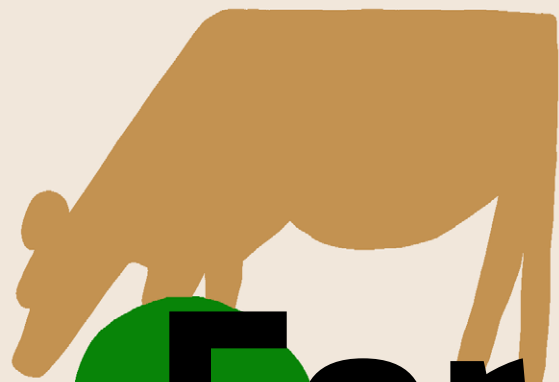
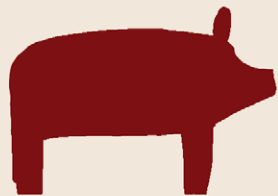




DANISH CROWN



# For a more sustainable future.



CSR report  
2017/18







# Welcome

This Corporate Social Responsibility (CSR) report constitutes Danish Crown's annual Communication on Progress to the UN Global Compact and covers the financial year 2017/18 from 1 October 2017 to 30 September 2018. The report describes our sustainability strategy and activities for the past year in view of the issues that are most material to Danish Crown and our stakeholders.

The report is an integral part of the management review of the Danish Crown Annual Report 2017/18, and with this document, we fulfill the requirements of section 99 a of the Danish Financial Statements Act. As part of our reporting obligations, we also issue a Statement on Modern Slavery Act 2017/18 which is available at [www.danishcrown.com](http://www.danishcrown.com).

We welcome and value any comments or suggestions you may have to this report, our strategy and performance to help us improve and meet your expectations.

Please send your feedback to: [sustainability@danishcrown.com](mailto:sustainability@danishcrown.com)

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Our MEAT2030 forum gave food for thought for the future of meat.



**page 7** →  
Food is at the heart of the value chain from farmer to consumer.



↑  
**page 22**  
We supply a larger share of outdoor-bred pigs in the UK.

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# 1 Reports





# Greater consumer interest is good for farmers

An important trend in society at the moment is very positive and beneficial for the entire value chain. Consumers want to get closer to food production. They want to know where food comes from and how farmers grow their crops and rear their animals. Food and food consumption have become high-interest topics, with consumers extending their interest to many more parameters of food and food consumption than we have seen before. In particular, the parameters that relate to sustainability.

As farmers we warmly welcome this trend. It always makes a farmer feel proud showing his farm and production to visitors. It is all about transparency at its most tangible. And transparency is a keyword in the sustainability journey that Danish Crown has embarked on together with our cooperative members, and something that we will be working intensively on in the future.

We want to create transparency in all agricultural processes, and together take sustainability to a new level. Through a new certification programme for the farms of our cooperative members, we will ensure greater control of resource consumption and emissions from production.

At the same time, it will be an opportunity for us to target our own advisory services to our cooperative members to ensure that we keep moving in the right direction.

“  
*We want to create transparency in all agricultural processes, and together take sustainability to a new level.*  
”

Danish Crown's cooperative members have the skills, technologies and motivation needed to produce meat with as small a climate and environmental footprint as possible. For example, they are already leading the way worldwide when it comes to pigs raised without antibiotics and with unparalleled feed efficiency.

Therefore, I am delighted with the results of a new analysis which shows that since 2005 Danish pig producers have reduced the climate impact from agricultural operations relative to pig weight gain. The time has now come to capitalise on the value of this achievement, and the farmers are ready to continue the journey together with the market.

At the same time, we must have the courage to explore radical change scenarios to be able to see the perspectives of thinking differently. With our MEAT2030 initiative, we have opened the door to exchanging ideas in this way and to having discussions among all stakeholders about the value chain for foods and agriculture.

Erik Bredholt,  
Chairman, Danish Crown





# We are going to create a sustainable future for meat



**A**ccording to climate researchers worldwide, meat presents one of the biggest challenges to planetary health and resilience and thus to the living conditions of future generations. This is a fundamental challenge for meat producers and also a huge responsibility for us and for our industry.

We need to act on this and speed is of the essence.

Meat has always been part of the human diet, and it will continue to be so in the future. As one of the world's largest pork exporters, one of Europe's biggest suppliers of beef and the world's largest organic abattoir, we want to challenge our own industry and lead the way to finding sustainable solutions from farm to fork, thereby ensuring that future generations can consume animal protein with a clear conscience.

This is not something that we as a company and cooperative can do on our own. We can do our share of the work by relentlessly exploring new and better ways of making production as sustainable as possible. Danish Crown has already embarked on this journey, and we are ready to move forward.

In addition, it requires that customers and consumers are willing to pay a higher price for a better product. Today, market conditions are putting an unreasonable strain on farmers who are also challenged by a negative reputation. We want to work for a future where agriculture, food processing and the market come to-

gether to create a healthy balance which ensures that consumers are able to buy the best foods at fair prices.

Since last year, when Danish Crown defined its new strategy for sustainability – 'Feeding the world' – we have been focusing strongly on our dialogue with the value chain and with our stakeholders to find the right way of accelerating a sustainable development.

Even though I wish we were much further down the road, I am nevertheless proud of what we have initiated. We are developing. And even more importantly, we are now doing so together with a full spectrum of stakeholders. We need lots of clever brains and hands to live up to the UN's 2030 ambition.

This is why we have organised the first multi-stakeholder forum in Danish Crown's history. Under the title MEAT2030, we will produce a catalogue of important building blocks and ideas that will inspire Danish Crown and support our 4WD business strategy.

“  
*We want to work for a future where agriculture, food processing and the market come together.*  
”

  
Jais Valeur  
Group CEO, Danish Crown

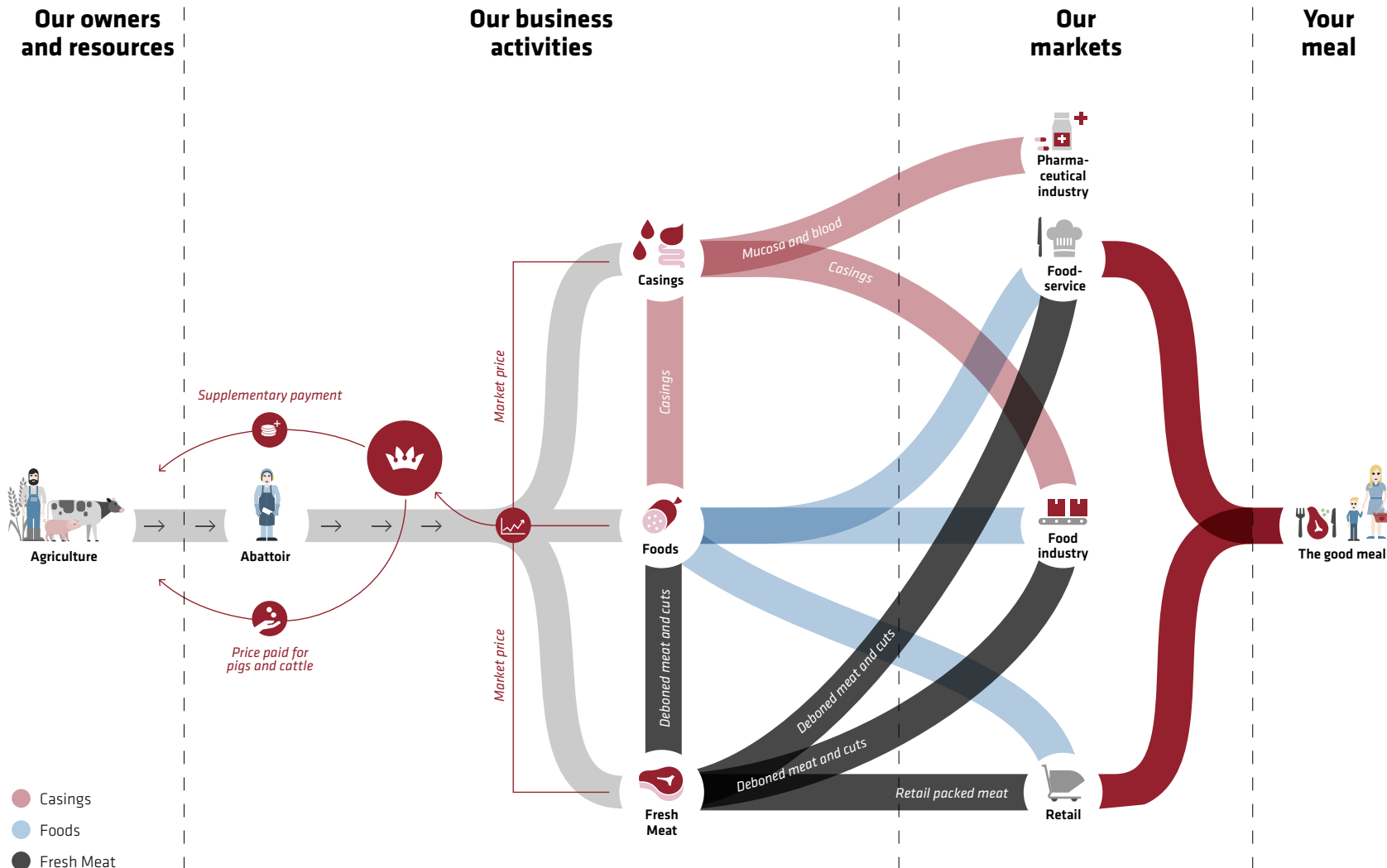
# 2 About Danish Crown





# Our business model

Danish Crown is a global food company originating from Denmark. The company is a cooperative society and 100 per cent owned by the Danish farmers who supply pigs and cattle to the company. Danish Crown receives animals for slaughter from its suppliers and sells fresh and processed meat.



## Our business structure



6,830 farmers are cooperative members of Danish Crown and thereby its owners. In line with the cooperative model, Danish Crown is obliged to accept the animals supplied by the farmer, and our job is then to process the animals in such a way that the highest possible earnings are generated for the farmer. All the profit which Danish Crown earns from selling the animals on the world market goes back to the farmer. As a cooperative member, your sales are therefore guaranteed, and you are also paid the best possible price which the company can obtain.

Our company comprises four business areas: Agriculture, which rears the animals; Fresh Meat, which slaughters the animals; Foods, which processes the products; and Casings, which sells casings worldwide. Our markets include the food industry, retail, foodservice and the pharmaceutical industry.

Our business model is interrelated in a unique value chain from farm to fork, and it gives consumers the opportunity to follow all steps of the chain. In this way, Danish Crown's products go all the way to the consumer, where they are transformed into exciting meals.

# Group financial key figures

## Sustainability

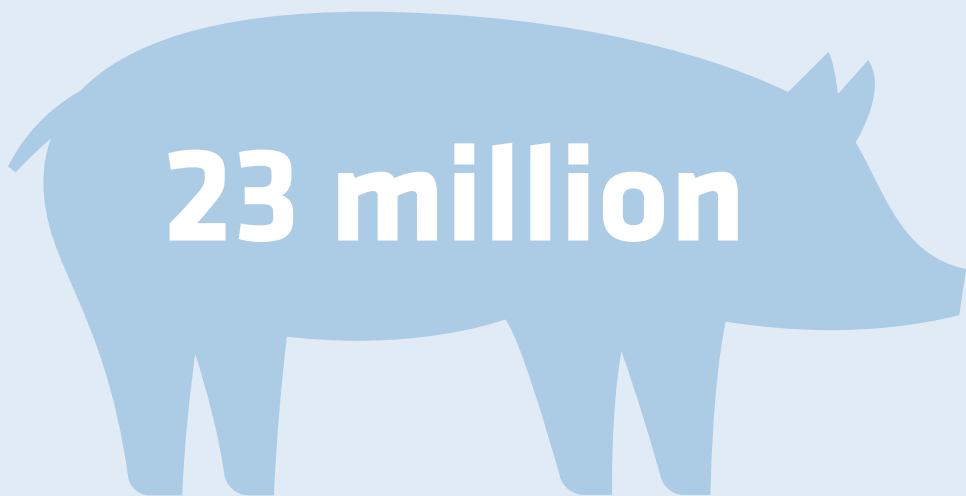
In September 2018, Danish Crown invited more than 200 participants from Denmark and abroad to the conference MEAT2030.



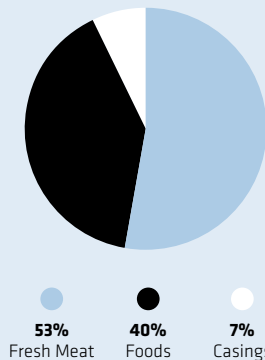
## Revenue in DKK

**61** billion

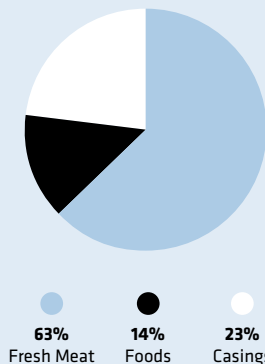
Delivery: pigs and sows



## Share of revenue



## Share of EBIT

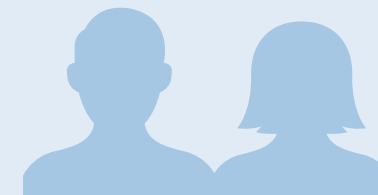


## Meals supplied



**10** billion

## Employees worldwide



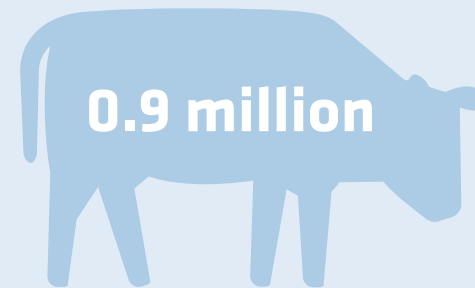
**28,892**  
Employees

## Danish owners



**6,830**  
Cooperative  
members

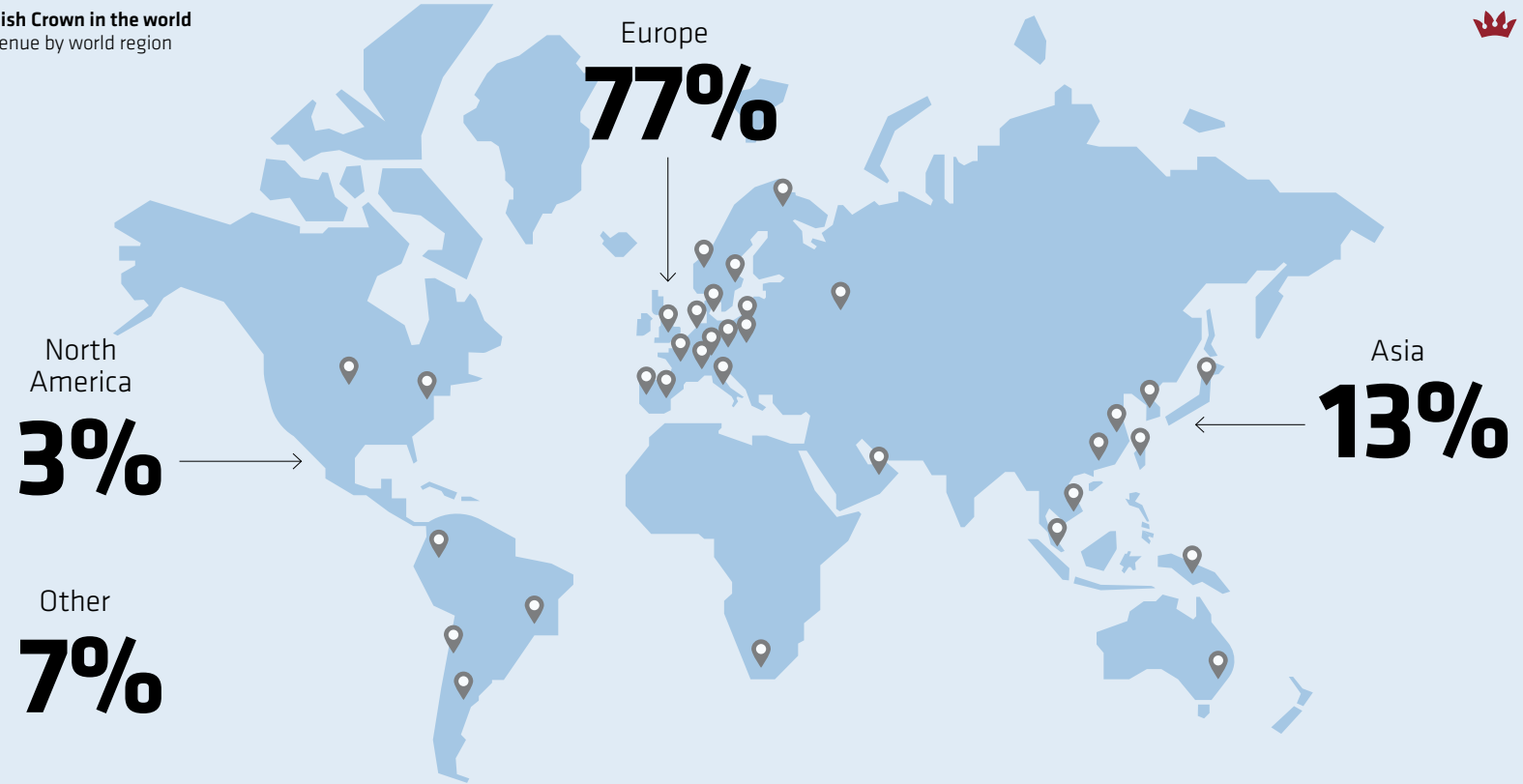
## Delivery: cattle



# Group CSR key figures

*We operate in a global market and are close to our stakeholders worldwide.*

**Danish Crown in the world**  
Revenue by world region



**Nationalities employed**

**80**

**Accidents at work**  
per 1,000 employees

**38**

**CO<sub>2</sub> emissions:**  
eq per kg body growth of Danish pigs

**3 kg CO<sub>2</sub>**

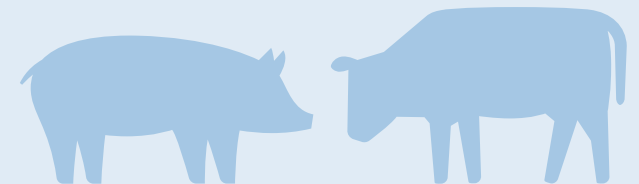
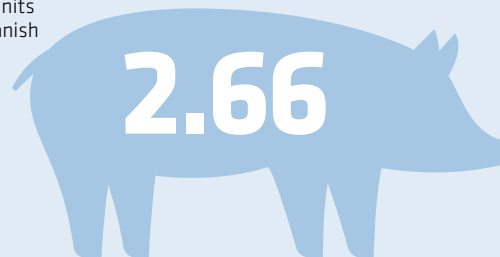
**Animals from organic, free-range and raised-without-antibiotics production:**

**765,000**

**Women in management positions**

**29%**

**Feed efficiency:**  
kg feed units per kg Danish pig



# 3 Our sustainability strategy



## Responsibility from farm to fork

Danish Crown has been working systematically with Corporate Social Responsibility (CSR) for many years, and since 2011 we have signed up to the UN Global Compact principles for companies' work with corporate social responsibility.

As a cooperative owned by farmers, the values and traditions of good farming practices and modern food production are deeply ingrained in our business, with food safety, the environment, animal welfare and the working environment as our primary focus areas.

The sustainability strategy defines our overall focus areas, targets and activities for the coming years. Our ambition is to contribute to promoting and fulfilling the UN's 2030 agenda with the 17 Sustainable Development Goals.

The strategy is divided into five main tracks that support selected sustainable development goals and enable us to act on important issues and encourage cooperation across the organisation in order to achieve our goals.

# Sustainability focus areas



Under the heading 'Feeding the world', our sustainability strategy covers the entire value chain from farm to fork. It sets the direction for the way in which we tackle the global challenges facing the agricultural sector and meat-based foods as well as setting out our contributions to creating a sustainable future.



### Together with customers and consumers

We will earn customers' and consumers' confidence and preference with healthy, safe and responsible products.

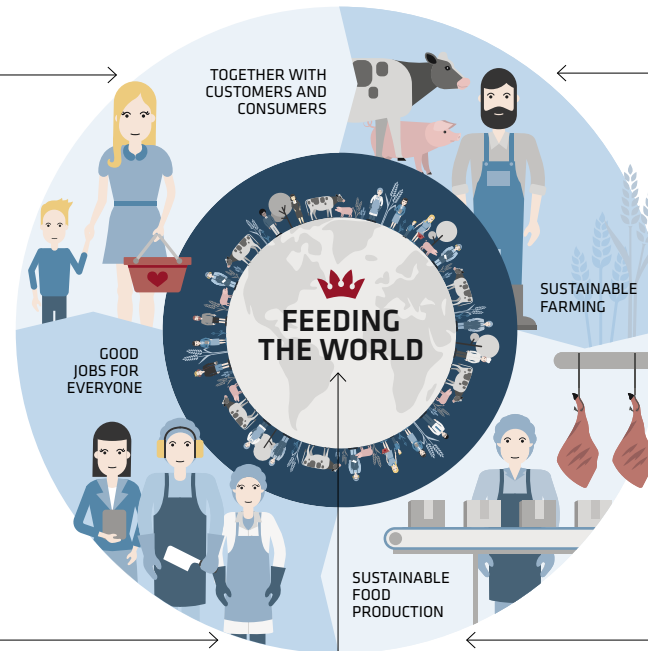
*How we contribute:* Each year, we contribute billions of meals to feeding consumers worldwide. Together with our customers, we are constantly developing new food concepts, and our focus is increasingly on healthy and sustainable food products. We are experts in organics and in farming without the use of antibiotics, and we seek to influence the market by demanding more sustainable solutions.



### Good jobs for everyone

We will attract and retain people with good jobs and opportunities for everyone.

*How we contribute:* We have 28,892 employees with no fewer than 80 different nationalities. More than half of our employees are unskilled. In addition to diversity and social integration in our workforce, we work for safe and healthy workplaces.



### Sustainable farming

We will build a strong future for our farmers.

*How we contribute:* Danish Crown is owned by 6,830 Danish farmers. We work closely together to develop sustainable livestock production set-ups of a high quality and based on modern technology, science, tradition and a deep understanding of animals and ecosystems.



### Sustainable food production

We will operate a sustainable, efficient and high-performing food production.

*How we contribute:* For decades, minimising the environmental footprint of our food production has been part of the daily work in all our business areas, in particular with regard to the consumption of natural resources, the minimisation of waste and the implementation of cleaner technologies. We use the whole animal, and seek to ensure that none of the animal raw material goes to waste.



### Feeding the world

We will find a way to feed the world with sustainable meat and protein solutions.

*How we contribute:* Every day we produce 5,000 tonnes of fresh meat and 2,500 tonnes of processed foods and deliver vital proteins, nutrients and tasty food products to people all over the world. Through partnerships and investments in research and development, we strive to make our products and processes more sustainable.

# Our CSR risks and material issues

Our sustainability strategy builds on issues that have been identified as material both to Danish Crown and to our stakeholders. Falling within the five main strategy tracks, they guide our thinking and drive our actions towards greater responsibility for the entire value chain from farm to fork.

Our materiality matrix has been updated based on a CSR risk mapping conducted in 2018 at 51 of our production sites covering the business units in our Fresh meat, Foods and Casings divisions in Europe. The largest global platform for managing and sharing responsible sourcing data on supply chains, Sedex, was used to assess our existing policies, procedures and governance structures on human rights and labour standards, health and safety, environment, business ethics and anti-corruption as well as supply chain management. In addition to the Sedex self-assessment, the risk mapping included our performance in the areas of food safety and animal welfare. The CSR risk mapping will be repeated on all production sites on an annual basis and will contribute to our yearly materiality analysis and reporting. Read more about the CSR risk mapping on page 25.

We will also continue to involve our stakeholders in pinpointing significant CSR risks and impacts. The MEAT2030 multi-stakeholder forum that we launched in September 2018 is our best example on how we intend to engage with stakeholders to uncover the CSR challenges faced by our industry and work together to develop new solutions. Read more about MEAT2030 on page 18.

# Our most material issues



*'Feeding the world' addresses the main challenges for which we need new answers to ensure the long-term development of our business. 'Sustainable farming' is about the risks and opportunities which are particularly important in our cooperation with our owners and other suppliers of animals for slaughter. 'Sustainable food production', 'Good jobs for everyone' and 'Together with customers and consumers' concern the most significant risks and opportunities associated with Danish Crown's core business.*



## Feeding the world

- Meat and climate change impact
- The role of meat in sustainable diets
- Future farming
- Sustainable animal feed
- Alternative proteins for nutrition



## Sustainable farming

- Farmer's finances
- Environment and climate change impact
- Animal welfare
- Veterinary safety
- Use of antibiotics
- Human rights



## Sustainable food production

- Environment and climate change impact
- Circular bioeconomics and food waste
- Use of water, energy and other natural resources
- Supply chain ethics
- Human rights
- Business ethics



## Good jobs for everyone

- Working environment
- Social integration
- Employee attraction
- Employer-employee relations
- Labour rights
- Human rights



## Together with customers and consumers

- Food safety
- Sustainable meat consumption
- Healthy products
- Sustainable product range
- Appetite for meat

# Our CSR platform

*Our CSR platform constitutes the framework for realising our sustainability strategy.*

In 2017, we adopted a new CSR policy which links the UN Sustainable Development Goals to our CSR commitments, and which will contribute to translating our five strategic focus areas into practice throughout the group and in our supply chain.

The policy sets out our CSR targets and efforts and ensures that all our efforts are aligned with the UN Global Compact principles and the UN Guiding Principles on Business and Human Rights.

We are in the process of implementing effective management systems and processes to prevent and address CSR risks and to account for the results of our CSR efforts. Our CSR governance model has been developed further to help us keep up the speed. In addition, more skills in legal and compliance have been recruited to support business entities and strengthen global processes.

**Goals**  
UN Sustainable Development Goals



**Strategy and purpose**  
Feeding the world



**CSR policy and effort**  
UN Global Compact,  
UN Guiding Principles on  
Business and Human Rights



**Documentation**  
Will be inspired by the Global  
Reporting Initiative

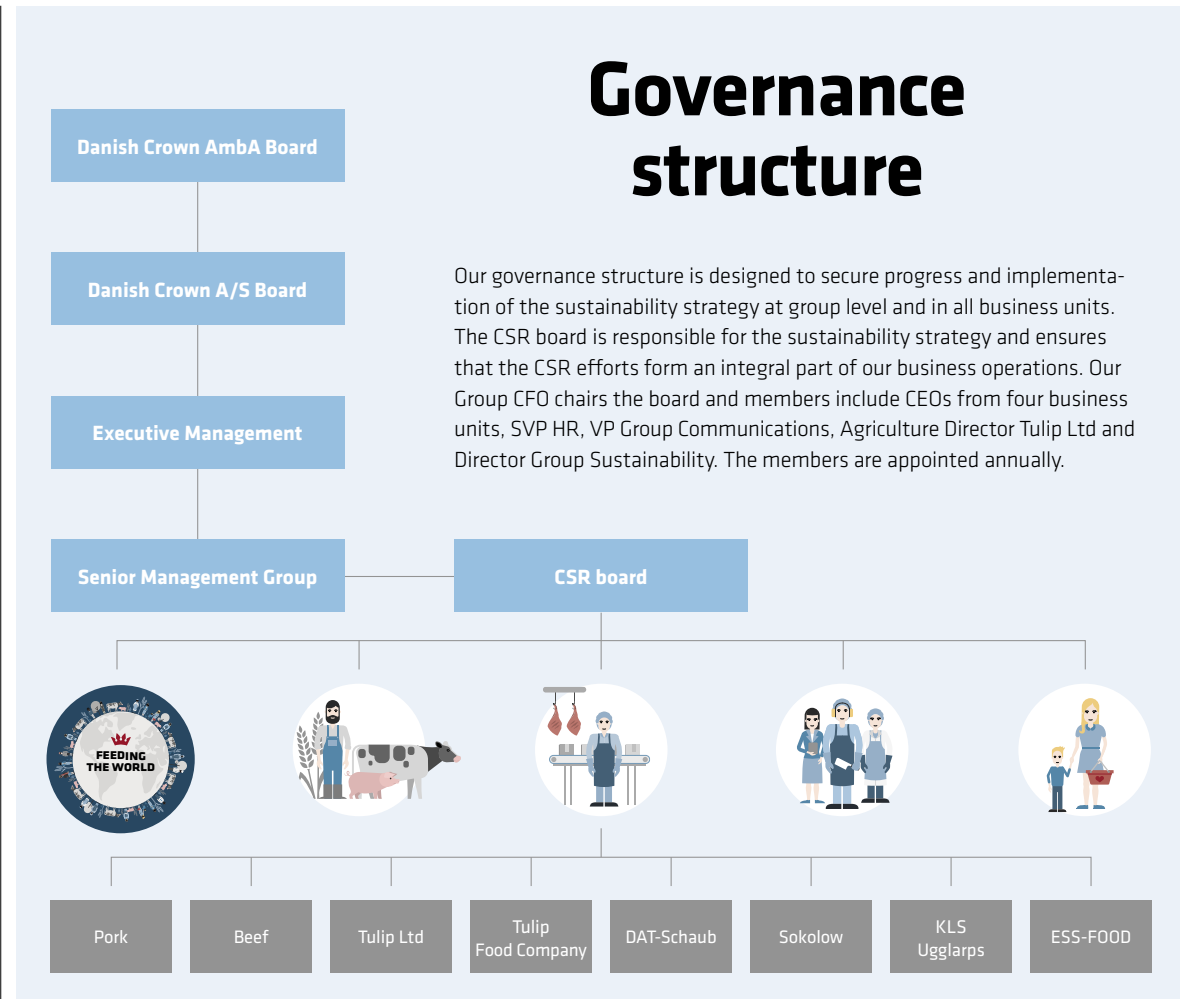


**Reporting**  
Annual report,  
CSR report



# Governance structure

Our governance structure is designed to secure progress and implementation of the sustainability strategy at group level and in all business units. The CSR board is responsible for the sustainability strategy and ensures that the CSR efforts form an integral part of our business operations. Our Group CFO chairs the board and members include CEOs from four business units, SVP HR, VP Group Communications, Agriculture Director Tulip Ltd and Director Group Sustainability. The members are appointed annually.



## Our CSR policy is an overarching policy covering the following:

- Human rights
- Labour rights
- Environment and climate change
- Anti-corruption and bribery
- Partnerships and dialogue with stakeholders
- Grievance mechanisms
- Governance structure and CSR organisation
- Documentation, CSR reporting and communication

# Status on the CSR platform

*We are constantly working to strengthen our processes and to minimise negative impacts and risks.*

## Code of Conduct

A new Code of Conduct for all managers and employees is being prepared and will be launched in 2019. It will give a set of common rules to guide us in our actions and decisions.

## Business ethics

In 2018/19, we will develop our anti-corruption and anti-bribery practices into a separate group policy, and prepare guidelines to help our managers and employees systematically and regularly assess and manage such risks.

## Health and safety

In all our production facilities we give highest priority to health and safety, be it that of the live animals, our employees or the consumers. Our preventive measures are based on food safety certifications, competence development for our employees, systematic controls of our working processes and a strong focus on animal welfare at the abattoirs. In 2019, we are strengthening our efforts through more employee training and the continued standardisation of procedures, controls and root cause analysis group-wide. Our efforts to strengthen occupational health and safety are described in more detail on page 31.

## Environment and climate

Today, the environmental impact from our production is handled locally in the countries where we have facilities. In many countries efficient environmental management systems and high-risk management standards are in place. In 2018/19, we are going to develop a common group management system, which will ensure better internal controls and more uniform procedures. Read more about our environmental management on page 26.

## Personal data protection

In 2017/18, we have launched a number of initiatives to ensure compliance with the EU General Data Protection Regulation (GDPR), which imposes stricter rules for protecting the personal data of employees, customers, suppliers, owners and consumers. The initiatives include mapping how the group processes and handles personal data, as well as the implementation of a group policy and practical guidelines to help employees ensure compliance with the regulation. Our efforts to ensure GDPR compliance will continue in 2019.

## Modern slavery

Given our presence in many countries worldwide and the high number of unskilled workers we employ, we have a responsibility for preventing and combatting forced labour and human trafficking. High-risk areas include agricultural workers at the farms supplying animals for slaughter, the use of contract workers in some production units as well as suppliers of transportation, logistics and construction services. Read more in our annual 'Modern Slavery Act - Statement and Information', which is available on our website.

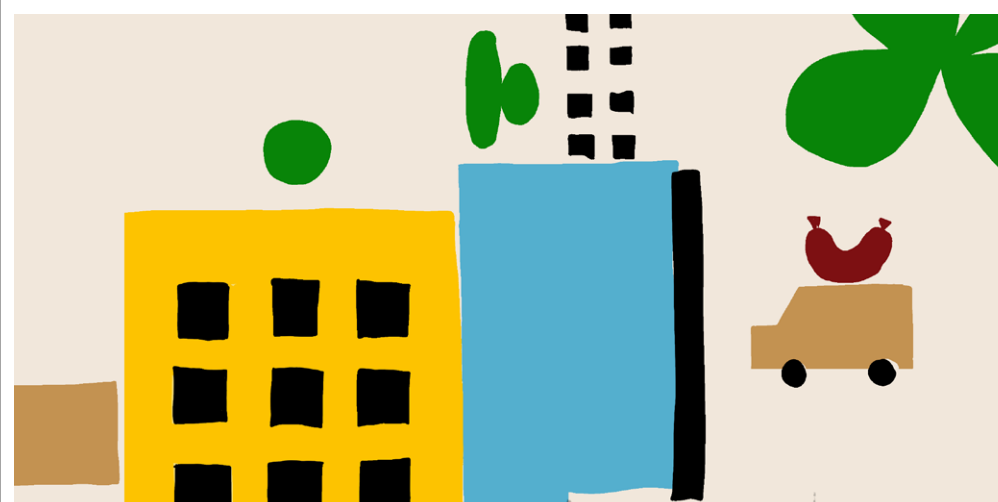
## Due diligence processes

We are in the process of implementing CSR due diligence processes to prevent and address potential and actual CSR risks that we may cause or contribute to, or to which we are directly linked through our business relationships. In 2017/18, we implemented a CSR due diligence process in acquisitions, and in 2019 we will roll out further processes for managing risks of corruption and any negative impacts on human rights in the areas where we have production facilities.

## Monitoring and reporting

We have completed a data quality analysis of our existing KPIs and concluded that our group data in Sustainable Food Production are not of a satisfactory quality. In 2019, we will initiate a targeted process aimed at ensuring high quality standards for all our KPIs and measurements and decide on a baseline for our future reporting.

We will use as inspiration the Global Reporting Initiative Standards (GRI), the GRI G4 Food Processing Sector Disclosures, and the UN Sustainable Development Goals (SDG), targets and indicators from the SDG Compass Inventory of Business Indicators.







# 4 Status on our activities





# Feeding the world

*Every day we deliver vital proteins, nutrients and great-tasting food products to people all over the world. Through partnerships and investments in innovation, we strive to make our products and processes more sustainable.*

**T**en billion people are expected to inhabit our planet in 2050. It is about 2.5 billion more people than the current world population, and the increase will put a massive strain on the Earth's resources, ecosystems and climate. The development places new demands on the world's food production, and the UN estimates that the combination of population growth, changed dietary habits and a growing global middle class will lead to a doubling of the demand for protein. Meat is a good source of vital proteins, vitamins and minerals, and if we can produce meat in a more clever and sustainable way, we can continue to eat meat in the future.

As one of the world's largest pork exporters, one of Europe's biggest suppliers of beef and the world's largest organic abattoir, Danish Crown wants to challenge our own industry and lead the way to finding

more sustainable solutions from farm to fork. Solutions that will make it possible to feed more people while using fewer of the world's resources. The future is about animal welfare and sustainable meat. We are going to create a sustainable meat production and a strong foundation for future generations – environmentally, socially and economically.

Addressing these challenges calls for innovation and more knowledge sharing. We are entering into partnerships where we can contribute with our expertise within meat production, and find inspiration for improving our products and processes and making them sustainable. This will take years and it will require investments. But it is necessary that we succeed.

## Activities 2017/18

- Hosting MEAT2030 conference at which more than 200 stakeholders from the entire food value chain ideated new solutions for a sustainable future for meat ●
- Workshop on the future of pig production with farmers, customers, chefs, scientists and NGOs ●
- Partnerships with European food companies and industry organisations on the development of the European Commission's common European methods for documentation and communication of the environmental footprint of red meat (PEF) ○
- Meal partner at the People's Political Festival on Bornholm in Denmark to encourage debate on the future of food ●
- Participation in the National Bioeconomy Panel in Denmark ○

## Planned initiatives 2018/19

- Share insights and outcome from MEAT2030 forum
- Continue dialogue and development of MEAT2030 initiatives
- Professionalise dialogues and sharing of insights and ideas with stakeholders
- Engage in relevant partnerships
- Drive selected agendas to accelerate sustainable meat by 2030

- Completed
- Under implementation
- Under development

## Purpose

*We will find a way to feed the world with sustainable meat and protein solutions.*

## Extract from our CSR policy

We are committed to leading a sustainable development of our business and ensuring a high level of food safety, high-quality products, limited resource consumption and continuous sustainable development throughout our value chain and in dialogue with our stakeholders.

We respect human rights to health, well-being and access to adequate food for all in our own operations and in our relations with our business partners.

## Our SDG commitment



### Goal 2: Zero hunger

End hunger, achieve food security and improved nutrition and promote sustainable agriculture.

#### Commitment: Target 2.4

By 2030, Danish Crown contributes to ensuring sustainable food production systems and to implementing resilient agricultural practices that increase productivity and production, help maintain ecosystems, strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters, and progressively improve land and soil quality.



### Goal 17: Partnerships for the goal

Revitalise the global partnership for sustainable development.

#### Commitment: Target 17.17

Danish Crown seeks to encourage and promote effective public, public-private and civil society partnerships, building on experience and resourcing strategies of partnerships.





## MEAT2030 multi-stakeholder forum

How can we rethink our way of farming to achieve a more sustainable production of meat? How can transparency in the value chain drive the necessary changes? And how can we accelerate consumer demand for sustainable, high-quality meat? We need to find good answers and solutions to these and other important questions to ensure a sustainable balance for people, animals, nature and the climate as well as for our farmers.

As we do not hold all the answers, in September 2018 we invited a large number of key stakeholders to the MEAT2030 conference with the aim of discussing and creating the important building blocks for the Danish Crown of the future. Among the more than 200 participants were NGOs, farmers, food developers, sustainability thinkers, retail chains, politicians, researchers and experts with an interest in the future of food production. At the MEAT2030 conference, inspiring speakers from Denmark and abroad zoomed in on the challenges facing the meat production industry. Subsequently, a number of workshops were held under three headings: agriculture, transparency in the value chain and changing consumer behaviour.

The conference was only the first step for Danish Crown. We must actively face up to a new reality. We will now examine the contributions received from the participants and then compile a catalogue of initiatives which can inspire our own work. The catalogue will also be made available to the public as a source of inspiration for others. The foundation has thus been laid for a dialogue forum between all stakeholders with know-ledge and new ideas for a sustainable future for meat.



**Jais Valeur**  
Group CEO, Danish Crown

*"Climate change is the defining theme of our time. It is about the future generations, but we are the ones to change it. With MEAT2030 we have opened the gate for partnerships to solve this complex challenge and take concrete actions for a sustainable future for meat."*



**Lars Løkke**  
Prime Minister of Denmark

*"We cannot go on like this. We need to act. Change the way we eat. Change the way we live. Change the way we produce. Running a business is not only a matter of doing. It's also a matter of listening."*



**Gunther Pauli**  
Entrepreneur and author of The Blue Economy

*"I believe that meat production must change fundamentally. Be inspired by nature, it contains many of the solutions we need."*



**Lisa Sweet**  
Head of Business Strategy and Engagement, Centre for Global Public Goods, World Economic Forum

*"Planetary boundaries are coming up on us. Our operating space is declining, and we must cut 50 per cent of production to secure a healthy planet. The pathways for tomorrow's proteins are: alternatives, advance imbalanced production system, and drive consumer behaviour."*



**Richard Wang**  
General Manager, Win-Chain Alibaba

*"China accounts for more than 50 per cent of the global growth in meat consumption. But more and more Chinese consumers are aware of sustainability. They are looking for fresh, reliable, worry-free foods – and have concerns regarding animal welfare, environmental friendliness and sustainability."*



**Søren Søndergaard**  
Danish farmer and cooperative member in Danish Crown

*"I am proud to be a producer of one of the most sustainable meat products in the world. For generations, we have moved towards a more sustainable way of farming. We farm based on science, facts and care for our animals and the environment. And we deliver food with a minimum of resource consumption."*



**Patrick Holden**  
CEO, Sustainable Food Trust

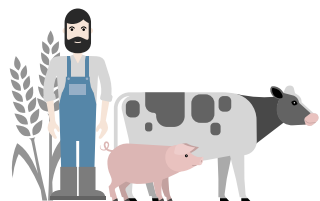
*"It is a courageous move for Danish Crown to host this stakeholder initiative. There is no doubt in my mind that livestock will play a key role in the sustainable farming systems of the future. To ensure that such systems become profitable and mainstream, we need to eliminate the hidden costs of the present food system, so consumers can have trust in us."*



**Claus Meyer**  
Food visionary and activist, The Meyer Group

*"We do not need meat. At least not the quantities we eat today. Production continues to increase faster than consumption, driving value out of the products. The industry is not making money, and consumers are losing interest in the products. The meat industry has an obligation to set a new plan."*





# Sustainable farming

*Danish Crown is owned by 6,830 Danish farmers with whom we work closely to develop a high-quality and sustainable livestock production based on modern technology, science, skills and a deep understanding of the animals and related ecosystems.*

**O**ur cooperative members expect Danish Crown to ensure that the price received for the animals supplied is as high as possible, while at the same time delivering a return on the capital which has been invested in the company through generations. This is a focus across all our business units.

Over the years, we have worked closely with our owners and suppliers as well as researchers and associations in the agricultural sector to develop a high-quality and sustainable livestock production with a strong focus on parameters such as animal welfare, feed efficiency, the breeding and rearing of animals, production yield, veterinary health and good working conditions. And, of course, with a strong focus on the farmer's finances.

The Danish pig is famous in markets around the world. Asian, US and European customers are attracted to our high meat quality and food safety standards. We need future generations to recognise high-quality meat as part of a healthy diet, and we will continue to use the strengths of our cooperative to create a sustainable future for our industry and our business. We believe that increased transparency in livestock production is important for ensuring our licence to operate.

Main focus areas are Product Environmental Footprint Declarations based on life-cycle assessments and a certification scheme for sustainable pork to increase transparency and meet the expectations from our stakeholders.

## Activities 2017/18

- New certification programme for sustainability performance management and transparency ●
- Collaboration on sustainable meat is high on the agenda at meetings with our cooperative members ○
- New method for lifecycle assessments of the environmental impact of pig production ○
- New transport agreement for collection of cattle increases animal welfare and reduces the risk of infection ●
- Collaboration with the value chain to reduce the environmental impact of animal feed via Forum for the Future on the UK Feed Compass ○

## Planned initiatives 2018/19

- Introduce a certification programme for Danish pig cooperative members. Target of 90 per cent certified in 2019
- Grow the number of pigs raised without antibiotics
- Start anaesthetising piglets during castration
- Intensify collaboration with the cooperative members on sustainable livestock farming
- Continue digitalisation and increase transparency in the agricultural sector

- Completed
- Under implementation
- Under development

## Purpose

*We will build a strong future for our farmers.*

## Extract from our CSR policy

We create a new platform for setting targets for a substantial reduction of waste and the efficient use of natural resources from farm to fork. We will address the need to ensure sustainable consumption and for sustainable farming through protecting, restoring and promoting the sustainable use of terrestrial ecosystems.

## Our SDG commitment



### Goal 2: Zero hunger

End hunger, achieve food security and improved nutrition and promote sustainable agriculture.

### Commitment: Target 2.4

By 2030, Danish Crown contributes to ensure sustainable food production systems and to implementing resilient agricultural practices that increase productivity and production, help maintain ecosystems, strengthen capacity for adaptation to climate change, extreme weather, drought, flooding and other disasters and progressively improve land and soil quality.



### Goal 13: climate action

Take urgent action to combat climate change and its impacts.

### Commitment: Target 13.1

Danish Crown will contribute to strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.



### Goal 15: Life on land

Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.

### Commitment: Target 15.6

Danish Crown will contribute to strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.

## Lifecycle analysis documents significant reduction in the environmental footprint of Danish pigs

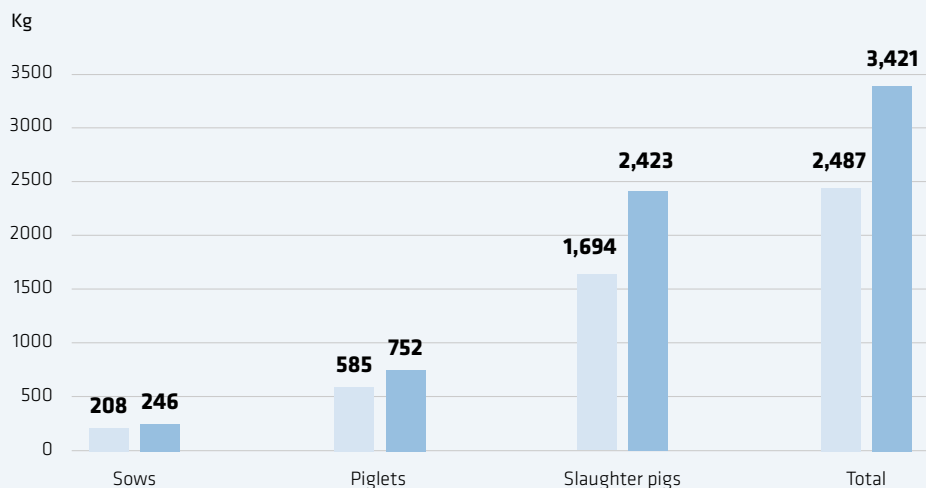
Since 2016, Danish Crown has been working closely with European food companies and industry organisations to develop the European Commission's common European approach to documenting and communicating the environmental footprint of the production of red meat (Product Environmental Footprint (PEF)). The method is based on lifecycle analyses (LCA) that pinpoint the significant environmental impacts in the value chain, from the production of feed until the animal is slaughtered and the meat is ready for further processing.

However, a prerequisite for preparing reliable Product Environmental Footprint declarations is the availability of valid data. In cooperation with researchers from Aarhus University in Denmark, we have therefore started calculating how pig production and its environmental footprint have developed in Denmark in the period from 2005 to 2016.

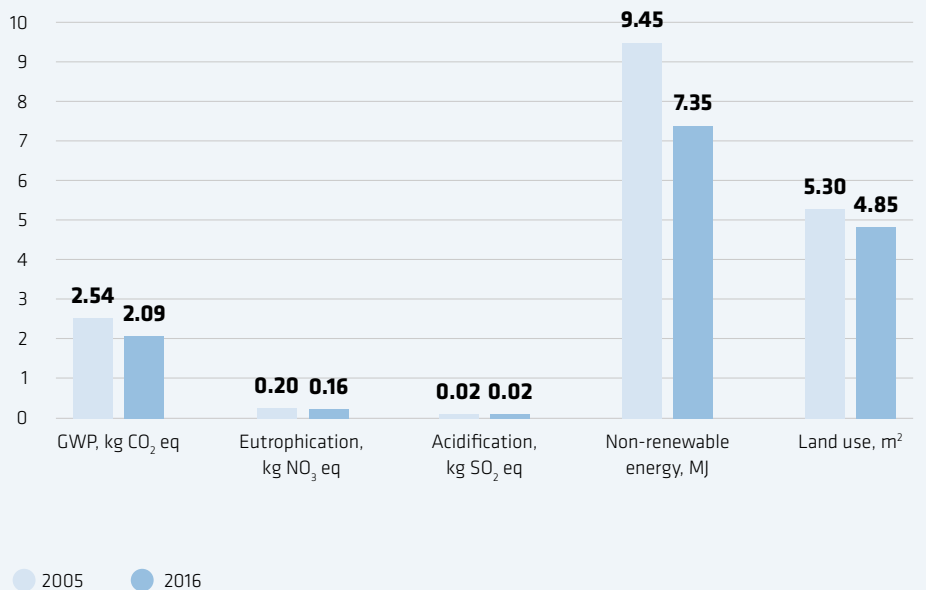
We can now document that the environmental impact from the Danish pig has been significantly reduced, and that emissions of greenhouse gases from agricultural operations have been reduced by 18 per cent in the period relative to pig weight gain. This is primarily due to higher feed efficiency, as feed production accounts for the biggest climate impact. However, it is also due to the production conditions and their low environmental impact, with farmyard manure being used as a substitute for artificial fertilisers in the fields. Strict Danish rules on when and how much manure can be spread on the fields ensure that the fields are not fertilised with excessive nitrogen, thereby minimising the run-off of nitrogen which can be transformed into N<sub>2</sub>O (nitrous oxide) that has an environmental impact that is 265 times stronger than CO<sub>2</sub>.

The LCA calculations show that the environmental impact of agricultural operations is significantly higher than the overall contribution from the entire production span. The next step will be to include the emissions associated with the transportation of pigs and the slaughter process in our calculations.

**Weight gain from birth to leaving the farm**  
(for sows, piglets and slaughter pigs per sow, in Denmark)



**Environmental impact of agricultural operations**  
(calculated per kg weight gain, in Denmark)



← The consumption of feed relative to the production of pigs is decisive for both the farmer's operating economy and the overall environmental impact. Feed consumption per sow in Denmark is virtually unchanged from 2005 to 2016, but the figure shows that the weight gain in both piglets and slaughter pigs per average Danish sow has increased in the same period. As each sow now gives birth to more piglets, the total feed consumption has increased, while the quantity of feed consumed by piglets and slaughter pigs has been reduced per kg of weight gain. In other words, more feed now goes towards pig weight gain.

← Five indicators express the most significant environmental impacts during the life cycle of a pig: Global warming potential (GWP) (the result of greenhouse gas emissions), acidification (the result of acid accumulation in soil and water), eutrophication (the result of excessive nutrients in soil and water), use of non-renewable energy and land use for feed production. The figure shows that the environmental impact until the slaughter pig leaves the farm calculated per kg weight gain declined from 2005 to 2016, and that this applies for all five environmental indicators. The figures document that greenhouse gas emissions from agricultural operations have been reduced by 18 per cent in the period, while the land use for feed production has been reduced by eight per cent.



# New certification of sustainable pig production on the way

*In 2018, Danish Crown has worked intensively to develop a new certification programme for sustainable pig production.*

**T**he aim of the programme is to work with farmers to raise the standards of conventional production so that all pigs supplied to Danish Crown meet a number of sustainability parameters. Initially, the programme covers pigs supplied by Danish cooperative members.

At the same time, the certification is intended to help increase the transparency around farming. We have therefore held stakeholder workshops with researchers, farmers, NGOs, customers, chefs and sustainability specialists to listen to their wishes and recommendations on how a sustainable pig should be reared.

In order to be certified, the farmer must work in a targeted and systematic manner to ensure continuous improvements. Targets and initiatives must be defined for all the key sustainability parameters such as environmental and climate impact, working conditions, animal welfare and business ethics. In addition, the farmer must continuously monitor and report on performance and progress to Danish Crown, and will be audited every three years by an independent third party. The programme is being launched at the end of 2018 for a trial group of cooperative members. The programme is voluntary for farmers, but our ambition is for 90 per cent of Danish cooperative members and suppliers of pigs to Danish Crown to be certified by the end of 2019.

→  
Aage Lauritzen  
from Hjortvad  
near Ribe in  
Denmark.



## Examples of parameters included in the certification



- Climate impact
- Feed efficiency
- Environmental technologies to reduce ammonia and odours as well as improved resource utilisation
- Feed content: crude protein, phosphorus and zinc
- Local sources of protein
- Utilisation of nutrients from farmyard manure
- Allowance being made for sensitive natural areas
- Medicine use (including antibiotics)
- Energy technologies, renewable energy and heating supply
- Mortality of sows, piglets and slaughter pigs
- Workplace assessments
- Vocational training programmes for employees

## Core competencies of Danish cooperative members

### Veterinary health

Healthy growth and well-being, low antibiotics consumption and registration of health data.

### Environment

Low emissions, handling of liquid manure, nutrient use and livestock construction.

### Genetics

Breeding, breeding targets, lean and homogeneous product.

### Management

High productivity, high level of animal care, targeted training and advice.



←  
We supply a larger share of outdoor-bred pigs in the UK.

## Strengthening direct ownership of outdoor-bred pigs in the UK

In December 2017, Tulip Ltd completed the acquisition of the family-owned pig farming business Easey Holdings Ltd, and we are now incorporating the pigs, staff and haulage business into Tulip's farming operations. This will enable us to supply a larger share of outdoor-bred (ODB) pigs from our own farming supply chain: 73 per cent compared to 58 per cent before the acquisition. It also means that Tulip Ltd now owns more than 30 per cent of the UK's ODB production, including free-range and organic production within the Tulip Ltd farming supply chain.

Through the direct ownership of the ODB pigs, we have direct control of the pig genetics used, feed,

health and veterinary standards, as well as the management standards on the farms and the pig haulage standards applied. These factors are all key for high welfare, safe and traceable ethical pig and pork production.

Tulip Ltd supports its farmers through the roll-out of a 'new build' programme. 'New build' is an airy straw barn designed to provide ODB pigs with the highest welfare accommodation standards. Not only is it an ideal environment for ODB pigs, it is also a very efficient design in terms of cost of build, use of building materials, management of pigs and other inputs required to run the barn.



## Market breakthrough in Denmark for pigs raised without antibiotics

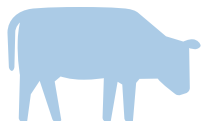
*Danish Crown's cooperative members are global front runners in providing the market with pork meat from animals raised without antibiotics.*

Even though our general medicine control shows close to zero residues of antibiotics in both conventional and organic production, we chose in 2015 to establish a production of pigs raised completely without antibiotics.

The main difference between the two production methods is prevention rather than cure. A conventional pig may have been treated with antibiotics during its life time, but no residuals are left by the time the pig is slaughtered. A pig raised without the use of antibiotics throughout its entire life requires far more supervision, and farmers need to pay special attention to cleaning the pig buildings to keep livestock healthy and limit the spread of infection among the animals.

The market has, however, been hesitant about adapting the new concept due to extra production costs, but recently we have achieved a major breakthrough in Denmark through a new partnership with a large Danish retail chain. Here the meat from pigs raised without antibiotics was introduced in 497 shops in August 2018.

Danish production of pigs raised without antibiotics is being followed by an extensive research project funded by the Ministry of Environment and Food of Denmark's Green Development and Demonstration Programme. The project's findings will be used to further reduce the use of antibiotics both in Denmark and worldwide.



# New transportation agreement for cattle improves animal welfare and reduces infection risk

*In April 2018, we entered into a new agreement for the transportation of cattle to Danish Crown Beef's abattoirs in Denmark.*

**T**he new agreement introduces the concept of 'readiness for collection'. It means that the farmer must segregate the animals to be collected from the herd so they are ready when the haulier arrives.

Preventing contact between the transport vehicle and its driver and the cow shed reduces the risk of spreading infection via, for example, the transport vehicle's tyres or the driver's rubber boots.

Quick loading of the animals onto the transport vehicle is also gentler and less stressful for them.

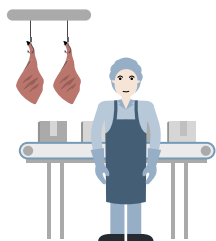
This is good for both animal welfare and meat quality, as stress has a very negative impact on the meat.

The agreement provides a supplementary payment of ten DKK per animal to farmers who are registered under the scheme. So far, it is primarily the large farms that have signed up for the scheme, which covers about 20 per cent of the animals supplied. The aim is for all cattle suppliers to Danish Crown Beef in Denmark to join within a number of years.

→ When the cattle is ready for collection, the transportation is less stressful for the animals.







- Completed
- Under implementation
- Under development

# Sustainable food production

*Minimising resource consumption in our food production is an integral part of the daily work of all our business units, especially when it comes to the consumption of natural resources, waste minimisation and the implementation of cleaner technologies.*

**S**ustainable food production in Danish Crown is first and foremost about the circular bio-economy. The basic idea is to use the whole animal, so that no part goes to waste. Danish Crown processes as much of the animal as possible into foods, which are exported to consumers around the world. The residual products are used as feed and in the production of biogas. We are always looking at ways of upgrading them into high-value products that can be used as ingredients in other productions.

To ensure the best possible hygiene standards, we use a lot of clean water in our productions. Since the 1980s, we have been working systematically to reduce water consumption by streamlining operations and implementing cleaner technologies. However, in the past 10-15 years it has been difficult to identify new water savings.

This is mainly due to more automated production facilities, and because robots require much more water than manual operations. At the same time, food safety requirements are becoming increasingly stringent. This means that even more water has to be used for cleaning. A significant reduction in water consumption can only be achieved through recycling and reusing process water. A key focus area is to find new water-saving technological solutions that do not compromise food safety.

Other main focus areas are assessment of CSR risk at our production sites, environmental management, responsible procurement and sustainable packaging solutions.

## Activities 2017/18

- Strengthened governance within risk management, compliance and sustainable production ●
- Mapping of CSR risks at our own facilities as a baseline for supplier requirements ○
- Risk assessment of corruption as a basis for future anti-corruption policy ○
- Pilot projects for sustainable packaging as a basis for future packaging strategy ○
- Environmental management according to new ISO 14001 standard in Danish Crown Pork ●
- New training programme in animal welfare at the abattoirs ○
- Mapping of the potential for reusing process water from abattoirs and meat-processing activities ●
- Tulip Ltd to switch to green energy from October 2018 ○
- Signed up to the targets of the UK Plastics Pact (WRAP), an initiative designed to create a circular economy for plastics ○
- Partnership on the development of sustainable water and production technologies for the food industry (DRIP) ○

## Planned initiatives 2018/19

- Continue and broaden the mapping and assessment of CSR risks to all business units in the group
- Initiate targeted actions to eliminate any high-risk areas identified
- Implement a Code of Conduct worldwide
- Develop a joint management system
- Implement a Supplier Code of Conduct for both meat and non-meat
- Develop a strategy and action plan for food and process waste

## Purpose

*We will operate a sustainable, efficient and high-performing food production.*

### Extract from our CSR policy

#### Environment and climate change

Danish Crown supports a sustained and systematic approach to environmental challenges and is committed to taking action to combat climate change.

#### Human rights

In all Danish Crown operations and activities we respect human rights and avoid infringing the human rights of involved individuals.

#### Anti-corruption

As a responsible company, Danish Crown works against corruption in all its forms. This includes compliance with legislation and collective agreements on fair wages, rest and leisure, equal remuneration for men and women, anti-discrimination and equal opportunities in access to employment and career.

### Our SDG commitment



#### Goal 12: Responsible consumption and production

Ensure sustainable consumption and production patterns.

#### Commitment: Target 12.2

By 2030, Danish Crown will achieve sustainable management and efficient use of natural resources.

#### Commitment: Target 12.3

By 2030, Danish Crown will halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses.

## Strengthening governance in sustainable food production

In 2018, we have appointed a steering committee that will prepare an action plan for sustainable food production for implementation across the group's business units and facilities to support progress in this area.

The steering committee held four meetings during the year and has initiated a CSR risk mapping of our production sites, which will form the basis for identifying and prioritising focus areas as well as developing objectives and KPIs for each area.

The committee includes seven top-level management representatives from both group functions and business units, who bring expertise and ensure a balanced and holistic approach.

# CSR risk mapping as baseline for Supplier Code of Conduct



In summer 2018, we conducted a CSR risk mapping at 51 of our production sites covering the seven business units in our Fresh meat, Foods and Casings divisions. The purpose was to identify potential risks and to set a baseline for requirements towards our suppliers prior to launching our new Supplier Code of Conduct as part of our responsible procurement practices.

The largest global platform for managing and sharing responsible sourcing data on supply chains, Sedex, was used to assess our existing policies, procedures and governance structures on human rights and labour standards (including health and safety), environment and business ethics. The sites completed a Sedex self-assessment questionnaire comprising more than 200 questions based on the international standards for Social Accountability (SA8000), Environmental Management (ISO 14001), Occupational Health and Safety Management (OHSAS 18001) and Ethical Trading (ETI Base Code).

The mapping confirmed a generally acceptable governance level across the seven business units, but also identified some high-risk areas, where actions will be taken to increase compliance and mitigate risk.

We will address the high-risk business ethics areas by further developing our anti-corruption and anti-bribery into practices and guidelines that will help our managers and employees assess and handle such risks. The high-risk environmental areas will be handled as part of our environmental management system. Environmental management systems drive the continuous improvement of our environmental performance at all our production sites.

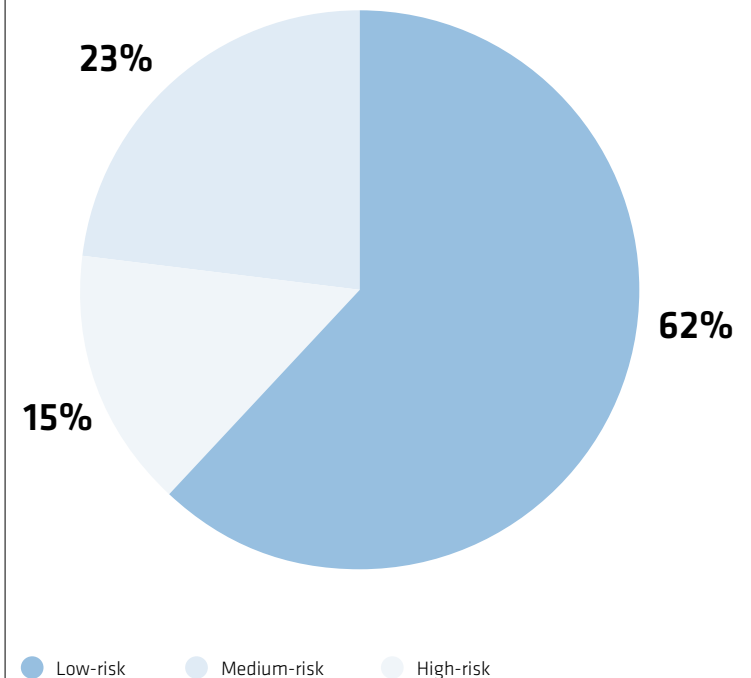
The abattoirs in our largest fresh meat business unit, Danish Crown Pork, have been certified according to the ISO 14001 standard since 2005. In 2017/18, we implemented the revised version of the ISO 14001 standard, which includes stricter requirements for life-cycle assessments as a basis for identifying material issues and prioritising our supply chain efforts.

We have extended the scope of our environmental management to include hotspots in our supply chain within our sphere of influence. These include the advising of farmers, the transportation of pigs and fresh meat and packaging issues, looking at the recycling of pallets, boxes and other packaging types.

Our Supplier Code of Conduct will be implemented stepwise during the period up until 2021, which will also improve our score in the next self-assessment. The Code requires suppliers in all parts of the supply chain to adopt policies and procedures that respect human rights and labour rights and to set up a system for assessing, handling and reporting on the risks of infringing such rights. Suppliers are also required to align with local legislation related to climate and the environment, and to refrain from corruption and bribery.

The Sedex self-assessment will be repeated on all production sites on an annual basis and be overseen by our steering committee for sustainable food production. In addition to the self-assessment questionnaire, the sites completed a specific Danish Crown questionnaire focusing on food safety and animal welfare. We will seek to include these areas in the risk scores going forward.

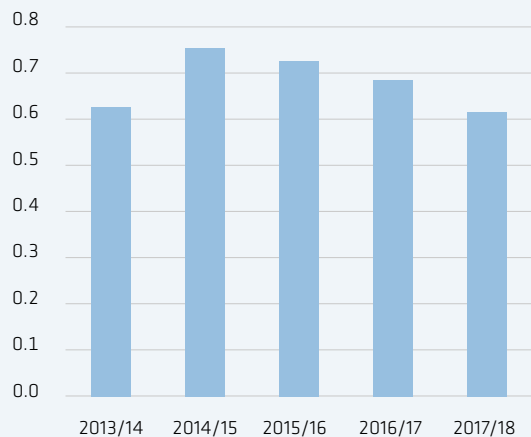
## CSR risk identified



Our CSR risk mapping was carried out using the Sedex self-assessment questionnaire, which builds on a complex risk scoring system developed by Sedex together with a global risk analytics company. It creates a score of low-, medium- and high-risk areas within the pillars of labour, human rights, environment and business ethics.

### Energy consumption / Produced volume

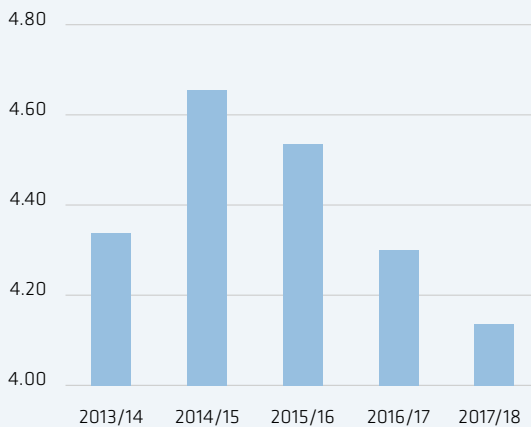
MWh per produced tonne



Note: See Reporting principles regarding data correction.

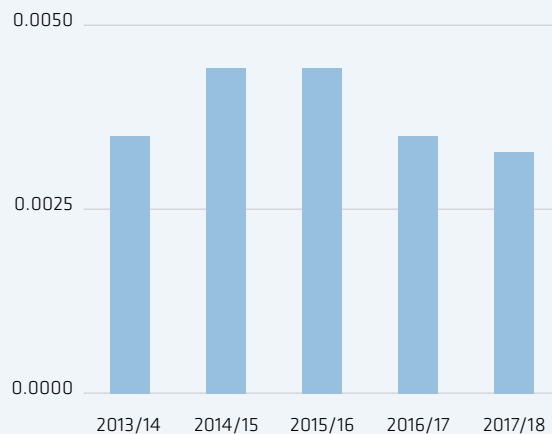
### Water consumption / Produced volume

m<sup>3</sup> per produced tonne



### Total organic carbon in waste water / Produced volume

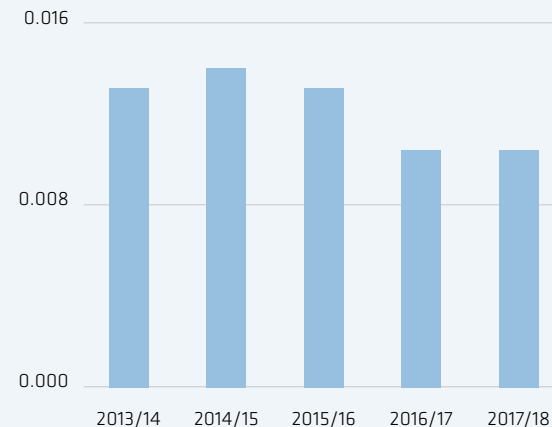
Tonnes per produced tonne



Note: See Reporting principles regarding reporting scope.

### Non-organic waste / Produced volume

Tonnes per produced tonne



Note: See Reporting principles regarding reporting scope.

The figures show that our relative consumption of resources and emissions per produced volume of food is decreasing.

## KLS Ugglarps engaged in Fossil Free Sweden

In Sweden, KLS Ugglarps has committed to the Fossil Free Sweden initiative launched by the Swedish government ahead of the COP21 climate change conference in Paris in 2015. The ambition is to make Sweden one of the first fossil-free welfare states in the world.

Together with enterprises, municipalities, associations and other types of stakeholders that are able and willing to help reduce greenhouse gas emissions, KLS Ugglarps has committed to two challenges under this initiative:

- **The transport challenge**  
Set up a goal for domestic service cars to be fossil-free before 2030.
- **The solar challenge**  
Set up a goal to install solar panels and produce own energy before 2020. The idea is to inspire more to follow this alternative energy form.

## Packaging made with fibres from FSC/PEFC-certified forests



For many years, Danish Crown has demanded that its suppliers of solid cardboard, cartons and corrugated cardboard – otherwise known as fibre-based materials – meet certain environmental requirements by using raw materials from sustainable forestry operations. A target has now been set that 100 per cent of the purchased fibre-based materials must be sourced from FSC/PEFC-certified forests. Both the Forest Stewardship Council (FSC) and the Programme for the Endorsement of Forest Certification (PEFC) are internationally recognised schemes for sustainable forest management which ensure that forests are managed in accordance with environmental, social and economic criteria and ensure traceability throughout the supply chain. Our customers are also increasingly attaching importance to whether our packaging is manufactured with fibres from FSC/PEFC-certified forests.

Group Procurement is reviewing all our categories of fibre-based materials. In 2018, we started with solid cardboard, and in 2019 we will move on to corrugated cardboard. We are looking at how we can reduce the number of suppliers, optimise consumption, drive innovation, exploit synergies between the different business units and reduce our costs. Today, more than 75 per cent of our total fibre volume is produced using material from FSC/PEFC-certified forests.

## Danish partnership for Resource and water-efficient Industrial food Production

Danish Crown is part of the Danish partnership for Resource and water-efficient Industrial food Production (DRIP). In autumn 2017, we mapped water consumption and the potential for recycling process water from abattoir and meat processing activities at our production sites in Horsens, Aalborg, Esbjerg and Vejle in Denmark.

We identified ten possibilities for recycling process water, which will be investigated further through specific projects.

## Pilot project for recycling process water

One of the first DRIP projects is taking place at our pig abattoir in Horsens, which is the largest abattoir in Denmark and also one of the newest and most highly automated. The abattoir slaughters approx. 100,000 pigs a week and uses approx. one million cubic metres of water a year. This corresponds to about 150 litres of water per slaughtered pig. Our ambition is to reduce this to 110-120 litres of water per pig.

All abattoir robots are rinsed and sterilised after each pig. This ensures that bacteria are not transferred from one pig to the next. The cleaning of the abattoir robots accounts for ten per cent of the abattoir's total water consumption. The potential for water savings is therefore considerable if it is possible to treat the process water from the robots to a quality sufficiently high to be recycled and reused elsewhere in production.

The risk of bacterial growth is a particular challenge when reusing water at abattoirs. Together with a technology supplier and the Danish Meat Research Institute, we are testing a pilot plant which, by means of UV technology and bacteriological screening, can clean the water from the robots to drinking water quality. The plant is being tested in every con-

ceivable operating situation, with samples of the water quality continually being taken.

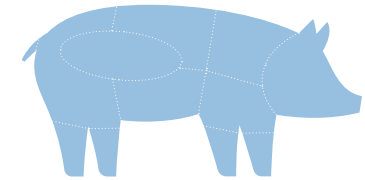
However, the technical possibility to clean the water is not sufficient, but it also requires a regulatory change. It is therefore very positive that the food authorities are participating in the DRIP partnership.

Food safety is very much about being able to set up sufficient safety barriers and monitoring routines. These are key aspects of the pilot project and of any decisions to invest in new plants and new processes. Saving one litre of water per pig at the abattoir in Horsens equates to about five million litres of water a year which do not have to be discharged as waste water. This in turn equates to savings of approx. 100,000 DKK on water bills and drainage charges. In other words, there are real financial and environmental benefits to be gained from this project.

All Danish Crown's pig abattoirs in Denmark are structured in the same way, and the solution therefore holds considerable savings potential, both in terms of climate and economy, if it can be implemented at all our sites.



With new technology we can now clean the water from the robots to drinking quality.



## Residual product with high protein value

Danish Crown's focus on utilising all parts of the animal also involves looking at the abattoirs' process water flow in new ways: All process water may have a value, and no process water is waste water.

One of the most contaminated water flows at the pig abattoirs is the process water from the fat melting process, where fat from the meat is melted and sold to other food industries. This process water consists of three per cent dry matter with a high protein content. Today, large volumes are transported by tanker to biogas plants, while the rest goes to waste water treatment.

In spring 2018, Danish Crown tested a pilot plant together with a major packaging supplier and the Danish Meat Research Institute under the auspices of DRIP. The plant has shown that it is possible to screen the process water to a sufficiently high quality for it to be reused elsewhere in production, for example for pre-rinsing, which is the first phase of cleaning at the abattoir. Water for pre-rinsing accounts for 25 per cent of water consumption at the abattoirs.

Recycling the treated process water will save Danish Crown significant waste water treatment charges. However, the main prize may prove to be the protein-rich residue from the screening. This is a residual product of sufficiently high food quality that could be used in a market with a growing demand for protein.





# Good jobs for everyone

*We have more than 28,000 employees representing no less than 80 different nationalities. More than half of our employees are unskilled workers. In addition to diversity and social integration in our workforce, we work for equal and favourable conditions as well as healthy and safe workplaces.*

**O**ur employees are very important to us, and we want to be an attractive workplace and create different career opportunities for all our 28,892 employees across the countries in which we operate.

Nearly 80 per cent of our employees are based at our production sites in Denmark, Poland, Germany, Sweden and the UK. Our sites are mostly situated in rural areas near small towns where job opportunities can be limited, and we contribute to the local communities by employing both skilled and unskilled workers and by creating jobs for people who have difficulty finding their way into the labour market. This is a specific priority for us, and we are one of the most diverse and socially inclusive companies in the Danish and European labour market for production workers.

A common challenge faced by the industry is accidents at work and the fact that the slaughtering, cutting and deboning of pigs and cattle is physically demanding work. We work systematically to create healthy and safe workplaces with a strong focus on preventing accidents through changing behaviour and the physical working environment, where ongoing investments in new robot technologies and high-tech auxiliary equipment help us reduce the strain on our production workers.

## Activities 2017/18

- Sokołów winner of the '2017 Reliable Employer of the Year' award in Poland ●
- Lean principles in the working environment reduce accidents and injuries ○
- Strengthened efforts to prevent muscular and skeletal disorders ○
- Continued focus on conceptualising and promoting social integration ○
- New training and career paths for unskilled workers ○

## Planned initiatives 2018/19

- Roll out an education programme for blue collar workers in Denmark to refine a concept for the group
- Roll out lean principles to decrease work accidents
- Refine measurements and monitoring of health and safety
- Further structure and spread social integration initiatives across the group
- Continue the work for diversity in management

- Completed
- Under implementation
- Under development

## Purpose

*We will attract and retain people with good jobs and opportunities for everyone.*

## Extract from our CSR policy

### Labour rights

Danish Crown is committed to ensure healthy and safe workplaces for our employees and thus respect their right to just and favorable conditions of work.

- We ensure fair wages, rest and leisure, equal remuneration, anti-discrimination and equal opportunities.
- We work to prevent corruption in all its forms.

## Our SDG commitment



### Goal 8: Decent work and economic growth

Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

### Commitment: Target 8.8

Danish Crown will protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.

# Diversity and inclusion is a strategic priority

*Danish Crown is a socially inclusive company where diversity is a strategic priority.*

**W**e strive to realise the positive potential inherent in having employees with different educational backgrounds, genders, nationalities and cultural affiliations.

All our production facilities in Denmark, Poland, Germany, Sweden and the UK are characterised by being multicultural working environments, in which we successfully manage the cultural differences and language barriers resulting from employing as many as 80 nationalities.

Danish Crown is a large workplace for unskilled workers. At Danish Crown, people from very different backgrounds can walk in from the street and, after the right training, do well. We are proud of being a workplace for many unskilled workers. We also employ people on benefits, some of whom have been outside the labour market for more than ten years. In addition, we employ refugees and young people who have not yet decided what they want to do for a living.

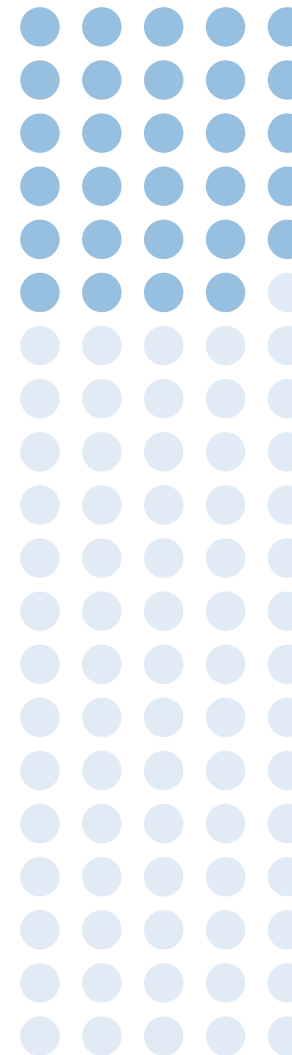
Since 2014, Danish Crown in Blans, Denmark, has employed more than 100 people on benefits and refugees from predominantly Syria, who have been offered an introductory programme with the possibility of employment. In 2017/18, 35 refugees started on a programme in Blans.

In addition, since 2006, Danish Crown in Denmark has employed 34 ex-offenders through a partnership with the organisation High:five. Of these, 18 are still employed.

We see these efforts as part of our social responsibility, and as a prerequisite for being perceived as an attractive workplace and for attracting the necessary labour.

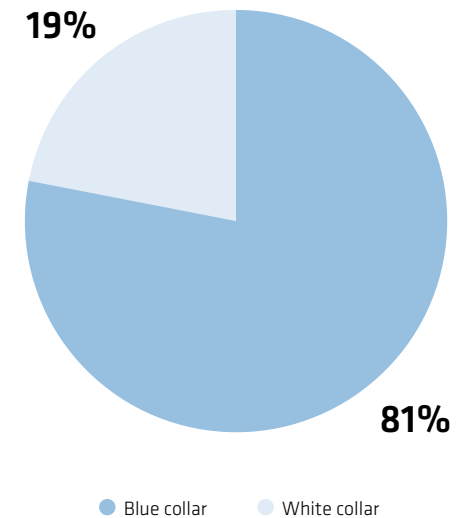
There are two areas in which we need to further strengthen diversity: We must continue our efforts towards having more women and a stronger multicultural dimension in management positions.

## Distribution of women and men in management positions



● 29% Women ● 71% Men

## Share of blue and white collar employees



● Blue collar ● White collar

## Read more

*Read our full report on the gender composition of management according to section 99 b of the Danish Financial Statements Act in the Danish Crown Annual Report 2017/18.*





# Employee satisfaction must prepare Danish Crown for the future

*Danish Crown has taken the temperature of employee satisfaction regarding motivation and commitment.*

The survey on employee satisfaction was based on 34 questions related to working conditions, satisfaction with management, employee development etc. The questionnaire was submitted to a panel of both blue and white collar employees representing all Danish Crown business units. With a response rate of 89, the results provide excellent input for future actions.

After a couple of years of declining job satisfaction scores, we are now back to 2011 levels with a score of 70 for 'Satisfaction & Motivation' and 79 for 'Commitment', where 100 is the maximum score.

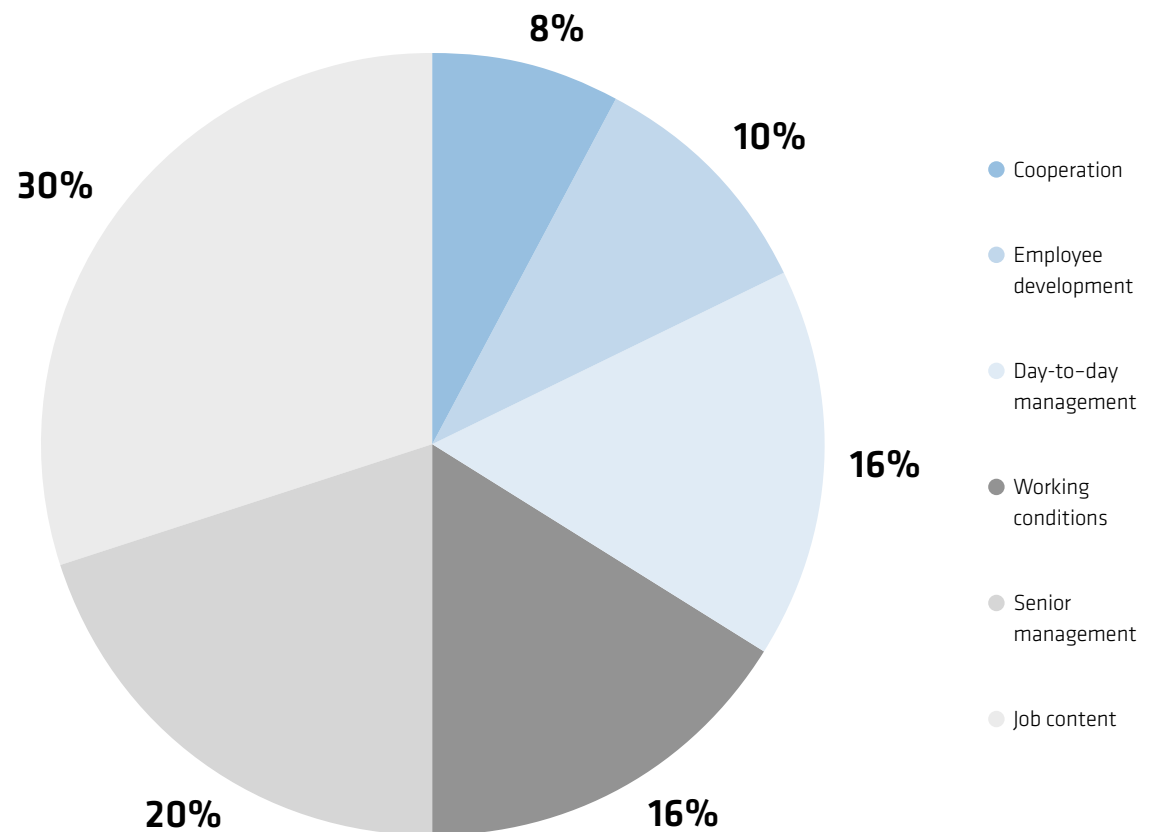
It is Danish Crown's ambition to be among the Top 40 most attractive workplaces in Denmark. This year, we have already seen an increase of nine per cent in the number of employees who would recommend Danish Crown, which is a positive development.

The intention is for the employee survey to cover the whole group once the necessary systems are in place, and to introduce similar initiatives in order to become an attractive workplace in all the countries in which we operate.



As part of our efforts to measure employee satisfaction in Danish Crown, we have identified job content and senior management as the main drivers of satisfaction and motivation. We also discovered - with some variation across the group - that we need to pay special attention to the areas of management, job content and working conditions in order to improve employee satisfaction, retain people within the company, and make Danish Crown an attractive workplace for everyone.

## Drivers of satisfaction and motivation in Danish Crown



## Strengthened group-wide occupational health and safety management

Employees must have no doubt that it is safe to work at Danish Crown. As part of our efforts to prevent injuries, in 2017/18 we strengthened our processes through the introduction of Lean tools. We have held courses for the Danish organisations in Danish Crown Pork, Danish Crown Beef, DAT-Schaub and Tulip Food Company, and we can already see that the Lean tools are helping us to more systematically examine the injuries that do occur as well as the root causes.

In 2017/18, we continued the roll-out of a global occupational health and safety system, which strengthens the group's monitoring of its efforts to improve the working environment. It formalises our work across national borders, and ensures uniform registration of work-related injuries, for example accidents, occupational diseases, near-accidents, prevention, fire and safety inspections etc.

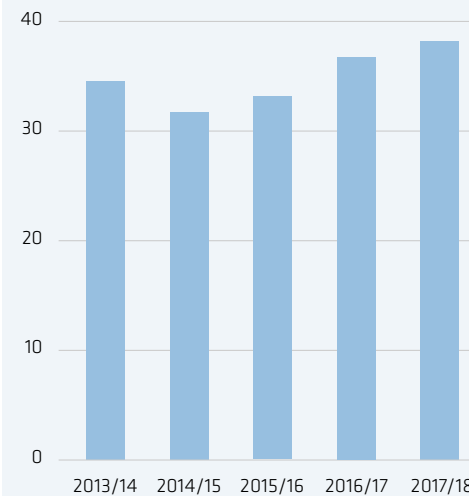
The system was rolled out in Denmark in 2017/18, and is about to be introduced in Sweden, Germany and the UK. In Poland, it will be rolled out in 2019/20. The aim is for all our production sites to have an occupational health and safety management system. Danish Crown Pork's seven facilities in Denmark are certified in accordance with the OHSAS 18001 and ISO 14001 standards in an integrated management system.

## Focus on work-related diseases and retention in the labour market

We want our employees to be able to have a good job for as long as they want to remain active in the labour market. As part of these efforts, in 2017/18 we sought to raise awareness of muscular and skeletal disorders (MSD), which is the biggest cause of work-related diseases and sickness leave. The efforts have been centred on Danish Crown Pork, Danish Crown Beef, Tulip Food Company, DAT-Schaub and Tulip Ltd, and have been about ergonomic working positions, stretching and training to relieve strain in the wrists, shoulders, elbows and lower back. The efforts have also included mapping workplaces with special focus on MSD, individual instruction for employees and investing in technology to reduce or eliminate strains.

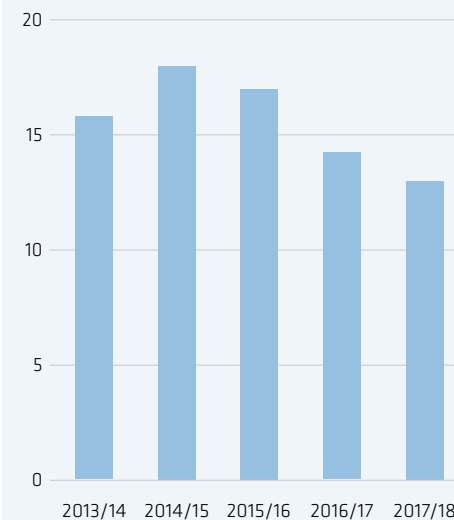
In January 2018, we employed a welfare officer in Denmark to support those employees who have unfortunately suffered a serious accident at work, or who have been on long-term sick leave. The welfare officer is assigned to the sickness cases which present a challenge for both the employee and the company. We have already seen a clear improvement in our cooperation with the job centres on retaining employees. At the same time, it is our experience that employees are greatly reassured by having a professional colleague to talk to about their specific situation.

**Frequency of accidents at work**  
Number of accidents per 1,000 employees



The aim is to reduce the frequency of accidents at work to 20 by the end of 2020/21 (in 2017/18, the target was a reduction to a frequency of 30). The average number of accidents covers relatively important local differences between business units and countries. Reducing the accidents requires high attention from local management, and the remaining hotspots will have special focus in the year to come.

**Absence due to accidents at work**  
Days of absence per accident



Our group efforts to reduce absence due to accidents seem to work. The decrease in absence is primarily due to a reduced number of serious accidents together with a focus on management.





# Career paths and training help to retain employees and managers

*Competent employees are the foundation for the successful realisation of our 4WD business strategy.*

**A**ttracting employees is a challenge in our industry, and we therefore want to offer our employees favourable development opportunities when working at Danish Crown.

One of our key initiatives is the creation of training and career paths which allow our production employees to develop their skills. In the coming year, we will start to systematically develop the skills of our employees in their local language and in English and mathematics – as well as special skills within Lean and food safety. The concept will launch in Denmark, and then be scaled to other business units once the final standard has been decided.

Trainees and apprentices are also very important for the company. In 2017/18 we had 280 trainees and apprentices in Denmark, Poland, Germany, Sweden and the UK, which is in line with previous years. It is very good news that the vocational training programme for abattoir workers has been approved this year as a professional discipline, as it helps to improve job prospects for our younger employees.

In 2017/18, we prepared and implemented processes and tools aimed at building a strong internal pipeline of candidates for vacant managerial positions, and we expect to see the first results in the coming years. Employee turnover is too high in some of our business units. Overall, in 2017/18 it was 22 per cent, which is on a par with previous years. We have been in dialogue with the individual sites about the reasons for the high employee turnover, and we are implementing local solutions that will continue in the coming year. One of the initiatives is to promote our training opportunities and paths, as well as enhancing our managers' skills. This is an area that will be the focus of considerable investments in the coming years.



↑ New training concept will enable blue collar workers to have a flexible career with less work-related diseases.

## Our leadership principles



*Our new leadership principles are clear pointers for what constitutes good leadership and behavior in Danish Crown. In 2018, the principles have been rolled out to 1,700 managers. The next step is to train managers in how to provide qualified feedback and coaching to employees, after which the employees will also gradually take the leadership principles on board.*



Be an ambassador



Develop and empower people



We are one team



Dedicated to results



Together with consumers and customers



# Together with customers and consumers

*Each year, we supply billions of meals to consumers worldwide. Together with our customers, we are constantly developing new food concepts, and our focus is increasingly on healthy and sustainable food products.*

**W**e are leaders in organic products and products from animals raised without antibiotics, and we are trying to influence the market to demand more sustainable solutions. In addition to tasty and healthy food, customers and consumers are increasingly demanding new sustainable solutions. We are seeing new generations that define themselves through the food products they eat, and for whom eating less meat is a conscious choice. Therefore, an important part of our 4WD business strategy is to strengthen our position in the consumer market by focusing on products build on sustainability parameters.

Many farmers are keen to supply pigs which meet consumer wishes with regard to animal welfare, healthy living, environment etc. However, the production of e.g. organic pigs entails increased costs, which are partly covered by the market.

Sales are complicated by the fact that we must sell all parts of the pig, and that the different parts are usually sold in different markets with different requirements. Whereas consumers in our domestic markets may prefer and be willing to pay for organic, free-range pigs or animal welfare-labelled pigs, it may be difficult to recover the additional cost of producing those pigs when many parts of the animal are sold in more distant markets.

This challenge will not stop us from driving development, but it is imperative for us to move the market from being a niche to the new normal. We do that by involving customers and consumers in the development of future meals and focus particularly on collaboration across the value chain and with the retail and food service industry to create a push in the market for sustainable products.

## Activities 2017/18

- Market breakthrough for slaughter pigs raised without use of antibiotics in partnership with Danish retail chain ●
- New partnerships working to eliminate killings of bull calves, including the 'Dansk Gastro Kalv' label ●
- New sustainable products in product range – from organic bacon to vegetarian dishes group-wide ○
- Partnership between KLS Ugglarps, a Swedish fast-food chain and the Swedish University of Agricultural Sciences on the creation of a circular system for resources between food producers and consumers for an improved carbon footprint ○

## Planned initiatives 2018/19

- Further develop the sustainable product range
- Partnerships with customers to accelerate responsible consumption of food
- Refine the pathway for the future role of meat
- Promote premium products based on highest levels of responsibility
- Set goals and actions to minimize food waste downstream in the value chain

- Completed
- Under implementation
- Under development

## Purpose

*We will earn customers' and consumers' confidence and preference with healthy, safe and responsible products.*

### Extract from our CSR policy

We respect the human rights to health, well-being and access to adequate food for all. Through membership of various organisations, we actively participate in developing ways of reducing the inevitable environmental and social impacts of our production activities. As part of these efforts, we engage in and promote effective public, public-private and civil society partnerships. We ensure compliance with all human rights-related legislation and have particular focus on privacy and data protection throughout the group.

### Our SDG commitment



**Goal 3: Good health and well-being**  
Ensure healthy lives and promote well-being for all at all stages

#### **Commitment: Target 3.D**

By 2030, Danish Crown contributes to strengthening the capacity of all countries, in particular developing countries, for early warning, risk reduction and management of national and global health risks.



**Goal 12: Responsible consumption and production**  
Ensure sustainable consumption and production patterns.

#### **Commitment: Target 12.5**

By 2030, Danish Crown will substantially reduce waste generation through prevention, reduction, recycling and reuse.

#### **Commitment: Target 12.8**

By 2030, Danish Crown will ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature.



## Dansk Gastro Kalv: Ethics, animal welfare and good quality go hand in hand

For the benefit of both animal welfare and food quality, in January 2018 Danish Crown Beef entered into a cooperation agreement with a large Danish wholesaler on selling meat from so-called crossbred calves under the Dansk Gastro Kalv brand to Danish restaurants and canteens. In so doing, we are addressing a long-standing ethical dilemma in our industry: that non-meat-producing bull calves are put down immediately after birth, because it does not pay to rear them.

The challenge is associated with rearing cattle for milk production, which inevitably results in the birth of both heifers and bull calves.

Dansk Gastro Kalv is a so-called crossbred calf, where the mother is a milk-producing Jersey cow and the father is a meat-producing bull. This yields veal of very high quality. The calves have extra space in the cow sheds and straw to lie on. In addition, they are fed

both raw milk and roughage and are regularly inspected by a veterinarian.

This combination of high eating quality and high animal welfare standards is being sought by chefs in professional kitchens, canteens and restaurants throughout Denmark, and Dansk Gastro Kalv is thus giving farmers, wholesalers and chefs the opportunity to work together to make the most of the available resources. The concept has been welcomed in the market, and sales have been steadily increasing since its introduction.

Danish Crown Beef wants to help eliminate the problem of redundant bull calves, and has therefore become involved in other projects in our value chain which address the challenge. This includes, for example, cooperating with parties in the value chain to find a new business model which can contribute to resolving the issue of putting down bull calves.

## Swedish Carbon Valley: From biochar to hamburgers



Carbon Valley is a climate-smart agriculture pilot project in southern Sweden. It focuses on using biochar as a carbon-capturing solution. Biochar is charcoal produced from plant matter, which is stored in the soil and thereby removes CO<sub>2</sub> from the atmosphere.

The pilot project engages stakeholders across the value chain, and KLS Ugglarps participates in the project alongside a Swedish fast-food chain and other partners within innovation, seeds and farming together with the Municipality of Ystad. The project also engages Master's degree students from the Swedish University of Agricultural Sciences (SLU) focusing on the circular flow of resources between food producers and consumers, and the potential for biochar to contribute to sustainable agriculture in Sweden.

The circular flow is like this: Food waste from fast-food restaurants is converted into biochar by pyrolysis at the seed company, and the carbon trail is quantified by the carbon and biochar innovations company. The biochar is then spread on the fields to

store carbon and fertilise the soil. As a natural next step, the harvested crops feed the animals on the farm, and as a next step KLS Ugglarps will produce hamburgers of the meat from the farm, which will then be sold via the fast-food chain. In spring 2018, the first biochar was spread on the fields.

Research results from SLU have already shown increased harvest potential. However, it is early days. Many questions still need answering, but the pilot holds considerable potential for the food industry as a promising carbon-capture solution, which is why we are engaged in this project together with our customers.

### Climate Smart Agriculture

*According to the Food and Agriculture Organisation (FAO), the aim of Climate Smart Agriculture (CSA) is to enhance the capacity of the agricultural systems to support food security and incorporate the need for climate change adaptation and mitigation into sustainable agriculture development strategies. The concept of CSA is evolving and there is no one-size-fits-all blueprint for how it might be pursued.*

## Early adopter of the Food Waste Reduction Roadmap in the UK

Cutting down on food waste is part of Danish Crown's CSR Policy, and Tulip Ltd has taken this strategic focus area forward by committing to a number of initiatives in the UK food industry. As one of the largest food producers in the UK, Tulip Ltd is one of the early adopters of a new industry Food Waste Reduction Roadmap launched in September 2018. Through the roadmap, 90 large retailers, food producers, manufacturers, and hospitality and food service companies are set to further reduce the UK's food waste problem, and Tulip Ltd has committed to setting targets, taking action, measuring and reporting on food waste by September 2019.

This is a natural evolution of our engagement with the Friends of Champions 12.3 network, formally pledging alignment to the UN Sustainable Development Goal of reducing global food waste by 50 per cent by 2030. By way of example, the Waste and Resources Action Programme (WRAP) organisation indicates that 100,000 tonnes of pork products which could have been eaten are thrown away every year in the UK. Tulip Ltd has renewed its partnership with FareShare, and in 2017/18 they redistributed enough surplus food generated at our production facilities for 40,000 meals to charities and community groups.

## Market-driven animal welfare in Denmark

Danish Crown is one of the main suppliers under the Danish state-run animal welfare label - 'Bedre Dyrevelfærd' (Better Animal Welfare) - which we have also helped to develop. The animal welfare label is available in three variants, with one, two or three hearts. More hearts mean better animal welfare, but also higher prices. In other words, suppliers accommodate different consumer preferences, and signs are that this type of labelling is making an impact on the market. Therefore, we are also seeing considerable interest in the scheme from countries close to Denmark.

In 2018, we have seen market growth for products with all three variants of the animal welfare label. In particular, sales of products with three hearts, which also cover organic and free-range pigs, have increased, and these products now account for nine per cent of Danish Crown's total sales of welfare pigs. A YouGov survey among Danish consumers published in January 2018 also shows that 77 per cent of Danes support animal welfare, and that a majority are willing to pay a higher price. At the same time, awareness and confidence in the label has spread faster than expected. The aim was for 40 per cent of Danes to be able to recognise the label, and that 60 per cent should have confidence in it by the end of 2018. However, by the end of 2017 - only seven months after the launch - 49 per cent of Danes already knew about the label and 67 per cent expressed confidence in it. To cater for consumer preferences, in 2019 we are expanding the range of processed products under the state animal welfare label. Altogether, in 2017/18 our sales of branded welfare pigs accounted for about 20 per cent of total sales.



The Danish animal welfare label requires significantly stricter animal welfare standards than Danish and European legislation. The label is subject to state-approved inspection and comprises five basic requirements:

- Curly tails - no tail docking and no tail biting
- More straw for rooting and nesting
- More space
- Free-range sows
- Max. transport time of 8 hours
- More hearts mean better animal welfare but also higher prices

A label with two hearts requires an additional 30 per cent more space and more straw, while a label with three hearts also requires outdoor areas for the pigs and even more straw.

The Ministry for Environment and Food of Denmark is behind the label, which has been developed together with partners from the entire food chain. The label was launched for pork products in May 2017, and is expected to be introduced for chicken in 2018.



← Danish Crown supplies products with animal welfare labels to meet customer requirements. Many of our customers want to sell products with the Danish state animal welfare label, while others have their own animal welfare labelling schemes. In collaboration with our cooperative members we have upgraded the Danish Bornholmer pig production to meet the requirements of yet another animal welfare label.

## Organic bacon on the rise

Friland has increased its slaughterings of organic pigs by 30 per cent in the past year alone, thus consolidating its position as a leader on the European market for organic pork. This has enabled Tulip Food Company to increase its supply of organic bacon, and thus meet an increasing demand for processed products based on organic raw materials. In January 2018, Tulip Food Company therefore launched organic bacon on both the Danish and the Swedish markets.

In Denmark, the market for organic bacon has increased by almost 25 per cent in value over the past year. In the same period, the Danish bacon market has increased by five per cent in value, while the volume is largely the same. This is attributable, among other things, to the organic products and consumer willingness to pay a little extra for animal welfare and quality. Following Danish Crown's acquisition in June 2018 of the Dutch company Baconspecialist Zandbergen, Tulip Food Company now enjoys a particularly strong position in terms of being able to offer customers and consumers organic bacon products across national borders.

→ In September 2018, Sokołów extended the 'Z Gruntu Dobre' product line with three new veggie and preservative-free products: natural humus, humus with black cumin and humus with dried tomatoes.

## When less meat is a conscious choice



We are seeing a growing trend among consumer groups, particularly in our European and US markets, where eating less meat or meat substitutes is a conscious choice.

In Poland, market research by Growth from Knowledge (GfK) from November 2017 shows that ten per cent of young Polish consumers declare themselves vegetarians, and some 57 per cent of Polish consumers plan to reduce their consumption of meat and substitute meat with plant-derived food products. In response to these developments, our business unit Sokołów is bringing new veggie products to the Polish market to cater for this new niche alongside a broad range of processed meat products.

Tulip Food Company's new veggie cold cuts have also got off to a flying start on the Danish market, and total sales of 78 tonnes in 2017/18. The level of interest in the new products is considerable among both customers and consumers, and we expect to launch more vegetarian products in the coming year.





# Reporting principles



The report describes our sustainability strategy and activities for the past year in view of the issues that are most material to Danish Crown and our stakeholders. The materiality assessment has contributed to the content of the report.

## Scope of data in the report

Entities included in the CSR report 2017/18 are the enterprises included in the Danish Crown Annual Report 2017/18 (refer to this report for specifications on the inclusion principles and a complete group list).

The CSR report covers the financial year 2017/18 from 1 October 2017 to 30 September 2018.

Enterprises acquired or established during the reporting period are included in the CSR report from the date of acquisition or establishment. The acquisition is counted from the date when control is actually acquired. Enterprises sold or closed down are included in the CSR report until the date of divestment or closure. The date of divestment is the date when control of the enterprise passes to a third party.

## Reporting approach

The basic reporting principles are unchanged compared to last year's CSR report, and the data presented in the report are self-assessed. This CSR report is generally inspired by the Global Reporting Initiative (GRI) Standards, however without meeting the in-accordance criteria.

Some of the data included in the report are approximate figures based on calculations for slightly overlapping periods.

In the case of restatement of previously reported data or changes in calculation methodologies or principles, explanations of background and impacts are given.

Due to special circumstances, the figures for 2017/18 regarding total organic carbon in waste water and non-organic waste do not include data for the business unit Tulip Ltd.

During 2017/18 we have discovered an error in our internal documentation of the split in energy types in Danish Crown Pork. This affects the data for energy consumption. The diagrams reflect the updated figures.

## Data quality to be improved in 2018/19

In 2017/18, we completed a data quality analysis of our existing sustainability KPIs and data points and concluded that quality levels are not satisfactory.

In 2018/19, we will initiate a process aimed at ensuring a high quality standard for all our CSR data points and measurements and thereby a robust basis for monitoring and reporting on our sustainability efforts.



Indicator	Units	Data and indicator definitions
<b>Group financial key figures</b>		
Revenue	Billion DKK	Figures derive from the Danish Crown Annual Report 2017/18 for Leverandørselskabet Danish Crown AmbA.
Revenue per business activity	%	Figures derive from the Danish Crown Annual Report 2017/18 for Leverandørselskabet Danish Crown AmbA.
EBIT per business activity	%	Figures derive from the Danish Crown Annual Report 2017/18 for Leverandørselskabet Danish Crown AmbA.
Meals supplied	Number	Figures derive from the Danish Crown Annual Report 2017/18 for Leverandørselskabet Danish Crown AmbA.
Cooperative members	Number	Figures derive from the Danish Crown Annual Report 2017/18 for Leverandørselskabet Danish Crown AmbA.
Delivery: Pigs and sows	Number	Figures derive from the Danish Crown Annual Report 2017/18 for Leverandørselskabet Danish Crown AmbA.
Delivery: Cattle	Number	Figures derive from the Danish Crown Annual Report 2017/18 for Leverandørselskabet Danish Crown AmbA.
Employees	Number	Figures derive from the Danish Crown Annual Report 2017/18 for Leverandørselskabet Danish Crown AmbA.
<b>CSR indicators</b>		
Animals from organic, free-range and raised-without-antibiotics production	Number	Total number of animals slaughtered which were raised organically as free-range and/or without antibiotics.
Feed efficiency	Feed units	Figures derive from Seges: 'Country average for productivity, Pig production Denmark 2017'.
Total energy consumption	MWh	<p>Includes the total consumption of fossil and renewable energy sources. Included energy sources are natural gas, gas oil, fuel oils, other fossil fuels, electricity, district heating, biomass energy, other alternative energy types and own renewable energy production.</p> <p>Consumption data are based on meter readings, or if such readings are not available, the basis is purchase documents converted to tally with the reporting period in the best possible way. Defra Conversion Factors are used for calculating the conversion from volumes to energy content.</p> <p>Note: See Reporting principles regarding data correction.</p>



Indicator	Units	Data and indicator definitions
Energy consumption per produced volume	MWh per produced tonne	<p><u>Content in numerator:</u> Total energy consumption according to the above calculation.</p> <p><u>Content in denominator:</u> Produced volume in tonnes.</p>
Total water consumption	1,000 m <sup>3</sup>	<p>Includes the consumption of water from own sources and from public or other external water utilities. Collected rainwater and other sources of surface water are included.</p> <p>Consumption data are based on meter readings, or if such readings are not available, the basis is purchase documents converted to tally with the reporting period in the best possible way.</p>
Water consumption per produced volume	m <sup>3</sup> per produced tonne	<p><u>Content in numerator:</u> Total water consumption according to the above calculation.</p> <p><u>Content in denominator:</u> Produced volume in tonnes.</p>
Total TOC in waste water	Tonnes	<p>Total Organic Carbon (TOC) is a measure of the quantity of carbon contained in the organic material discharged with the waste water. It is an indication of organic content from meat, blood and fat in waste water.</p> <p>Applicable national standards include BOD5 (Biological Oxygen Demand with sample measurements over five days), COD (Chemical Oxygen Demand) and BOD7 (Biological Oxygen Demand with sample measurements over seven days). A common measure of waste water load is TOC, and BOD5/COD/BOD7 is converted to TOC by using conversion factors.</p> <p>To calculate total quantities of TOC in tonnes per year, we multiply concentrations of BOD/COD/TOC with total quantities of waste water over the entire accounting period.</p> <p>At some facilities, the quantity of waste water is measured directly, and at other facilities the quantity of waste water is calculated by means of mass balance principles.</p>
TOC in waste water per produced volume	Tonnes per produced tonne	<p><u>Content in numerator:</u> Total tonnes of TOC in waste water according to the above calculation.</p> <p><u>Content in denominator:</u> Produced volume in tonnes.</p>





Indicator	Units	Data and indicator definitions
Total non-organic waste	Tonnes	<p>Non-organic waste includes all waste types apart from biological waste. This means waste which is not animal by-products or manure. Non-organic waste includes disposable waste, fuel waste, plastics, paper, cardboard, carton etc.</p> <p>The weight is usually measured at time of pick-up for transportation, though a standard measurement of weight for a sample of batches is used at some facilities.</p>
Non-organic waste per produced volume	Tonnes per produced tonne	<p><u>Content in numerator:</u> Total tonnes of non-organic waste according to the above calculation.</p> <p><u>Content in denominator:</u> Produced volume in tonnes.</p>
Frequency of accidents at work	Accidents per 1,000 FTEs	<p><u>Content in numerator:</u> A lost-time accident is recorded if it occurs during working hours, and if it causes more than one day of absence after the day of the accident.</p> <p>Both permanent and temporary employees at Danish Crown are included. Employees working for Danish Crown's contractors and subcontractors are not included.</p> <p>Accidents are considered work-related if circumstances in the working environment caused or contributed to the accident. Accidents during travel to or from work are not included.</p> <p><u>Content in denominator:</u> The total number of FTEs in Danish Crown.</p>
Absence due to accidents at work per accident	Days of absence	<p><u>Content in numerator:</u> Total planned working days of absence due to the lost-time accidents reported. If an accident causes more periods of absence, all days of absence are included. Absence within the reporting period due to accidents in previous periods are not included.</p> <p><u>Content in denominator:</u> Number of recorded accidents resulting in more than one day of absence after the day of the accident.</p>
Share of women in management positions	%	<p>A manager is defined as an employee with managerial responsibility for other employees.</p>

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This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.





