number of Danish Crown Group policies and codes on our environmental, social, and ethical standards and we have plans for conducting regular training of relevant employees. Employees in the business areas which are particularly relevant to the implementation of our human rights strategy, including in specific procurement and human resources receive further training on human and labour rights and environmental standards.

We will actively and systematically involve rights holders or their legitimate representatives and regularly exchange ideas with other companies as part of industry initiatives.

If, despite all preventive measures taken, Danish Crown is made aware of the fact that we might have contributed to a violation, we will take appropriate remedial measures. In the case of a breach in our own business area we will act instantly to prevent further violations, end, or minimize the magnitude.

Compliance with our standards is a prerequisite for collaboration with us. In case of a direct supplier's a violation of our standards, we will respond in an appropriate and consistent manner, including potentially a suspension or termination of the business relationship. If we have substantiated knowledge of a violation at one of our indirect suppliers, we will take appropriate measures depending on the individual case.

Danish Crown Group policies and codes

Danish Crown Group policies and codes on environmental, social, and ethical topics include:

- Human and Labour Rights Policy
- Diversity and Inclusion Policy
- Political Engagement and Expenses Policy
- Responsible Procurement Policy
- Data Protection Compliance Policy
- ESG Policy
- Animal Welfare Policy
- Deforestation and Land Conversion Policy
- GMO Policy
- Anti-Corruption Compliance Policy
- Supplier Code of Conduct
- Codes of Practice



7. Implementation, documentation, and reporting

The implementation of our strategy and standards including all preventive measures is an ongoing process. For a successful implementation all relevant business functions, both at Group and entity level, will be involved. The successful implementation of our due diligence processes is an important contribution towards improving human and labour rights and countering environmental risks. Therefore, Danish Crown Group commits to continuously develop and improve own due diligence processes.

We document our risk assessment as well as the actions we take to prevent or remedy human rights or environment-related violations and report annually on our progress. This includes any necessary updates to this policy statement.

We also provide regular information on our activities to respect and promote human rights and environmental matters in the sustainability section of our Group website and in our annual non-financial report.

The overall responsibility for the implementation of the Danish Crown Group human and labour rights and environmental protection strategy lies with the Management Board of Danish Crown A/S.

The Audit and Risk Committee of Danish Crown A/S monitors the risk management measures described and is annually informed about the operational implementation of the due diligence obligations in the Group.

The day-to-day obligation to implement the relevant measures falls within the areas of responsibility of the operationally active business units with the support of the Group Human Rights Officer, Group Sustainability, Group Procurement, Group Legal, and the food safety and quality departments.

Responsibilities

The Management Board of the respective entity is responsible for implementing the due diligence obligations in full, properly and on time and to satisfy the requirements of the German Act on Corporate Supply Chain Due Diligence ("Lieferkettensorgfaltspflichtengesetz"). It has appointed a Human Rights Officer ("HRO") to monitor risk management processes. It is regularly informed of the work of the HRO and has organized reporting channels, in particular between the HRO and the relevant operational departments.

*This policy statement is adopted by the respective Board of the entity.
It will be made publicly available and communicated to all employees and direct suppliers.*