



DANISH CROWN

MODERN SLAVERY ACT 2015

Danish Crown
Statement and Information
2016/17

INTRODUCTION

This statement is Danish Crown's reporting as per the UK Modern Slavery Act 2015. It sets out group actions to understand, prevent and mitigate all potential modern slavery and human trafficking risks related to its business and supply chain.

Being a responsible business, Danish Crown recognises its responsibility for a vigorous approach to take a robust approach to eliminating modern slavery and human trafficking.

This statement relates to actions and activities during the financial year 1 October 2016 to 30 September 2017.

ORGANISATIONAL STRUCTURE

The Danish Crown group is a global food company based in Denmark, with companies in many European countries. The company is a co-operative society with limited liability, 100 percent owned by Danish farmers who also supply pigs and cattle into the company.

Danish Crown slaughters animals supplied by its cooperative members and from external suppliers, and sells the meat directly to consumers in Denmark and more than 130 other countries worldwide.

A large proportion of the meat is used as raw materials at Danish Crown's own food processing sites.

This statement covers Danish Crown including all companies within the group. The companies have different supply chains and market profiles. Our UK company, Tulip Ltd is the frontrunner within the group with its own [reporting under the Modern Slavery Act](#). Danish Crown works actively to develop and share best practice in this area.

DANISH CROWN FACTS

(end of financial year 2016/17)

A REVENUE OF

62 billion

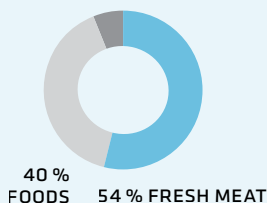


EMPLOYEES

25,307

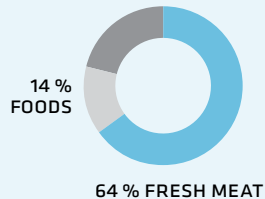
SHARE OF REVENUE

6 % INGREDIENTS



SHARE OF EBIT

21 % INGREDIENTS



CO-OPERATIVE MEMBERS AND OWNERS

7,166

www.danishcrown.com/danish-crown/annual-report/

SUPPLY CHAIN

Danish Crown is part of a complex supply chain encompassing feed growing for the rearing of animals, slaughtering and processing, before the final product is shipped to customers and consumers across the world.

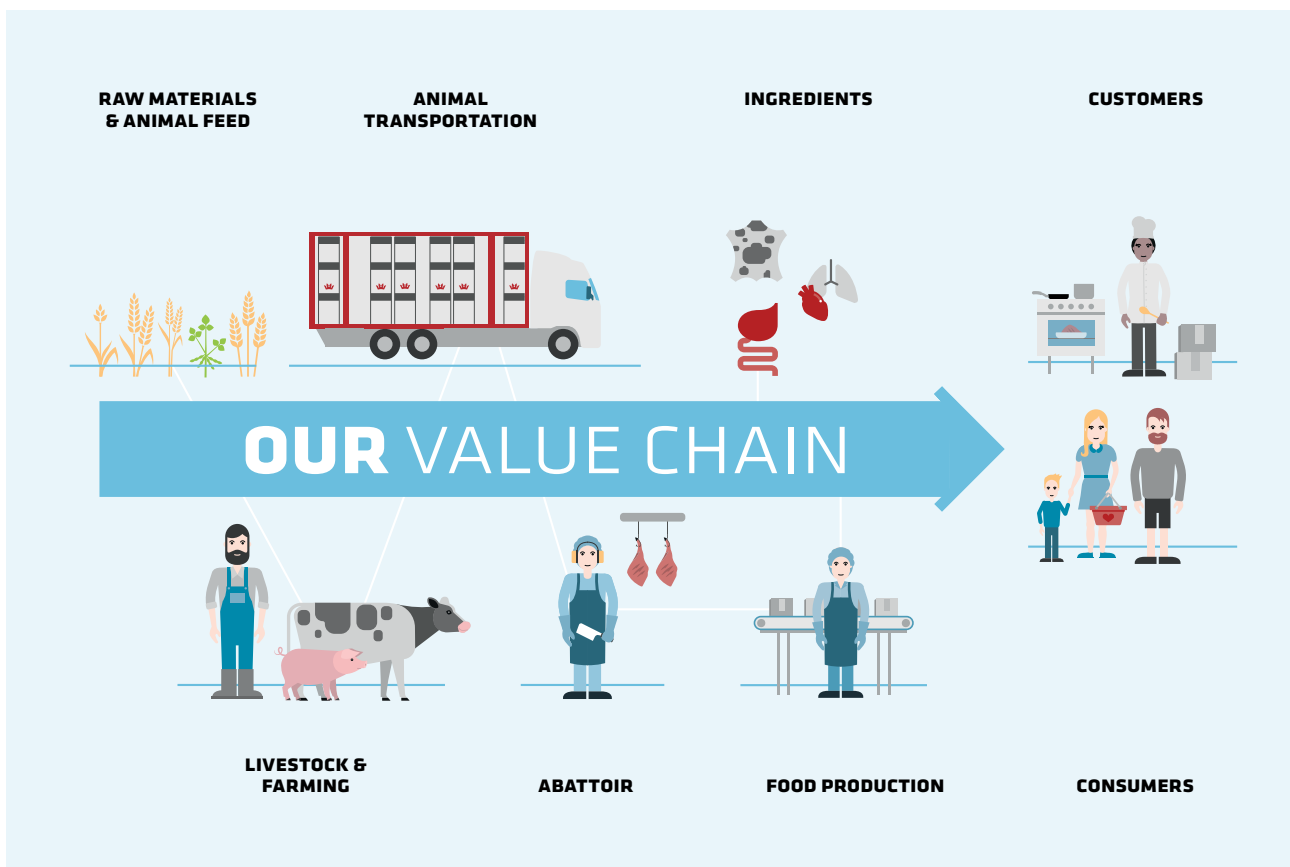
The basic supply chain is illustrated below, with raw materials going both to sub-suppliers and directly into Danish Crown sites.

Danish Crown receives goods and services from more than 18,500 suppliers around the world as well as live animals from

our owners and local suppliers in the UK, Poland, Sweden and Germany.

Danish Crown cooperates with a large number of suppliers within food raw materials, goods for operations, plant and technology supply and other services.

As a food manufacturer working with an inherent daily production quantity variation we rely on temporary agency labour at some sites.



RISK ASSESSMENT

An overall risk assessment of where modern slavery and human trafficking could occur in our value chain has been carried out. Based on this we consider the following activities within our business and supply chain to be at the highest risk:

- Farm workers employed at our suppliers of pigs and cattle.
- Suppliers in our supply chain where we do not have direct management control.
- Temporary agency labour hired at some of our production sites.
- Suppliers of transportation, logistics and construction services.

ACTIONS TO PREVENT MODERN SLAVERY AND HUMAN TRAFFICKING

Danish Crown recognises and protects international human rights, including labour rights and our ability to influence our supply chain.

Danish Crown is a signatory to the United Nations Global Compact www.globalcompact.org and fully supports the United Nations Guiding Principles on Business and Human Rights. In all Danish Crown operations and activities, we respect human rights and avoid infringing the human rights of all stakeholders.

The CSR Report 2016/17 explains our commitment to respecting the people in the communities in which we operate, internally and in our relations with our business partners.

In planning our CSR commitments and the associated KPI's, risk assessments and due diligence processes we ensure we comply with the provisions of section 99a of the Danish Financial Statements Act and the United Nations Guiding Principles on Business and Human Rights.

With the new CSR policy, we also focus the business as set out in the UK Modern Slavery Act 2015. The CSR policy will provide a framework and set targets for future activities, and will be rolled out in the organisation.

In 2016/17 Danish Crown took the following actions which contributes to fight the risk of modern slavery and human trafficking in the business and supply chain:

New CSR Policy

In relation to modern slavery and human trafficking Danish Crowns' new CSR policy states:



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. 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.

In our supply chain and with other business partners we are particularly committed to identify and mitigate or eliminate any risk for infringing the right to freedom of association and to collective bargaining. We are also committed to eliminate all forms of forced and compulsory labour and to effectively abolish child labour.

Our CSR goal Good jobs for everyone forms the basis for Danish Crown to contribute to sustained, inclusive and sustainable economic growth, to full and productive employment and decent work for all.

We also aim to ensure we contribute to the UN Sustainable Development Goals.”

CSR leadership and Governance structure

To strengthen the internal and external cooperation and activities on CSR and sustainability, Danish Crown has established a group sustainability function to lead, develop and coordinate the overall sustainability activities and report on progress across the group.

A governance structure has been defined enabling a strong CSR focus in the business. This includes a CSR-board to ensure representation across the companies within the group, and an operational structure to drive development in key areas.

Our inspiration for the future is to report under the Global Reporting Initiative Framework to give a strong base for future KPI structure and transparency.

New sustainability strategy


A main focus this year has been the development of a new sustainability strategy to set the future direction for Danish Crown. The strategy will be transferred into projects with clearly defined actions and supported by KPI's.

The sustainability strategy defines the main direction for the group and enables us to work in partnerships across the value chain. The challenges are complex and thus we will involve stakeholders to contribute to the solutions.


The strategy fully commits to the UN Sustainable Development Goals, which are used to set the overall direction of the strategy, and serve as targets for further development within the projects.

DANISH CROWN SUSTAINABILITY STRATEGY

3 GOOD HEALTH AND WELL-BEING



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



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

2 ZERO HUNGER



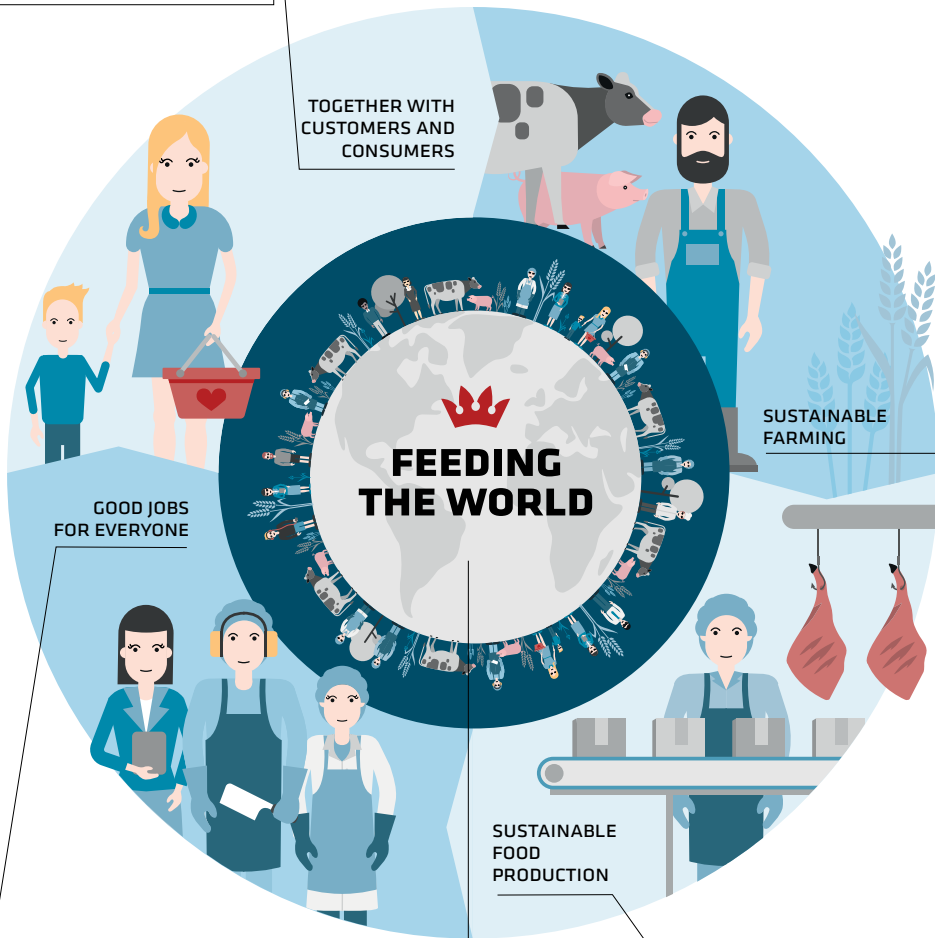
13 CLIMATE ACTION



15 LIFE ON LAND



PURPOSE: We will build a strong future for our farmers.



8 DECENT WORK AND ECONOMIC GROWTH



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

2 ZERO HUNGER



17 PARTNERSHIPS FOR THE GOALS



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

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



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

Focus on responsible supply chain management

Danish Crown wishes to ensure that human rights are not violated at Danish Crown companies, and we expect the same of all our supply chain partners.

Danish Crown will increase efforts to establish due diligence processes which can help identify potential negative human rights impact areas. Due diligence processes should also support us in preventing and mitigating any negative impact should it occur, and to ensure that we have systems in place to remedy any situations that may occur. We are working on a group wide supplier management system which will further evolve over the coming years.

A new group procurement function sets a new direction for future procurement in Danish Crown. This will further integrate CSR with a focus on human rights, modern slavery and human trafficking and embed this across the procurement functions.

One of the goals is to focus our procurement on fewer suppliers and stronger relationships enabling CSR to be a central part of the process. We plan to further increase awareness and training of all relevant procurement staff.

Focus on Good jobs for everyone

Danish Crown is committed to ensure healthy and safe workplaces for our employees and respect their right to just and favourable work conditions. Danish Crown ensures fair wages, rest and leisure, equal remuneration for men and women, anti-discrimination and equal opportunities. We also work to eradicate corruption in all its forms.

The sustainability strategy focuses on “Good Jobs For Everyone” and supports prevention of modern slavery and human trafficking. It commits Danish Crown to the UN Sustainable Development Goal 8, with special focus on target 8.8 which says:



Protect labour rights, promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.”

During the year, the group's HR function initiated a number of cross-organisational initiatives as well as internal knowledge sharing as a way of establishing a uniform approach to the Danish Crown way of working.

A new HR partnership structure ensures a closer relationship from headquarters to employees around the world, and it will support the culture and mind-set defined in the strategy and leadership principles. This means that all business units now have access to knowledge and expertise about both strategic and operational HR issues.

Many new initiatives to improve working conditions for employees are being developed and will be rolled out in the coming years.

Danish Crown is in the process of implementing the provisions of the EU General Data Protection Regulation across the group for the purpose of ensuring the protection of employee data.

TRAINING AND AWARENESS

Competence based development and training will be important elements to further embed Danish Crown's strategies and tools for protecting international human rights, including labour rights, and preventing slavery and human trafficking at corporate level as well as in our supply chains

Danish Crown will support our suppliers in understanding and implementing the needed standards for improving labour rights and working conditions.

Furthermore, Danish Crown will continue to support measures for preventing slavery and human trafficking within the company and in the supply chain.

APPROVAL OF THIS STATEMENT

This statement has been approved by the Chief Financial Officer of Danish Crown on behalf of the Board of Directors and will be subject to annual review.

Valid for: Danish Crown
Owner: Director, Group Sustainability
Approved: Corporate Financial Officer
Approval date: January 2018

[Danish Crown CSR report 2016/17](#)

