



Danish Crown

Sustainability report 2020/21

About the report

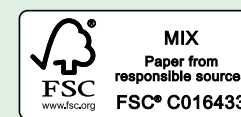
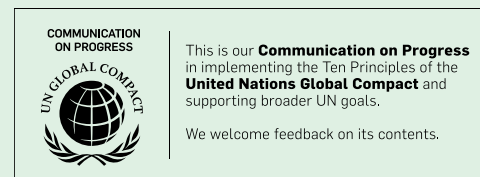
The Sustainability Report constitutes Danish Crown's annual Communication on Progress to the UN Global Compact and covers the financial year 2020/21 from 1 October 2020 to 30 September 2021. The report describes our sustainability strategy and activities for the past year in the areas that are material to Danish Crown and our stakeholders.

The report is an integral part of the management's review of the Danish Crown Annual Report 2020/21 available at danishcrown.com/annual-report, and this report constitutes our report on corporate responsibility in accordance with section 99a of the Danish Financial Statements Act. Management's gender composition, cf. section 99b of the Danish Financial Statements Act, is described separately in the Danish Crown Annual Report 2020/21.

As part of Danish Crown's reporting obligations in the UK, we also issue a Statement on Modern Slavery Act 2020/21 available at danishcrown.com/sustainability-report.

We welcome any comments, suggestions or questions you may have with respect to our report, strategy and results. Please send an e-mail to: sustainability@danishcrown.com.

Stay updated on our efforts on danishcrown.com/sustainability and follow DanishCrown on Facebook, LinkedIn and Instagram (Klimamaaltid).



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Feeding the Future

In June 2021, we presented our new business strategy for 2021-26, Feeding the Future, which focuses on how we can feed the global population with sustainable food and add value in the chain from farm to fork.



Ownership requires commitment

Our sustainability strategy has brought us far. Sustainability efforts at the farms add value to the climate, to society and to the economy, and sustainability has become a unique value proposition for our business.

This, in turn, makes demands on us as cooperative owners and suppliers to the business. Our mutual contract with society includes providing good jobs and continuing to reduce the climate footprint of our production from farm to fork. This calls for investment by the cooperative owners, which makes competitive and relatively high and stable settlement prices a necessity. As cooperative owners, we share a common task of keeping the production of slaughter animals in Denmark at current levels. This will provide stable food production and European jobs, while allowing us to maintain or consolidate our position in the global market. Achieving this will require significant investments in new farm buildings and technology and the continued development of our production apparatus while maintaining focus on all aspects of sustainability.

At the farm, this will mean employing digital tools. Feed is by far the greatest climate challenge in the farm buildings, both in terms of climate efficiency and financial viability for the pig farmers. Consequently, we are excited to team up with food businesses to present our cooperative owners with dynamic data showing the daily weight gain of their pigs and feed efficiency. Specifically, this means the cooperative owners can see how much their pigs are growing and how feed efficiency is developing.

Cooperative owners supportive of the Climate Track

In January 2021, the remainder of our cooperative owners in pig production joined the Climate Track, which is part of our sustainability programme. The cooperative owners have responded well to the certification process and the mindset underlying the Climate Track. We have achieved a milestone in that all Danish pig farmers and producers of Danish Veal ('Dansk Kalv') are now a part of the programme. This means we now have a baseline figure for CO₂ emissions from a Danish Crown pig and a clear sustainability target at farm level three years ahead until the next certification. This is important to Danish Crown and to our cooperative

owners, who need to have an overview of progress at the farm.

Cattle producers solving calf challenges

Danish dairy farmers have made a joint decision to stop killing calves right after birth. Danish Crown supports this decision, and we will therefore take responsibility for creating a market for the additional calves at Danish farms next year. This has given us a good opportunity to further concentrate our efforts to improve quality and the dining experience. The solution was contract production of calves in different concepts, with many of the dairy calves crossbred with beef cattle to give the meat more flavour.

I am pleased that the effort we cooperative owners put in at the farms provides inspiration for our colleagues in Sweden, Germany and Poland. The Swedish suppliers of pigs to Danish Crown have come a long way in terms of sustainability certification, and they are expected to be ready not later than at the end of 2021. The German and Polish suppliers will follow suit later.

Erik Bredholt, Chairman



“
In January 2021,
the remainder of our
cooperative owners in
pig production joined
the Climate Track.”



Does it make sense to talk about sustainable meat production?

The transition to a sustainable food sector is one of the greatest and most comprehensive challenges the world is facing today. The sixth assessment report of the UN's Intergovernmental Panel on Climate Change (IPCC) clearly showed that climate challenges have deepened. The production of food is a major source of greenhouse gas emissions, and as the global population is growing, so is the need for food. As a food producer, Danish Crown is very much both a part of the problem and a part of the solution.

We must dare join the dialogue

I often come across the view that a meat producer, by definition, cannot be sustainable. However, our cooperative owners are showing that there is a way ahead. To overcome the huge challenge, we need to identify new ways of producing food, while consumers need to find sustainable solutions in their daily lives. Neither the farmers, the producers nor the consumers can do it on their own – only by joining forces will we be able to create real change. Sustainability requirements are becoming increasingly strict in the world around us, and our climate communication is being challenged. That is quite

okay and how it ought to be. But we must also dare to have an opinion – and we do.

If we are not progressive and dare to take the lead – both as a business and farmers – we will be seriously challenged. The UN defined sustainable development goal no. 17 Partnerships for the goals for the very reason that it recognised that if we are to create sustainable developments going forward to 2030, everyone needs to contribute; governments, civil society, NGOs and businesses. That is why the UN SDGs and the Ten Principles of the UN Global Compact define the way in which we run our business, and we continue to support and streamline our business according to these principles.

Sustainability at the forefront of new business strategy

I am satisfied with and proud of what we have achieved so far, but we are still not close to reaching our goal. We have an ambitious strategy of reducing our CO₂ emissions by 50 per cent by 2030 and to become climate neutral by 2050, and we already reduced CO₂ emissions per pig by 25 per cent during the period 2005-2016.

In June 2021, we launched our new business strategy for 2021-26, Feeding the Future, which marks a milestone in our history. In the coming years sustainability will be the component that is to help add value to our products – both from the consumers' and our cooperative owners' point of view. We have also stated that we will not grow our business on the basis of more slaughter animals, but instead focus on creating value with what we already have. We will be investing broadly in innovation as well as production to be able to deliver on our promise of offering sustainable food. If successful, we will also be able to pay a price to our cooperative owners for their raw materials that will enable them to continue investing and thereby reduce the carbon footprint of their farms.

Transparency important for confidence

Having developed a comprehensive life-cycle assessment model and signed up to the Science Based Targets initiative (SBTi), we have also taken another important step towards ensuring transparency and demonstrating responsibility. We will also ensure that our targets for reducing CO₂ emissions contribute to meeting the climate goals of the Paris Agreement.

This sustainability report provides more information on these matters, and we also report on other major responsibilities, such as the environment, our social responsibility and human rights.

I hope you will enjoy reading the report.


Jais Valeur, Group CEO



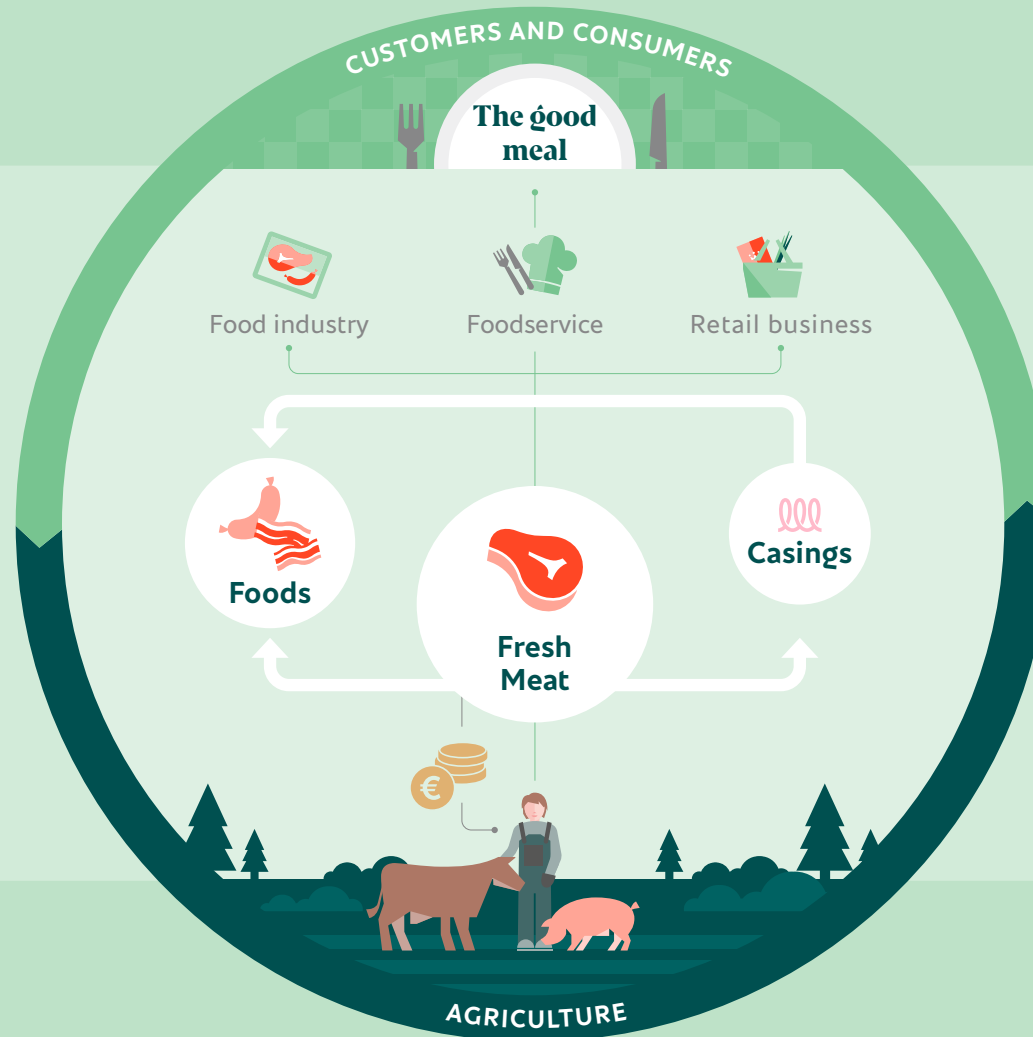
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To overcome the huge challenge, we need to identify new ways of producing food.



Our business

Danish Crown is a global food company headquartered in Denmark. We are one of the world's largest exporters of pork and organic meat and among the top five producers of beef in Europe. We are owned by 5,620 Danish farmers and receive their pigs and cattle for slaughtering and further processing.

We also slaughter animals from farmers in Sweden, Germany and Poland. We sell fresh and processed meat via our various brands along with a series of by-products to customers in more than 130 countries. Strong customer relations ensure that products deriving from our farmers' livestock are sold at the highest prices on the global markets.



Foundation

Natural resources

Our food production is dependent on having large areas for agriculture, which makes use of the earth's natural resources, especially for the production of feed.

Technology and knowhow

Our production must be driven by ever cleaner technology and the latest knowledge to ensure sustainability, resource efficiency and high levels of food safety.

Qualified workforce

We are dependent on having a qualified workforce to run our business and develop innovative and sustainable food.

Ongoing dialogue with stakeholders

Dialogue with authorities and opinion formers is crucial if we are to secure good operating conditions for our business and make a positive contribution to society.

Value creation

Fair payment for meat

Most of Danish Crown's earnings are paid back to our cooperative owners during the year through regular settlements and annual supplementary payments.

Meals for consumers

By maintaining high levels of supply security and food safety, we ensure millions of high-quality meals for consumers in most parts of the world.

Sustainability from farm to fork

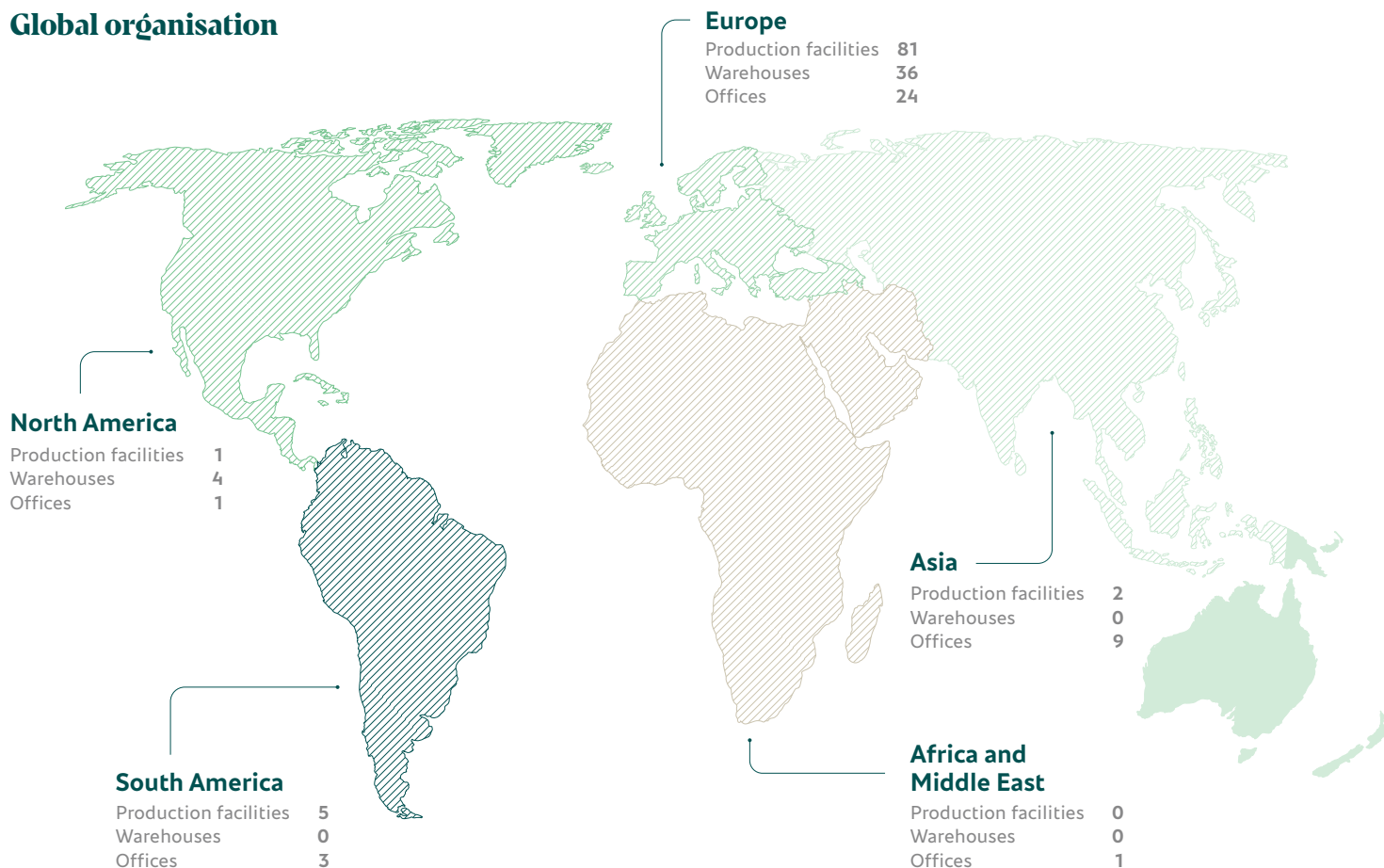
We lead the way towards making food production sustainable and involve our entire value chain in the process.

Local workplaces

We create jobs both directly and indirectly around the world and contribute locally to upgrading the qualifications of our workforce.



Global organisation



We have a total of 89 production facilities, 40 separate warehouses and 38 offices in 30 countries. The numbers cover own and leased facilities. Most of our approximately 26,600 employees work at the production facilities in Europe.

The largest business unit in Fresh Meat is Danish Crown Pork, which has pig abattoirs in Denmark and Germany and factories in the UK, France and China. Fresh Meat also comprises Danish Crown Beef, which has cattle abattoirs and factories in Denmark and Germany. Our trading business ESS-FOOD, which trades and distributes fresh and frozen food products in large parts of the world, is also a part of Fresh Meat.

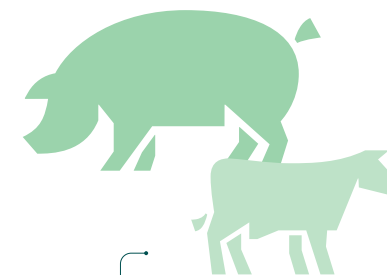
Foods covers Danish Crown Foods, which has factories in Denmark, the Netherlands, Germany and Sweden. Foods also comprises KLS Ugglarps, which has abattoirs and factories in Sweden, and the Polish activities in Sokołów, which slaughters pigs and cattle, processes fresh meat and produces a large number of processed meat products. Also included in Foods is Friland, selling organic beef and pork and Free Range Pork and Free Range Beef.

Casings consists of DAT-Schaub with activities in countries such as Denmark, Germany, Sweden, Poland, the UK, France, Spain, the USA, China and Brazil. DAT-Schaub also has sorting facilities in Portugal and China and heparin factories in Germany and the USA.

Slaughter animals

18.9 million

pigs and sows.



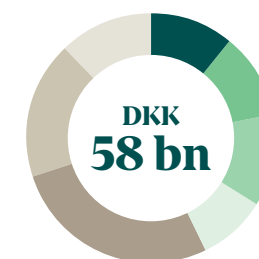
0.8 million

cattle.

839,500

organic and free-range pigs and cattle and pigs raised without antibiotics.

Global revenue





Sustainability strategy and governance

Strategy | Milestones | Material sustainability issues | UN Sustainable Development Goals | Governance

In this part of the report, we describe our sustainability strategy and the special milestones and activities that are crucial for fulfilling our strategy. Furthermore, we describe how we manage and implement our sustainability efforts and define the material sustainability issues, which we describe in the two sections of the report.



Our sustainability strategy

We take the lead in working towards the sustainable transition of food production and step up our investment in sustainability and innovation throughout our value chain from farm to fork to accelerate the development.

Sustainability is the foundation of our new business strategy, Feeding the Future. Our ambition is to be a successful leading player in sustainable meat production by 2030. The key to fulfilling that ambition is to create more value from the resources available to us and base our business on sustainably produced high-quality meat.

Building on five main target areas, our sustainability strategy supports our new business strategy. The five target areas set the direction for our contribution to the UN 2030 Agenda for Sustainable Development and address opportunities and risks throughout our value chain from farm to fork.



Feeding the world

Every day, we deliver vital proteins through nutritionally balanced and tasty food to millions of people worldwide. And the need for food will continue to increase. According to UN estimates, demand for protein is set to double by 2050.

Policy and ambition:

We will find new ways to feed the world with sustainable meat and protein through collaboration and partnerships in our value chain.



Sustainable farming

For generations our cooperative owners have taken good care of their livestock and surrounding ecosystems, acting as frontrunners in resource-efficient and sustainable livestock production. However, agriculture still accounts for the bulk of the environmental and climate impact from meat production.

Policy and ambition:

We aim to secure a strong future for farmers and promote sustainable livestock production within planetary boundaries.



Sustainable food production

Our food production is based on a high level of food safety and efficient resource utilisation supportive of the circular bio-economy. This is decisive in terms of reducing the carbon footprint of food production.

Policy and ambition:

We will operate a sustainable, efficient and high-performing food production, setting high standards for ourselves and for our suppliers.



Good jobs for everyone

We are a diverse and socially inclusive workplace that prioritises every employee's well-being and opportunity to develop. As production work can be physically demanding and risky, we do everything we can to prevent accidents and work-related illnesses.

Policy and ambition:

We will attract and retain people with good jobs and equal opportunities for everyone, creating safe and healthy workplaces.



Together with customers and consumers

Together with customers from the retail business, foodservice and the food industry as well as consumers, we are constantly developing new food concepts that contribute to more sustainable consumption where meat is eaten in responsible quantities and food waste is reduced.

Policy and ambition:

We will earn customers' and consumers' confidence and meet their needs for healthy, safe and responsible food.

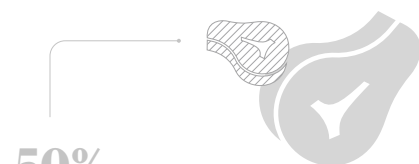


Progress on strategic milestones

We have defined a number of targets we consider to be milestones on the road to fulfilling our sustainability strategy. In this section, we describe how we have progressed with respect to these targets, which are described in further detail elsewhere in the report. The arrows indicate whether things are progressing as planned, or more quickly or more slowly than anticipated.

🕒 Target adopted 🏆 Target achieved

→ As planned ↑ More quickly ↓ More slowly



50% reduction

of greenhouse gas emissions per kg meat since 2005 (page 17).

🕒 2019 🏆 2030 → As planned



Shared ranking 90 out of 350

in the Food & Agriculture Benchmark 2021 report. Measurement areas: Governance & Strategy, Environment, Social inclusion & Nutrition.

→ As planned



100% responsibly produced soy

used for feed at our Danish suppliers of slaughter animals (page 23).

🕒 2020 🏆 2025 → As planned



Three carbon-neutral (net zero) production facilities

in Haarlem (the Netherlands), and in Holsted and Horsens (Denmark) (page 27).

🕒 2021 🏆 2022 → As planned



Feeding the world



Sustainable farming



Sustainable food production



Climate-neutral production

Net zero climate-neutral meat production (applies to Scopes 1, 2 and 3) (page 17).

🕒 2019 🏆 2050 → As planned

No palm oil

No palm oil used in feedstuffs at our Danish suppliers of slaughter animals (page 23).

🕒 2020 🏆 2023 → As planned

One Management System

100 per cent of our production facilities in Denmark, Sweden, Germany, Poland and the Netherlands have implemented One Management System (page 14).

🕒 2019 🏆 2025 → As planned



Lower water consumption

40 per cent reduction in water consumption per tonne produced at our production facilities relative to 2019/20 (page 30).

🕒 2020 🕒 2030 ↓ More slowly



30% reduction

in the volume of organic material in wastewater per produced tonne from our production facilities relative to 2019/20 (page 30).

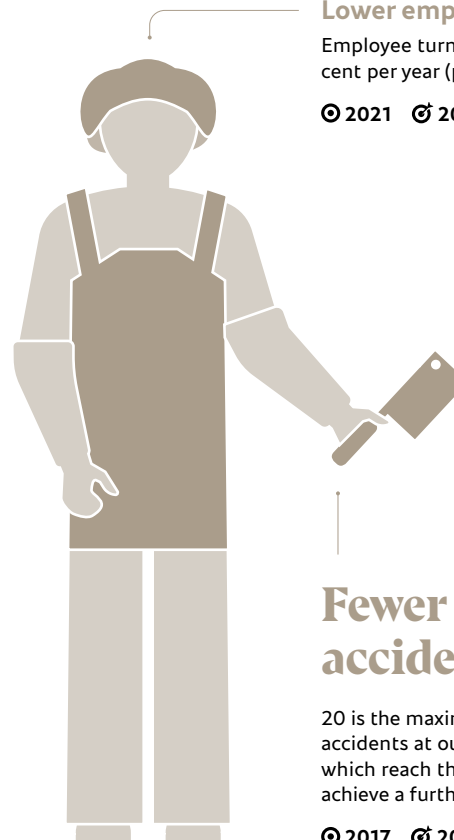
🕒 2020 🕒 2030 ↓ More slowly



Less waste

40 per cent reduction in the volume of suitable combustible waste from our production facilities relative to 2020/21 and 80 per cent waste recovery by 2030 (page 28).

🕒 2021 🕒 2030 → As planned



Lower employee turnover

Employee turnover reduced by at least 10 per cent per year (page 33).

🕒 2021 🕒 2026 → As planned



More sustainable food

Penetration of sustainable food products in the market (page 24-25).

🕒 2020 🕒 2030 → As planned

Fewer work-related accidents

20 is the maximum annual frequency of lost time accidents at our production facilities. Facilities which reach the goal ahead of schedule must achieve a further 20 per cent reduction (page 32).

🕒 2017 🕒 2025 ↓ More slowly



Good jobs
for everyone



Together with customers
and consumers



Reduced noise levels

82 dB(A) is the maximum daily noise exposure limit for all our production employees (page 33).

🕒 2021 🕒 2030 → As planned

Musculoskeletal disorders

10 per cent reduction for the physically most demanding production jobs with respect to musculoskeletal disorders (MSD) relative to 2020/21 (page 33).

🕒 2021 🕒 2025 ↓ More slowly



Material sustainability issues

In this sustainability report, we describe how we have progressed with respect to addressing the sustainability issues that constitute significant risks to people, the environment and society throughout our value chain.

We regularly assess the material sustainability issues in our value chain and use the results to prioritise future efforts and the topics we address in our sustainability report. We consider which risks and opportunities arise from our business model and are within our sphere of influence, and we determine their significance for the general public and for our business. We base our assessment on insight from our stakeholders, scientific reports and sustainability trends, our obligations and, not least, the results of the risk assessments we undertake. This also includes the mapping of our contribution to the UN Sustainable Development Goals (SDGs), which we did in 2019/20 as part of the materiality analysis we performed last year.

We describe the material sustainability issues in two sections based on our strategic approach to the issues: Sustainable transition and Responsible business conduct. In the sections, we also highlight the SDGs and targets where we make our primary contribution.



Sustainable transition

Here we describe our initiatives and results with respect to the sustainability issues where we wish to drive the sustainable transition and contribute to systemic change in the food industry. We address risks and issues which involve our entire value chain from farm to fork, and which are addressed in close collaboration with farmers, customers and consumers.

Environmental issues

- Climate change and greenhouse gas emissions
- Biodiversity
- Feed protein
- Consumption of natural resources

Social issues

- Meat consumption and plant-based diets
- Healthy and nourishing food

Governance issues

- Labelling and responsible marketing
- Research and partnerships



Responsible business conduct

Here we describe our initiatives and results with respect to the material sustainability issues which we address through principles for corporate social responsibility and good practice. With respect to these issues, impacts and risks primarily derive from activities we control ourselves and therefore have an influence on.

Environmental issues

- Energy consumption and transport
- Water consumption and wastewater
- Packaging materials and plastic
- Food loss and waste

Social issues

- Job creation, diversity and social inclusion
- Health and safety
- Human and labour rights
- Animal welfare and veterinary health

Governance issues

- Food safety and reliability of supply
- Anti-corruption
- Responsible procurement



Our contribution to the SDGs

Our contribution to the UN Sustainable Development Goals (SDGs) builds on a mapping made in 2019/20, when we also assessed the possibilities for strengthening our positive contribution and minimising the risk of negative impacts in our sphere of influence. We considered both our own

activities upon which we have a direct influence, and how our activities indirectly impact the SDGs throughout our value chain. We used SDG Lens, a self-assessment tool developed by DNV GL (leading, independent certification body).



Positive impact



Negative impact

Goal 2: Zero hunger

- + We supply safe and nourishing food to much of the world and promote sustainable agricultural practices in our supply chain.
- Climate change due to our food production may affect agriculture and food supplies.

Goal 3: Good health and well-being

- + We help strengthen the capacity of countries with respect to early warnings and the management of health risks in connection with pandemics.
- Our production methods are labour-intensive, which increases the risk of infections spreading.

Goal 4: Quality education

- + We offer both young people and adults the chance to acquire work skills and so contribute to increasing the qualifications of our workforce.

Goal 5: Gender equality

- + We ensure equal leadership opportunities for women at all levels in our organisation.
- Our abattoirs and food production primarily employ men, as does agriculture.

Goal 6: Clean water and sanitation

- + We increase water efficiency in our food production processes, develop solutions for the safe recycling of water and limit pollution of water resources.
- Our agricultural and food production processes consume large volumes of water, which strains water resources.

Goal 8: Decent work and economic growth

- + We create economic growth and decent jobs, protect workers' rights, and create a safe and stable working environment.
- Working at our factories entails an increased risk of accidents, occupational injury and work-related illnesses.

Goal 12: Responsible consumption and production

- + We strive to make efficient use of natural resources, reduce our environmental impact, limit food waste and promote sustainable consumption.
- Our food production and society's consumption patterns strain natural resources and the environment.

Goal 13: Climate action

- + We work to improve the ability of our food production to adapt to climate change and to reduce the climate impact of our entire value chain.
- Our food production contributes considerably to greenhouse gas emissions, particularly from agriculture.

Goal 15: Life on land

- + We work to reduce deforestation, restore depleted soil and integrate ecosystem and biodiversity values into agriculture.
- Our food production is dependent on having large areas given over to agriculture, which takes up the earth's natural resources and harms biodiversity.

Goal 16: Peace, justice and strong institutions

- + We use our influence to promote human rights and do not tolerate any form of corruption or bribery in our value chain.

Goal 17: Partnerships for the goals

- + We run and participate in partnership projects that develop new solutions to ensure the sustainable transition of food production.

Note: Goal 3

We recognise our positive contribution and negative impact on the handling of pandemics (such as COVID-19), although this is not shown in the SDG Lens assessment.



Sustainability governance

We have strengthened our organisation and sustainability efforts, defining new long-term goals aimed at supporting responsible business conduct and ensuring that we realise our strategic ambitions.

To realise our ambition of becoming a successful leading player in sustainable meat production by 2030, we need to comply with internationally recognised principles for corporate responsibility. Since 2011, we have been a signatory to the UN Global Compact and the Ten Principles of the initiative, we support the UN Guiding Principles on Business and Human Rights and still wish to contribute to the SDGs. In 2021, we became a signatory to the EU Code of Conduct for Responsible Business and Marketing Practices and signed up to the Science Based Targets initiative (see page 17).

Sedex risk assessment

Global food production involves several environmental and social issues which affect the assessment of risk at our production facilities. The issues are associated with the consumption of resources, sources of pollution, accidents involving the handling of knives and robots and a staff of multiple nationalities. In 2020/21, we analysed the results of the mapping we undertook in the first half of 2020 in order to identify risks with respect to human and labour rights and environment, health and safety (EHS). We use Sedex' data platform and tools, which are used by a number of

Danish Crown's customers and suppliers. The tools assess current risk levels as well as the robustness of management systems, including policies, resources, processes, monitoring and training that are instrumental in reducing and managing the risks facing our business.

The mapping covered all our manufacturing business units and 68 per cent of our production facilities. We identified a number of well-known risks which we are already addressing, but the mapping also revealed the need for additional measures. Against that background, in 2020/21 we developed action plans both at top level and for the individual production facilities. As Sedex revised its risk assessment approach in 2020, we are unable to compare the results with our initial mapping and analysis from 2018. Instead, we will perform a new Sedex risk assessment in 2021/22 to evaluate the effects of the initiatives we have launched.

Management system and goals

As part of our strategic endeavours to act as one united business, we have developed an integrated environmental and health and safety management system, One Management System, which builds on

a previously applied management system and can be certified to ISO 14001 and ISO 45001 standards. The system has been brought into use at the 10 production facilities, which already had the old system, and we have set a target of 100 per cent production facilities in Denmark, Sweden, Germany, Poland and the Netherlands by the end of 2025.

In 2020/21, we also defined long-term EHS goals that set a common direction for the group while at the same time supporting management and locally adapted implementation of the goals.



Whistleblower scheme

A whistleblower scheme has been established at group level. The scheme represents a safe channel for all employees, board members, customers, suppliers and other partners to report inappropriate conduct, their suspicions of criminal and unethical issues with respect to all group companies. The portal is available in 28 languages, and instruction videos for reporting in nine languages.

Sedex risk assessment of environmental and social conditions

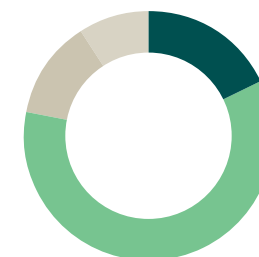
- Low risk 21.4 %
- Medium risk 53.6 %
- High risk 25 %



Sedex scores risks within human and labour rights and EHS, categorising risk in three levels. The result shows the average score from 55 production facilities and underlines the need for due diligence and processes to identify, prevent and mitigate the management of the inherent risks resulting from our industry and employee composition (see page 37).

Sedex assessment of management systems

- 0-1 18 %
- +1-2 61 %
- +2-3 13 %
- +3-4 9 %



Sedex scores management and control systems from one to five, with five marking the strongest system for managing identified risks. The result from the 55 production facilities shows the improvement potential specifically on data/monitoring and underlines the importance of a common and robust management system.



How we manage and implement our sustainability efforts



Mapping and baselines



Management, organisation and policies



Targets and action



Communications and reporting

Objective	<p>We map and assess sustainability issues that are relevant for our business and surroundings. We also define methods and baselines used to determine targets and KPIs.</p>	<p>We ensure management anchoring and prioritisation by developing strategies and policies adopted by the Board of Directors. Our organisation helps ensure smooth decision-making processes and coordination across the business.</p>	<p>We define targets for our efforts, which are supported by action plans, training and processes to ensure control, follow-up, ongoing improvements and data retrieval across our business.</p>	<p>We regularly communicate internally on our progress. At the same time, our reports provide transparency on our obligations and progress to the outside world.</p>
Central platforms and approaches	<ul style="list-style-type: none"> • Sedex: Assessment of labour rights, environment, health and safety (EHS) risks in production every other year. • Sustainability issues in our value chain: Assessment of materiality every other year. • SDG Lens: Mapping of contribution to the UN Sustainable Development Goals and targets. • Annual assessment of strategic, commercial and operational risks, which are described in the Annual Report together with mitigating measures. 	<ul style="list-style-type: none"> • Business committees: Ethical Committee, Supply Chain Board and Sustainable Farming Board with leading representatives from the business units. • Policies: Code of Conduct, CSR, diversity and inclusion, offensive behaviour, Code of Practice for suppliers of sows and pigs, Code of Conduct for suppliers, anti-corruption, tax, communications, personal data and animal welfare Position Paper. 	<ul style="list-style-type: none"> • The Climate Track: Part of our sustainability programme for the production of slaughter animals. • One Management System: Integrated environmental and health and safety management system based on ISO 14001 and ISO 45001 standards. 	<ul style="list-style-type: none"> • Annual report • Sustainability report • Statement on Modern Slavery Act. • Whistleblower scheme for internal and external stakeholders.
2020/21-highlights	<ul style="list-style-type: none"> • Risk assessment based on Sedex 2020 results • Signing up to the Science-Based Targets initiative • Development of new method for making life cycle assessment of the carbon footprint of meat • Initiated EHS baselines. 	<ul style="list-style-type: none"> • Sustainability training for senior management and board of representatives. • Launching Ethical Committee to handle ethical issues and risks. • Updating animal welfare Position Paper. • Launching offensive behaviour policy. • Signatory to the EU Code of Conduct for Responsible Business and Marketing Practices. 	<ul style="list-style-type: none"> • Further development of the Climate Track. • Implementation of One Management System in Denmark. • Sustainability training for administrative, sales and marketing and procurement staff. • Launching EHS targets and local action plans initiated. • Signatory to and recognition of Code of Conduct on the use of by-products – prepared by Danish Agriculture & Food Council and Biogas Denmark. 	<ul style="list-style-type: none"> • Development of a Sustainability Tracker showcasing continuous progress in our sustainability efforts.

Sustainable transition

[Climate](#) | [Life cycle assessments](#) | [The Climate Track](#) | [Climate solutions](#) | [Soy and palm oil](#) | [Sustainable food](#)



Here we describe our initiatives and results with respect to the sustainability issues where we wish to drive the sustainable transition and contribute to systemic change in the food industry. These issues involve our entire value chain from farm to fork, and which are mostly addressed in close collaboration with our farmers, customers and consumers.



Combating climate change

The fight against climate change is a key element of our business and sustainability strategy, and we have now committed ourselves to setting scientifically based climate targets towards climate-neutral meat production by 2050.

In August 2021, the UN Intergovernmental Panel on Climate Change (IPCC) issued its sixth assessment report on global climate change. The conclusion of the report is that, unless greenhouse gas emissions are dramatically reduced without delay, it will not be possible to limit global warming to around 1.5 or even 2 degrees Celsius.

We acknowledge that meat production contributes to global greenhouse gas emissions, and we are working intensely to reduce emissions deriving from the activities of our value chain – from the production of feed to our slaughter animals to the management of waste from our production.

Even though we operate in one of the most challenged sectors, we have high climate ambitions. By 2050, all meat from Danish Crown must be climate-neutral (net zero), and our current milestone is to reduce the carbon footprint from meat production by 50 per cent by 2030.

Heading for scientifically based climate targets

In 2020/21, we intensified our climate efforts, and in September 2021 we committed ourselves to defining scientifically based climate targets through the

Science Based Targets initiative (SBTi). This marks a new milestone to guide us towards 2050. We are currently mapping all significant emissions throughout our value chain so that we cover greenhouse gas emissions in Scope 1, 2 and 3, which will enable us to define new targets in 2021/22. Scope 3 covers aspects such as farm production of slaughter animals and is estimated to account for 90 per cent of our total CO₂ emissions, which makes this a material parameter.

The first step is to get our climate data validated going forward, and to that end we will in 2021/22 begin to establish a new data setup to ensure systematic and regular reporting and monitoring of all our ESG data. To complement data retrieval from farmers via the Climate Track (see page 20), we have launched a project to ensure effective integration of ESG data and data for primary greenhouse gas emissions from our supply chains. We will start in 2021/22 by engaging our primary Tier 1 suppliers, who have the largest environmental footprint.

Greenhouse gas emissions in our value chain



Scope 2

Indirect emissions from the energy we buy. This includes electricity, steam, heating and cooling.



Scope 1

Direct emissions from the activities we directly control ourselves. This includes own energy consumption and the use of refrigerants and fuel for own vehicles.



Scope 3

Indirect emissions from purchased goods and services. This includes especially suppliers of slaughter animals as well as packaging material and logistics suppliers and emissions from the handling of products, residual products and waste.



Target

Our climate vision is climate neutral (net zero) meat production by 2050. The first milestone is to reduce the carbon footprint of our meat production by 50 per cent by 2030.



Sustainable Development Goals

We support targets 13.1 and 13.2 by strengthening the resilience of our food production and its ability to adapt to climate change and by integrating initiatives against climate change throughout our value chain.

Contribution to the climate ambitions

Our climate vision supports the Danish Climate Act and the ambition of reducing Denmark's combined greenhouse gas emissions by 70 per cent relative to 1990 emissions by 2030 and to become climate-neutral by 2050. Most recently, the Danish government and its support parties adopted an agricultural agreement, which includes a binding target for the agricultural sector to reduce greenhouse gas emissions by 55-65 per cent by 2030. We support the target and will incorporate it into our upcoming reduction ambitions. With this approach, we also support our general obligations towards the EU. It should be noted that the agricultural agreement was adopted in October 2021, after the end of Danish Crown's financial year.



New life cycle assessment model

In 2020/21, we worked intensively to develop a new model for life cycle assessments (LCA) to calculate the carbon footprint of our products throughout their life cycle and identify the parts of our value chain where we could take action to reduce our carbon footprint.

The LCA model was developed by external consultants and verified by independent third parties. The model assesses climate impacts throughout our value chain – from production at our farmers until the end products reach the supermarkets – and the complexity and level of detail is quite unique compared to other official LCA tools. The new model enables us to calculate the carbon footprint per kilogram meat and make specific calculations for selected products using data from specific suppliers, abattoirs, processing plants and logistics.

Two different methods

There are two different LCA methods: Attributional LCA (A-LCA) and Consequential LCA (C-LCA), where the key differences relate to the handling of by-products and data input. The different methodologies result in different system boundaries. For example, indirect land use is only included in C-LCA, while both methods incorporate direct land use. In order to create as much transparency and flexibility as possible, we have built in a switch in our new model that allows us to calculate the climate impact from our products using both methods.

Harmonised solution at EU level

We believe there is a need for a harmonised solution at EU level and therefore support the widely recognised European method for life cycle assessments called Product Environmental Footprint (PEF). This will increase transparency in LCA calculations for consumers and facilitate the use of climate data across national borders and products. The PEF method build on A-LCA, but together with interest groups we are working to also include indirect land use and other key parameters.

A-LCA (PEF)

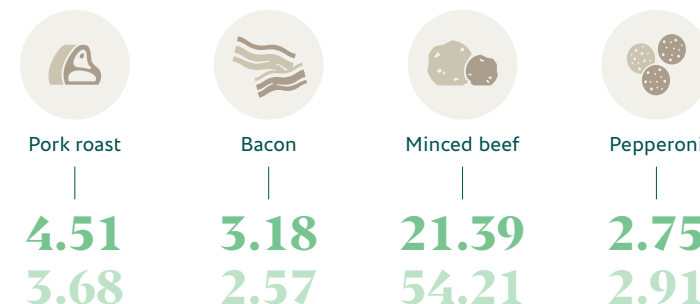
- Average input data
- By-product modelling based on normative allocation rules
- dLUC
- Ecoinvent

C-LCA

- Marginal input data
- By-product modelling using system extension
- dLUC and iLUC
- Exiobase

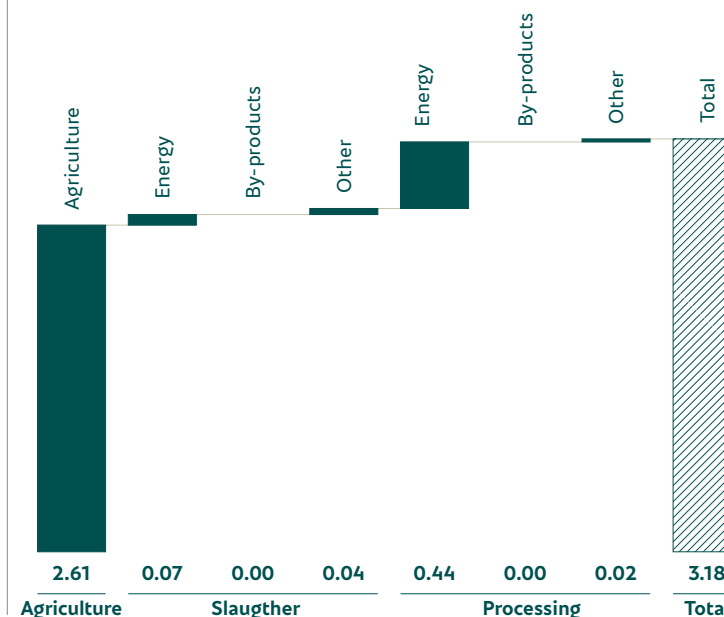
CO₂e footprint per kg product

● A-LCA (PEF) ● C-LCA



CO₂e footprint per kg bacon

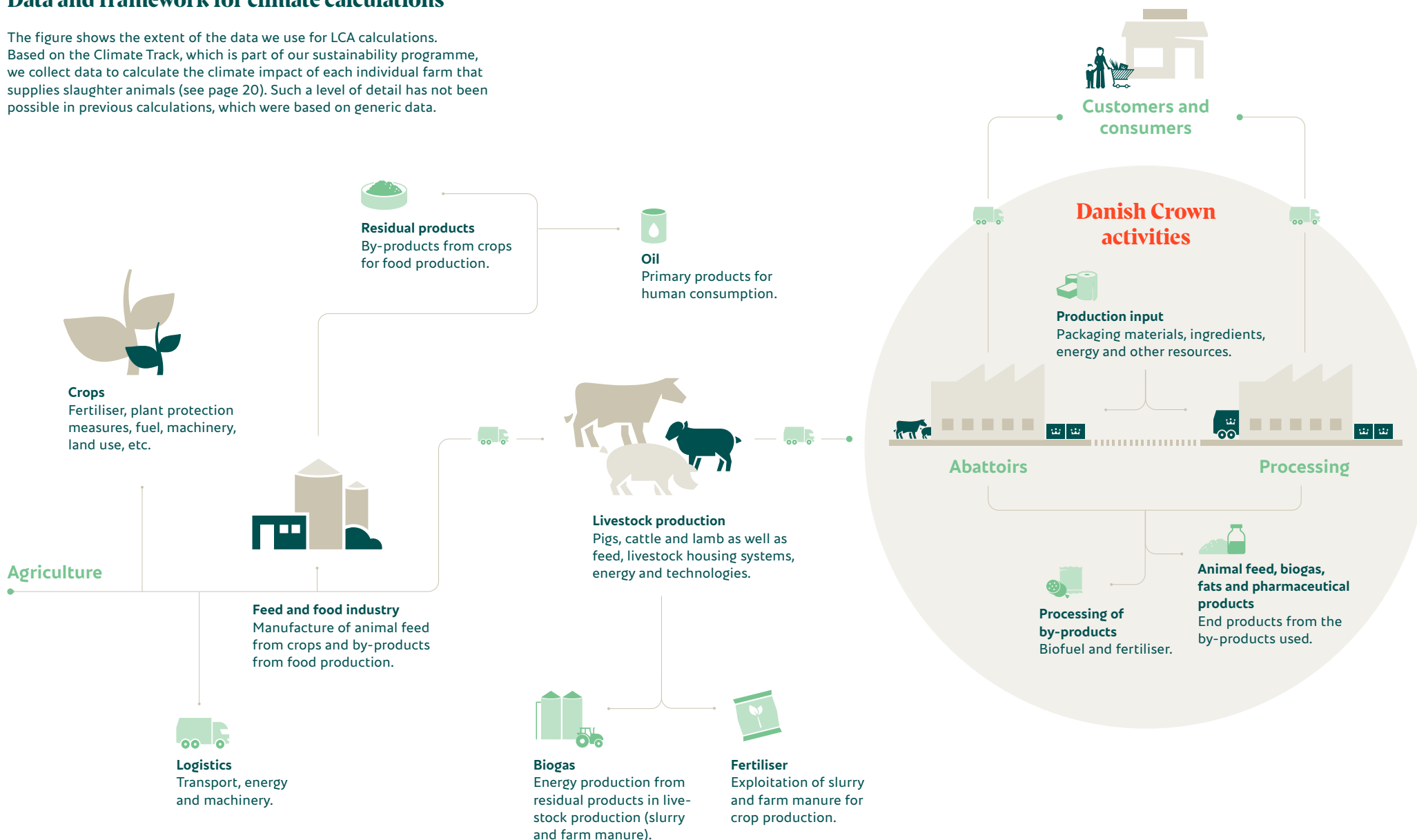
● Increase ● Overall result





Data and framework for climate calculations

The figure shows the extent of the data we use for LCA calculations. Based on the Climate Track, which is part of our sustainability programme, we collect data to calculate the climate impact of each individual farm that supplies slaughter animals (see page 20). Such a level of detail has not been possible in previous calculations, which were based on generic data.





Farmers follow the Climate Track

Our Danish producers of pigs and of 'Dansk Kalv' follow the Climate Track, and we are working to welcome our suppliers of slaughter animals in Sweden, Germany and Poland to the journey.

The Climate Track is part of Danish Crown's sustainability programme for the development towards more sustainable meat production at our farms. Our farmers on the Climate Track undertake to cooperate with us on sharing production data and information that specifically support Danish Crown's climate vision and climate goal of reducing its carbon footprint by 50 per cent by 2030.

In Denmark, we have since 2019 supplemented our sustainability programme with a certification scheme based on our internal sustainability standard, which is adapted to pig farmers and producers of 'Dansk Kalv'. In practice, this means our farmers define their own targets for how operations should improve on selected parameters. They draw up action plans for how they intend to achieve the targets and regularly report selected operational data and information to Danish Crown within the areas of climate, animal welfare and social responsibility. Certification is carried out by an independent certification body which audits the farmers at least every three years, reviewing data, targets and action plans.

We are constantly working to strengthen the content of our sustainability standard and certification guidelines as we gradually include Sweden, Poland and Germany on the Climate Track in the period until 2024.

In 2020/21, we launched several initiatives to lift the certification scheme to a new level in the period until 2022. First, we have established an ethics certification committee with external experts, who will regularly evaluate both our sustainability standard and the certification scheme and provide advice in connection with future changes and improvements. Next, we are working to align our sustainability standard to the Codes of Good Practice for effective and credible sustainability systems issued by ISEAL Alliance (International Social & Environmental Accreditation and Labeling). Lastly, we will develop a process for group certifications, primarily targeting groups of small producers of pigs and cattle.



Parameters in our sustainability programme

Pig and cattle producers under the sustainability programme collect and systematically record data and information about their farms, focusing on the following sustainability parameters:

Climate/the Climate Track

- Production efficiency
- Feed composition
- Production of feed crops
- Livestock housing systems and technologies
- Slurry handling and biogas

Animal welfare

- Diseases and mortality
- Use of antibiotics

Social responsibility

- Workplace assessments
- Employment contracts



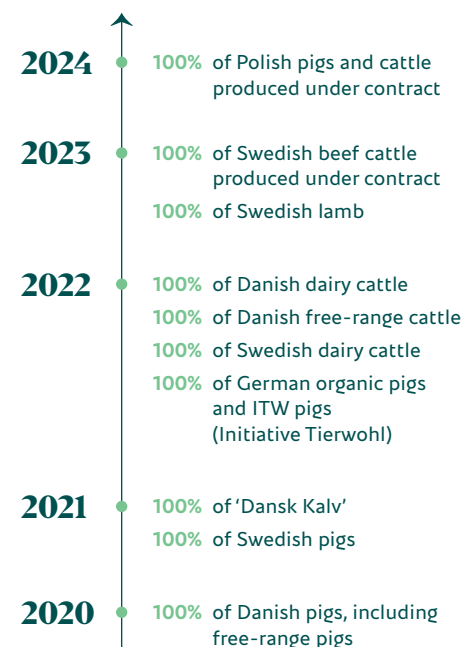
Target

By 2024, 100 per cent of our cooperative owners and contract suppliers of slaughter animals in Denmark, Sweden, Poland and Germany will be following the Climate Track.

Sustainable Development Goals

We support targets 2.4 and 12.2 by promoting sustainable food production systems and resilient agricultural practices as well as sustainable management of natural resources.

Milestones for slaughter animals on the Climate Track





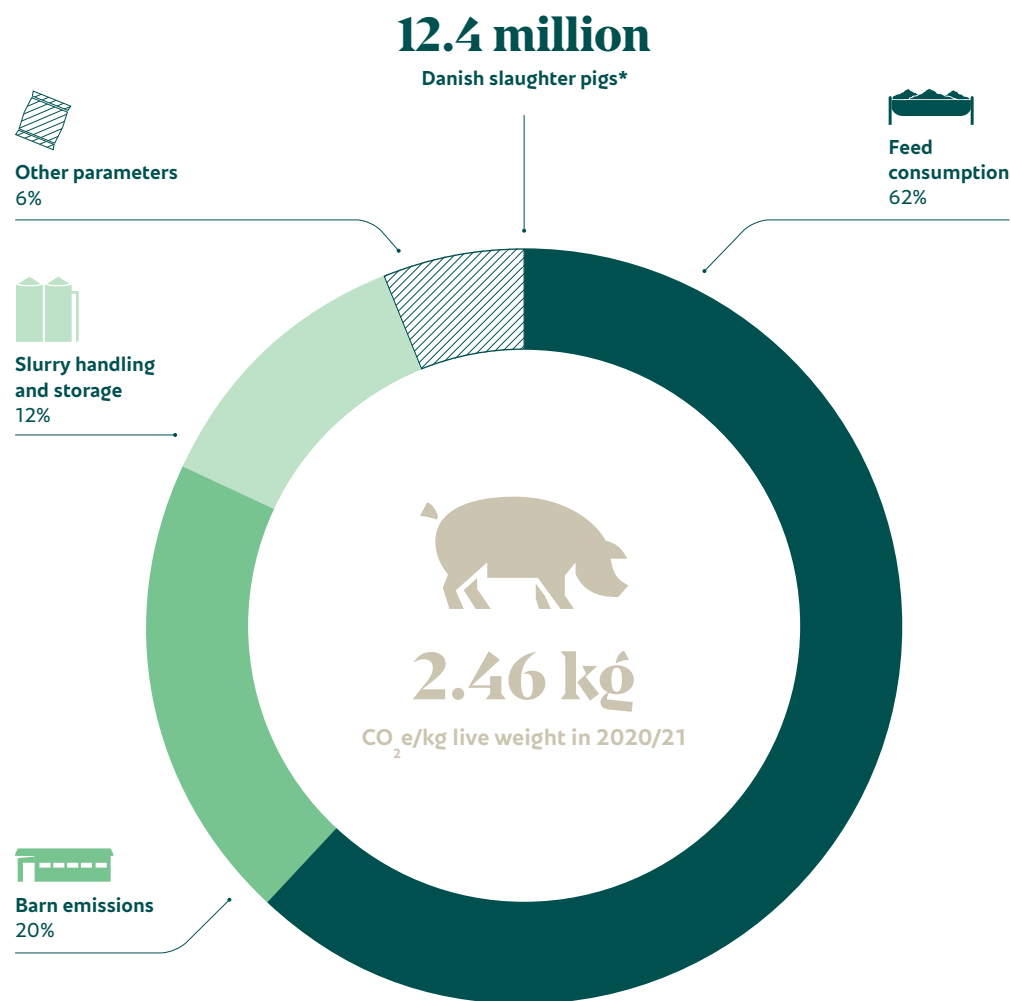
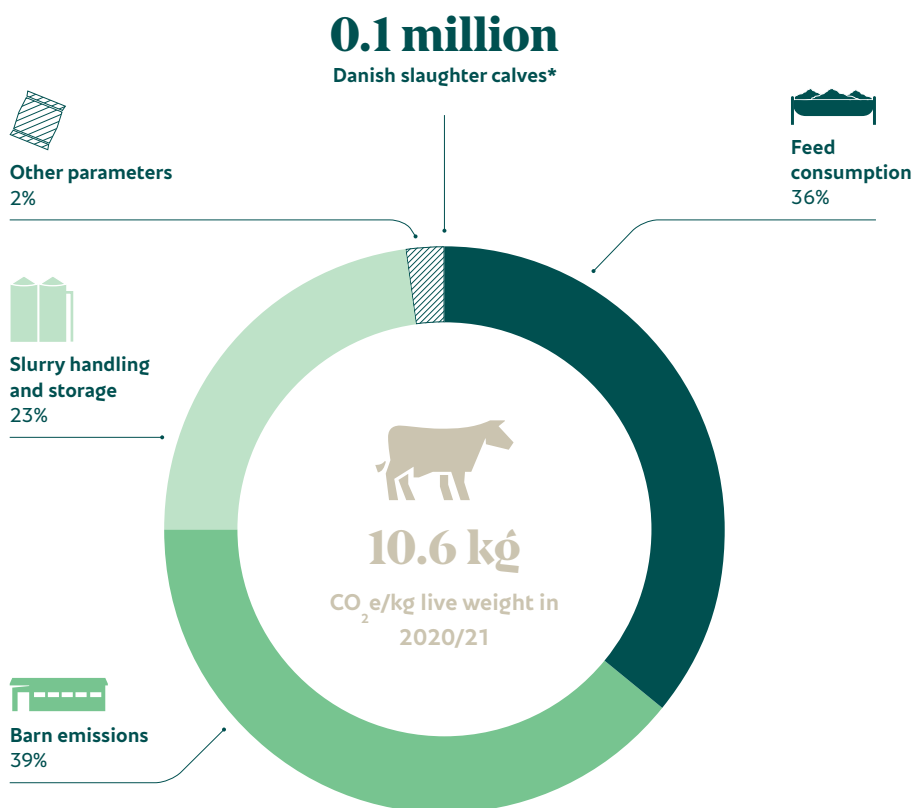
Progress in Denmark

Danish farmers on the Climate Track are focused on reducing the climate impact of their farms by optimising parameters such as feed efficiency, feed composition and the handling of livestock slurry, which are the major items in the farms' climate accounting.

About 62 per cent of the emissions from our Danish slaughter pigs derives from feed production and consumption, while emissions from barns account for 20 per cent. Slurry storage and delivery account for 12 per cent, while other parameters represent six per cent, which primarily covers emissions relating to construction and associated services.

Overall, our pigs on the Climate Track have a calculated emission level of 2.46 kg CO₂e/kg live weight in 2020/21. All farmers have defined specific goals for reducing emissions at their farms. The implementation of farmers' 3 years targets for pigs will expectedly result in a decrease in emissions to 2.38 kg CO₂e/kg live weight within 2022/23.

Our Danish slaughter calves have a calculated emission level of 10.6 kg CO₂e/kg live weight in 2020/21. Feed consumption accounts for 36 per cent, while barn emissions (including enteric methane) account for 39 per cent.



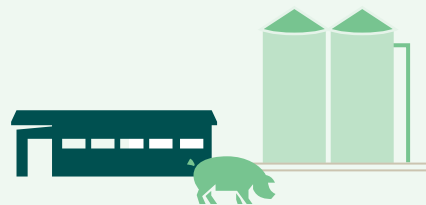
*Data foundation for calculations.



Climate solutions of tomorrow

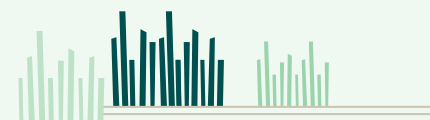
Danish Crown's cooperative owners and suppliers of slaughter animals regularly implement new technologies to reduce their carbon footprint, while several of the climate solutions of tomorrow will be born out of ongoing innovation, development and demonstration projects. To ensure their future application at the farms, Danish Crown is wholly or partially involved in a number of promising projects.

We contribute practical experience and test new technologies and solutions developed to provide verifiable climate impacts among our producers, supporting a sustainable transition in agricultural production.



Biofilters capturing methane

Danish Crown participates in the Danish research project BIOMET, which aims to develop and test biofilter facilities for the purpose of reducing methane emissions from farms and slurry containers. The biofilter consists of compost filled with methane-eating bacteria that reduce methane to carbon dioxide and water. It is expected that biofilters will be able to reduce the climate impact from Danish dairy cows and pigs by up to 20 per cent. The biofilter also reduces emissions of ammonia and odour nuisances.



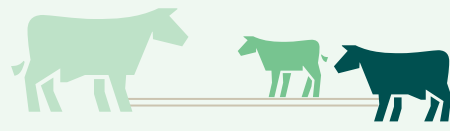
Grass as a protein source

If grass can be exploited as a protein source for animals in Denmark, it would enable farmers to produce large volumes of protein per hectare and so increase self-sufficiency in protein without increasing the land use for producing a kilogram of pork. Danish Crown is part of the Dansk Protein Innovation partnership and participates in the Bio Value research project, seeking to find a profitable method of extracting grass protein. As a part of the project, some of our cooperative owners have tested grass protein as an alternative to soy in pig feed, and the first test facility of the project is currently producing protein for our organic pig farmers.



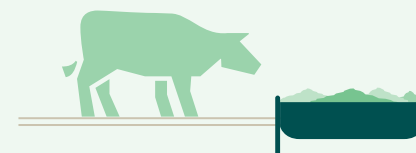
Carbon sequestration in the field

Fields lose carbon, but the development can be reversed using more catch crops and straw incorporation. Danish Crown participates in a Danish research project to develop tools for improving the production of biomass in grass areas. The basic principle is to establish multi-year grass areas by converting annual crops into grass and clover, which will increase carbon storage and reduce nitrate leaching and NO₂ emissions.



Future Beef Cross

Danish Crown is involved in a Danish research project, Future Beef Cross, which aims to reduce the climate impact from calf breeding. The project is currently developing a method to identify beef cattle bulls that produce crossbreed calves, also called gastro calves, from 'Dansk Kalv', which utilise the feed more efficiently, yield more meat and emit less methane.



Methane-neutralising feed

The composition of the feed is important with regard to the amount of methane produced in the rumen when cattle digest the feed. Danish Crown participates in research projects in both Denmark and Sweden aimed at developing new feed ingredients that may improve digestion and neutralise the production of methane in the rumen. The new feed ingredients are expected to reduce methane emissions from cattle by up to 50 per cent.



Responsibly produced soy and palm oil

We will continue our efforts to promote sustainable production of soy and supply chain traceability. In addition, we are now also working to ensure that palm oil imported into Denmark is produced responsibly.

Seventy percent of all soy is used for feed for production animals around the world, while palm oil is the most widely used vegetable oil worldwide and is found in many different food products. However, in some places the production of both soy and palm oil is associated with environmental and social challenges – especially in countries where rain forests are cleared to make space for plantations.

Certified soy for pigs and cattle

In April 2020, we launched a soy action plan in cooperation with the Danish Alliance for Responsible Soy. We have defined a target stating that, by 2025, all slaughter animals from our cooperative owners and Danish suppliers will be fed on soy from producers who are able to document that their production is sustainable and that rainforest or other vulnerable natural ecosystems have not been cleared to create space for soy production.

We apply the guidelines for responsible soy adopted by the European Feed Manufacturers' Federation (FEFAC), and we set requirements for improvements to the criteria maintained by FEFAC. We expect FEFAC to implement an unambiguous and broadly-recognised deforestation policy by 2025

that sets out clear guidelines for the prevention of both illegal and legal deforestation, and which are third party-verified and ensure full traceability throughout the chain.

Until the supply lines for responsible soy have been established, we will buy credits to compensate for the soy consumption of our Danish food processing companies and cooperative owners and Danish suppliers of slaughter animals. We buy such credits from Roundtable on Responsible Soy (RTRS), a certification programme supporting the production of responsible soy and certifying that one RTRS credit equals the production of one tonne of certified soy and that no illegal or legal deforestation has taken place in vulnerable forest areas.

Action plan for responsible palm oil

In November 2020, Danish Crown also became a member of the Danish Alliance for Responsible Palm Oil. We have therefore published an action plan for responsible palm oil, according to which we undertake, from 1 October 2021, to buy credits equal to the use of palm oil in our Danish meat production. We buy these credits from the certification programme Roundtable on Responsible Palm

Oil (RSPO), and one RSPO credit is a guarantee that one tonne of certified palm oil has been produced in an environmentally and socially responsible manner. Furthermore, all Danish suppliers of feed for our slaughter animals must by 2022 replace 50 per cent of all physical palm oil derivatives in the feed with more sustainable alternatives and use physical RSPO-certified palm oil or derivatives as the other 50 per cent. By the end of 2023, all palm oil in feed must be phased out.



Sustainable farming



Target

All cooperative owners and Danish suppliers of slaughter animals use 100 per cent responsibly-produced soy in feed by 2025, and all Danish suppliers of feed for our slaughter animals have phased out the use of palm oil in feed by the end of 2023.



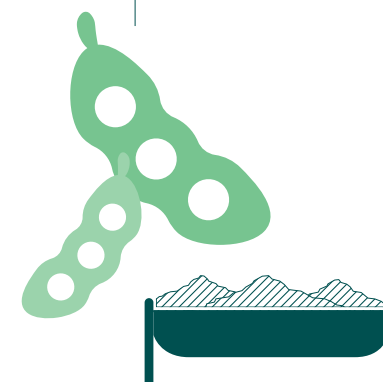
Sustainable Development Goals

We support target 15.2 by fighting deforestation.

Compensated soy consumption in feed for pigs among cooperative owners 2020/21

100%

Share of RTRS certificates
Purchased RTRS credits equal
455,000 tonnes of soy.





The market for sustainable food

We invest in new products and sustainability to become even more relevant to customers and consumers and to be able to deliver on our promise of offering sustainable foods.

The world needs less but better meat that is as sustainable as possible. We view sustainably produced high-quality meat as an important source of protein and a natural supplement to plant-based foods in a balanced and healthy diet.

The market is constantly evolving, and the growing focus on sustainability is an opportunity to become even more relevant to customers and consumers. We value quality over quantity, and our goal is not to produce more pigs, but rather to create more value from the raw materials supplied by our owners. With convenience food and plant-based products becoming increasingly popular, we invest broadly in innovation and production.

Our focus on sustainability is a door opener, and in 2020/21, sustainability was a crucial factor in negotiations. We landed substantial orders from large international players in the retail business and the foodservice market.

Responsible marketing

We regularly launch new products that contribute to more sustainable consumption. According to a European consumer analysis, consumers' perception of sustainability still differs markedly across Danish Crown's markets. In most EU countries, consumers mainly associate sustainable food with nutrition and health, while the analysis shows that only Danish, German and Swedish consumers mainly associate sustainability with a low environmental and climate impact and good animal welfare. Moreover, the analysis shows that taste, food safety and price remain the key priorities when European consumers buy food, whereas the environmental and climate impact has lower priority.

In June 2021, we became a signatory to the EU Code of Conduct for Responsible Business and Marketing Practices. We welcome firmer standards for good communication about climate and also look forward to the Danish Veterinary and Food Administration's coming guidelines on green claims. In 2021, we held a number of seminars on sustainability for more than 300 of our sales and marketing employees.



EU Code of Conduct

The EU Code of Conduct on Responsible Food Business and Marketing Practices contains a set of seven aspirational objectives, and signatories should commit to at least one objective:

1. Healthy, balanced and sustainable diets for all European consumers
2. Prevention and reduction of food loss and waste
3. A climate-neutral food chain in Europe by 2050
4. An optimised circular and resource-efficient food chain in Europe
5. Sustained, inclusive and sustainable economic growth, employment and decent work for all
6. Sustainable value creation in the European food supply chain through partnership
7. Sustainable sourcing in food supply chains

We have committed ourselves to the third objective on climate neutrality in 2050, but we will also contribute positively to several of the other objectives through our sustainability strategy.



Together with customers and consumers



Target

We will work together with our customers and other stakeholders to move consumption in a sustainable direction.



Sustainable Development Goals

We support targets 12.1 and 17.17 by encouraging sustainable consumption and production patterns and by participating in effective partnerships.

Number of organic and free-range pigs and cattle and pigs raised without antibiotics

2020/21	839,500
2019/20	846,000
2018/19	786,000

In 2020/21, there was a small reduction in the production of organic and antibiotics-free animals in Denmark, Sweden, Poland and Germany, while the production of free-range animals increased.



Criticism of the concept Climate Controlled Pig

Since August 2020, we have marketed the Climate Controlled Pig concept in Denmark that is based on the Climate Track, which is part of our sustainability programme, see page 20. In September 2020, the Danish Consumer Council criticised our marketing for misleading consumers due to the message that “Our pigs are more climate-friendly than you think”. The message was based on independent third-party analyses of the carbon footprint of Danish pork as well as a consumer survey showing that Danish consumers believe that the climate impact of pork production is higher than it actually is¹. We have taken note of the criticism and clarified our messages. We therefore regret that Greenpeace made a complaint to the Danish Consumer Ombudsman about misleading marketing in June 2021, and that the Vegetarian Society of Denmark in collaboration with the Climate Movement and the Green Student Movement, also in June 2021, brought an action against us for non-compliance with the Danish Marketing Practices Act. We aim to have as much dialogue as possible with the relevant NGOs, and we continue our efforts to secure our data, so we communicate in a clear and precise manner. In spite of this, several of our customers have subsequently opted to remove the concept and the labelling from their stores.

¹ “Pig is more climate-friendly than you think” builds, among other things, on qualitative focus group interviews made in cooperation with the agency Maple, where we identified that chicken is perceived as the most climate-friendly meat, while pork was placed close to veal and beef. In addition, a quantitative analysis made by YouGov showed that a share of the respondents states that pork is the second-worst and worst, respectively, to the climate in the group of foods: chicken, pork, beef, fish and shellfish and plant-based food. Moreover, the World Resource Institute 2020 report concludes that the production of Danish farmers has one of the lowest climate impacts among the major pig producing countries.

New products with a sustainability profile

In 2020/21, we launched a range of new products that contribute to a more sustainable product range in various ways. We market many of these products in partnerships with major customers. Here are a few examples.



Plant-based products

In 2020/21, Sokołów in Poland expanded the Z Gruntu Dobrze product line with a range of cold cuts, sausages, burgers and mince and almost quadrupled sales.



Healthy meals for children

In 2020/21, Sokołów expanded the range of ready meals with products prepared with particular focus on children's nutritional needs. The products have been developed in collaboration with nutrition experts, they only contain natural ingredients and have a reduced salt content.



Veggie soup with low salt content

In September 2021, we launched a new vegetable soup in the Danish market. The soup has a high content of vegetables and a low salt content, which meet the requirements for the Nordic nutrition label The Keyhole Label.



Veggie Bacon – this year's plant-based surprise

In 2020/21, we launched 100 per cent plant-based Veggie Bacon in Norway, Sweden and Denmark. The product was rated this year's plant-based surprise, and we expect to launch it in other European countries in 2021/22.



Veggie Sandwich cuts

Veggie Sandwich cuts from Den Grønne Slagter are vegetarian cold cuts made from a base of egg-white powder from free-range eggs and rapeseed oil.



Veggie products made from peas

In 2020/21, KLS Ugglarps in Sweden launched a number of new products based on Swedish peas, including nuggets, schnitzel, mince, burgers and rolls, of which we have sold almost 10 tonnes.



Pigs raised without antibiotics

In Denmark and Poland, we sell meat from pigs raised without the use of antibiotics. In 2020/21, sales increased especially in Poland where we have marketed pork free from GMOs and antibiotics in Sokołów's own retail stores since May 2021.



Organic and free-range pigs and cattle

Revenue of meat from Friland's organic and free-range pigs and cattle was up by more than 15 per cent in 2020/21. Friland has a strategy of increasing the intake of animals for slaughter by up to 40 per cent in the years ahead.



Veal with a high level of animal welfare

In February 2021, we launched 'Hjertekalven' in collaboration with several major Danish retail chains. The new concept is based on the 'Dansk Kalv' concept, which has been awarded two hearts by the Danish state consumer label Better Animal Welfare. This means, among other things, that calves are reared with greater space allowance and have a short transport time to the abattoir.

An aerial photograph of a lush green field. A large herd of cows, mostly brown and white, is grazing in the center. On the right side, a large white wind turbine is partially visible, with its blades extending towards the top right corner. The field is divided into sections by low stone walls.

Responsible business conduct

Energy | Waste | Packaging | Water | Jobs | Health & Safety | Well-being | Food safety |
Animal welfare | Responsible Sourcing | Human rights | Anti-corruption | COVID-19



Here we describe our initiatives and results with respect to the material sustainability issues which we address through principles for corporate social responsibility and good practice. With respect to these issues, impacts and risks primarily derive from activities we control ourselves and therefore have an influence on.

Energy and transport

We invest in energy-saving technologies, electrify processes and replace fuels to reduce the energy consumption and climate footprint from our production and transport.

The effort to minimise the energy consumption and CO₂ emissions from our production and transport is a central focus area of our environmental management, and all production facilities work consistently to optimise production processes and enhance their energy consumption. An example is recovery of surplus heat from cooling systems and air compressors, which are energy-intensive processes.

Electricity consumption in our production facilities accounts for half of our scope 1 and scope 2 CO₂ emissions. In Sweden, 100 per cent of the electricity procured has been green power since 2019, and in 2020/21, we initiated a dialogue process to ensure procurement of green power in several of our production facilities. In the longer term, our entire electricity consumption will be based on renewable energy.

The use of natural gas is another large item in our climate accounts, representing about 40 per cent of CO₂ emissions in our production facilities. For this reason, we are working to reduce our CO₂ emissions by way of increased electrification and procurement of green electricity, for example by replacing

gas boilers for heat generation by electric boilers or heat pumps.

Collaboration with carriers

Previously, the calculation of our CO₂ emissions from transport only included scope 1, covering fuel consumption to vehicles owned or leased directly by Danish Crown. 2020/21 was the first year in which we estimated scope 3 emissions from transport, covering our external carriers, and we calculated total emissions from transport at approximately 250,000 tonnes of CO₂e. We are in the process of strengthening the procedures for collecting valid primary CO₂ data from our logistics suppliers, and in 2021/22 we will define specific targets for reducing CO₂ emissions from the transportation of our products.

At the same time, we are in an ongoing dialogue with the carriers on how to strengthen our collaboration on climate initiatives. Today, some of our suppliers use biodiesel, natural gas (LNG) and other alternative fuels for their vehicles, which contribute to reducing CO₂ emissions from transport. For example, all of our Swedish carriers use alternative fuels, such as HVO fuel or biogas, reducing CO₂ emissions by more than 90 per cent.

CO₂ neutral production facilities

In 2020/21, we decided that three of our big production facilities – Haarlem in the Netherlands as well as Horsens and Holsted in Denmark – must be CO₂ neutral by the end of 2022. We also identified the carbon footprint of our production facilities, and these three facilities account for nearly 12 per cent of our total scope 1 and scope 2 emissions. In the short term, we source certified green power and biogas and compensate for the CO₂ emissions we cannot eliminate here and now. On each of the three facilities, we have established a project group which will prepare long-term action plans comprising the following initiatives and priorities:

1. 100 per cent green power from either own production or procurement
2. Electrification of processes driven by fossil fuels.
3. Replacement of natural gas by biogas
4. Switching to vehicles using alternative fuels, for example biogas.
5. Phasing out investments in fossil fuel-driven technologies.
6. Compensation of remaining CO₂ emissions.



Target

We will reduce our greenhouse gas emissions from production and logistics by 50 per cent per kg meat by 2030 relative to 2005.

Sustainable Development Goals

We support target 12.2 by ensuring sustainable management and efficient use of natural resources.

Energy consumption in kWh per produced tonne

2020/21	471
2019/20	495
2018/19	469

In 2020/21, we have strengthened our reporting measures on energy and produced quantity, which has led to an adjustment of figures for our energy intensity – on historic figures, too. Our total energy consumption decreased marginally, while our total production increased. This resulted in a relative decrease in energy intensity per produced tonne. Overall, our energy consumption has been stable in recent years.

CO₂ emissions in tonnes (Scopes 1 and 2)

2020/21	341,337
2019/20	408,248
2018/19	425,525

In 2020/21 we have converted our CO₂ emissions to a market-based approach for Scope 2 emissions. This paired with our strengthened data foundation on energy consumption has resulted in an adjustment of figures on CO₂ emissions. Overall, our CO₂e emissions have decreased substantially by 20 per cent during the past three years. The decrease was primarily attributable to the procurement of green electricity at several of our Polish production facilities (Scope 2).

Waste

We continue the work of developing innovative and circular solutions for more environmentally friendly handling of our waste streams in close collaboration with our suppliers of products and waste management.

Circular solutions are at the core of running a sound business, and we are working to identify new ways of minimising, recycling and reusing our waste. Our business builds on the production of food products from healthy animals and on not letting any animal life go to waste.

We take great care to use as much as possible of the slaughter animal for nourishing food. Then, we make sure that the inedible parts of the animal form part of a circular biosystem in which they are used for a number of other purposes. These include for instance the use of residual abattoir products for the production of meat and bone meal back into animal feed, whereas stomach and intestine contents are used for biogas production, delivering green energy to many households. Moreover, the small intestine lining from pigs is used to produce heparin, a blood-thinning medicine, while hides from cattle are processed into the finest leather.

Our abattoirs process some 84 per cent of the pig and some 95 per cent of slaughtered cattle is utilised for food and other purposes. We are now calculating a new baseline for animal waste for the period from January to December 2021.

Optimising waste streams

As part of a major waste optimisation project, we identified our waste streams at the production facilities in Denmark, Sweden, Poland and Germany in 2020/21. In addition, a new baseline was calculated in 2020/21, which we will use to prepare local action plans for how to realise our reduction and recycling targets at the production facilities. The work also includes finding suppliers that could receive the waste for recycling purposes.

In Sweden, we reduced the number of suppliers of waste management in 2020/21 from ten to three and divided the production facilities into two geographical regions to optimise transport distances. Similarly, in Denmark we have gone from using three to only one supplier, who receives the waste from all production facilities. In addition to optimising waste transport, we also ensure greater transparency and standardisation of waste management. We are now continuing this work by reducing the number of suppliers in Germany and Poland.

New applications of plastic waste in Denmark

About two thirds of the combustible waste from our Danish abattoirs and factories is plastic waste,

and 90 per cent of the plastic waste is either mixed types of plastic or contaminated with meat juice and therefore unsuitable for recycling in the current Danish systems. In 2020/21, we made a new demand on our Danish waste management suppliers to provide a solution for how to reuse contaminated plastic, and we partnered with a supplier to further develop potential solutions.

Also in 2020/21, we replaced PVC plastic cores from our foil with more environmentally friendly plastic that may be reused.

Crooked carrots in Mou soup

In August 2021, we launched an organic carrot soup made from discarded carrots. The product was developed together with a Danish producer of root crops, a major retail chain and the Danish consumer movement Stop Wasting Food and is expected to reduce food waste by up to 20 tonnes per year.

Sustainable food production

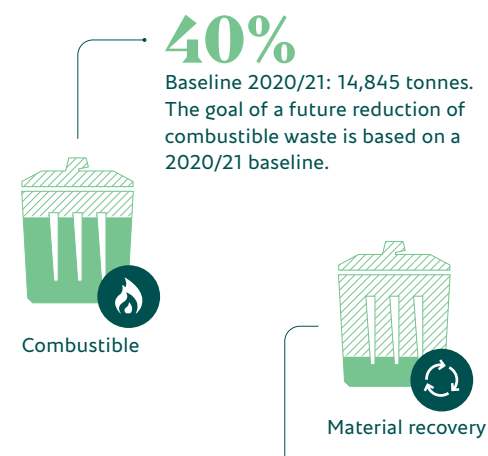
Target

We will reduce the volume of suitable combustible waste from our production facilities by 40 per cent relative to 2020/21 and recover 80 per cent of the waste by 2030.

Sustainable Development Goals

We support target 12.3 by minimising food waste in our production and supply chains as well as target 12.5 by reducing waste generation through prevention, reuse and recycling.

Waste allocation from production facilities



25% → 80%
2021 → 2030

The share of waste used for material recovery was just under 25 per cent in 2020/21. The target is 80 per cent.



Packaging

We continuously introduce new packaging solutions that reduce the use of plastic, increase the share of recycled plastic and ensure that as much as possible of the packaging can be reused.

First, we seek to minimise the volume of packaging materials by removing any unnecessary layers and reducing the weight of the materials. Where possible, we base our solutions on recycled materials and endeavour to use mono-materials that ensure the packaging can be recycled. We are particularly focused on plastic packaging and work closely with our global suppliers to ensure that new packaging solutions do not compromise on food safety or product quality.

As part of our efforts to complete a new strategy for sustainable packaging and plastic and develop action plans, we have identified the needs of the individual business units in 2020/21 going forward to 2025.

Meat in new packaging

Our business units regularly explore the sustainable packaging market and share experiences from testing and implementing new solutions with each other. In 2020/21, we introduced a range of new and more sustainable packaging solutions.



In Denmark, we reduced the volume of plastic for meat trays by making around 6.5 million trays 10 per cent thinner. At the same time, we increased the volume of recycled PET plastic to 90 per cent, and if the trays are sorted correctly, the volume of new plastic produced may be reduced by around 72 tonnes every year.



The top foil used for sliced salami and other cold cuts has been changed from a deep draw lid to a resealable flat top lid, which has reduced plastic packaging by more than 25 per cent. Other cold cut packages now have a new bottom foil, which has reduced plastic packaging by 28 per cent. These changes provide a total annual reduction of around 37 tonnes of plastic.



Tube packaging for mincemeat uses almost 90 per cent less plastic than traditional meat trays.



By changing the packaging material used for Mou meat balls with a recyclable OPP/PE foil, we replace around 30 tonnes of plastic. The next step is the foil used for Mou soups and the film used for GØL and Steff Houlberg sausages.



We are introducing a new packaging material for bacon in all of Europe. The packaging consists of a sub-foil of 80 per cent recycled plastic, bringing the total share of recycled plastic used in the packaging at minimum 60 per cent. Labels and sleeves not included.



FlatSkin packaging used for 'Dansk Kalv' products uses 60 per cent less plastic and may be easily sorted as the plastic and cardboard are easy to separate.



Sustainable
food production



Target

During 2021/22, we will complete a new strategy for sustainable packaging and plastic.



Sustainable Development Goals

We support target 12.2 by ensuring sustainable management and efficient use of natural resources.

Water and wastewater

We have finished testing our first full-scale facility for the recycling of water and it is now ready for commissioning. We see a great potential in treating process water and using it for new purposes in our production.

Efforts to minimise water consumption and emission of wastewater from our production and cleaning processes are a central focus area of our environmental management. In 2020/21, our business units and production facilities in Poland, Sweden, Germany, the Netherlands and Denmark prepared local action plans for how to achieve the targets for reducing water consumption and wastewater emissions. The action plans are based on the mapping of production and cleaning processes and reduction potential to ensure that we concentrate our efforts on investments that have the greatest effect.

Full-scale plant for recycling of water

Danish Crown has teamed up with other food companies, authorities, technology providers, universities and research institutes to develop and test technologies that could help food companies produce more with less water. The collaboration takes place in the public-private partnership Danish partnership for Resource and water-efficient Industrial food Production (DRIP). We focus on the possibilities of re-circulating and reusing treated process water for new purposes, known as Water fit

for purpose without compromising food quality and food safety.

In 2020/21, we installed and commissioned the first full-scale facility for the recycling of water at our Danish pig abattoir in Horsens, and the facility will commence operations in 2021/22. The plant treats process water from abattoir robots with the help of filtration techniques, ozone flotation and UV technology. Two years of extensive testing in all possible operational situations has documented that process water can be bacterially purified to drinking water quality so the water can be used in other parts of the production process. The new plant is expected to reduce the abattoir's total water consumption by up to 10 per cent.

Since all our pig abattoirs in Denmark have the same design and layout, there is a significant potential for savings if the solution is implemented at all abattoirs. We will move ahead with this when the facility in Horsens has been running at full-scale for some time and any operating adjustments have been made. We will also examine the possibilities of using the same technology with other water-consuming processes.

The next major initiative will be the establishment of a full-scale facility at our Danish food factory in Vejle, which we expect to initiate in 2022/23. A pilot project in 2019/20 showed that it is possible to optimise the water and energy efficiency of autoclave operations where canned meat is cooked. By treating the boiling water with ultra-filtration and UV treatment and reusing it to wash the closed cans externally prior to entering the autoclave, the factory's total water consumption may be reduced by 10-15 per cent.



Target

We want to reduce water consumption at our production facilities in Denmark, Poland, Sweden, Germany and the Netherlands by 40 per cent per produced tonne and the volume of organic matter in wastewater from the production facilities by 30 per cent per produced tonne in 2030 relative to 2019/20.

Sustainable Development Goals

We support targets 6.3 and 6.4 through efficient water utilisation, increased recycling of water as well as wastewater treatment and minimisation of the emission of organic matter.

Water consumption in m³ per produced tonne

2020/21	3.8
2019/20	3.8
2018/19	3.7

Our water consumption has been relatively constant over the past three years. Based on the planned initiatives for reducing water consumption, we expect a decrease in coming years.

COD in wastewater in kg per produced tonne

2020/21	6.5
2019/20	7.0
2018/19	7.3

The demonstrated development shows a decreasing trend of the relative content of COD. The reason is not unequivocally different approaches to test measurements over the course of the year. This will be adjusted in the upcoming year.

Job creation and social integration

We offer jobs to people with different backgrounds, and by strengthening our efforts for social integration, apprentices and skills development, we want to create value for every individual, Danish Crown and society.

We have increased our headcount, and our approximately 26,600 employees represent no less than 100 different nationalities, of which more than 80 per cent work in production and more than 60 per cent are unskilled workers.

We want to reduce the number of third-party contract staff, and in Germany we phased out the use of such staff in 2020/21. In Sweden and Poland, we use third-party contract staff from time to time, see page 37.

Young people and focus on apprentices

We assume responsibility for attracting young people to a career in the food industry. We employ 293 apprentices in our administrative, production and technical divisions in Danish Crown, about half of them in Denmark. It can be a challenge to attract and retain apprentices in the industry, and in 2020/21, we therefore introduced a corps of ambassadors for apprentices that will propose improvements and give us feedback on new initiatives within recruitment and retention. We have also formed new partnerships with one of the preparatory basic education and training programmes, state schools, the Danish Meat Trade College as well

as the Danish Agriculture & Food Council.

Moreover, we ran a pilot project in DAT-Schaub in Denmark in 2020/21 to strengthen the skills of those in charge of trainees. They involve the apprentices in our efforts to promote a safe working environment, and in 2021/22, we will roll out the project to the abattoirs in Denmark and expand our focus to include the environment and animal welfare as well.

Skills upgrading for hourly-paid workers

In 2020/21, we increased our focus on competence building among our hourly-paid workers. Going forward to 2025, we will involve our approximately 3,600 Danish-speaking hourly-paid workers in a clarification process and offer at least one training programme to 1,600 of the workers. We will start in 2021/22 by assessing 400 employees' skills and expect that at least 85 workers will begin Danish-language or dyslexia classes.

Our efforts are further strengthened by the partnership we formed in 2021 with the employer organisation Dansk Industri, and the food sector trade union NNF to support the skills upgrading of our hourly-paid workers who lack basic skills.



From vulnerable to employed

We want to help create equal opportunities for all, and we make specific efforts to integrate vulnerable groups such as refugees, war veterans and long-term unemployed people into our work force. That way, we help people gain a foothold in the labour market and contribute to solving a societal challenge. Here are a few examples:

- At Danish Crown Pork in Horsens, Denmark, we employed two veterans on open-ended contracts in the summer of 2021, and we are committed to employing and integrating more people at the facility.
- DAT-Schaub in Horsens, Denmark, was awarded a CSR prize by the municipality of Horsens for its work to integrate people facing social challenges or who have a chequered past. Today, they constitute around 20 per cent of the headcount.
- Our facility in Haarlem, the Netherlands, has employed more than 150 refugees over the past three years. Most of them now work as operators, and the first one recently completed training to become a production manager.



**Good jobs
for everyone**



Target

We will increase the intake of apprentices in production and technical divisions in Denmark by 20 per cent in 2025 relative to 2018.



Sustainable Development Goals

We support targets 4.4, 8.5 and 8.6 by offering youth and adults the chance to acquire work skills and by creating jobs and decent work.

Intake of apprentices

2020/21	278
2019/20	253
2018/19	242

In the past year, we increased our intake of apprentices. This development is consistent with our overall goal of increasing the intake of apprentices in production and technical divisions in Denmark by 20 per cent. Especially in Poland, we increased our intake of apprentices significantly in 2020/21.

Our HR strategy

Read about our HR strategy and efforts to attract women, international students and managers to the group in Danish Crown's Annual Report 2020/21 available at danishcrown.com/annual-report.

Promoting a strong health and safety environment

With Safety First as the common denominator, our management team is leading the way towards creating a strong health and safety culture focused on prevention. Our efforts include robust management systems, campaigns and targeted local programmes.

An abattoir is an accident-prone workplace, and, unfortunately, we are not free of such incidents. Our goal is to create a culture where employees do not take chances or undertake unnecessary risks, and we see top management's commitment and a strategic approach as crucial to achieving this goal and to preventing accidents at work.

Vision Zero

In 2020/21, we joined the Danish Vision Zero Council and use the Vision Zero campaign's set of rules to optimise our safety culture. In addition to leadership and commitment, focus is on identifying and controlling risks, defining clear targets and implementing robust management systems. Naturally, machinery and safety equipment must be in working order, working environment competences must be updated regularly, and employees should be involved in working environment efforts.

Our health and safety organisation has focused on all these issues for many years, and with our long-term goals and One Management System, we will formalise the work further across the group. The management system ensures uniform registration of, for example, preventive measures, fire and safety

controls as well as work accidents. This enables us to monitor and compare developments in the business units and across production facilities.

Accident prevention

Safety First is also about ensuring that all employees take responsibility for creating and maintaining a safe working environment. Consequently, we have introduced an indicator for a more systematic registration of near misses: For each accident at work, we record ten near misses. This increases employee awareness of what may lead to accidents and engages employees in what we can do differently to become better at predicting and preventing accidents.

Moreover, we will check our machinery and update the procedures for safe interruptions in connection with repairs. At each production facility, we train the employees to carry out this task, and we expect to cover all our production facilities in the coming years.

Localised efforts

As part of our efforts to prevent work accidents, we continued the roll out of our micro-campaigns in 2020/21. We completed the campaigns at all production facilities in Denmark, and preparations

have begun in Poland, where the campaigns are expected to be implemented at the beginning of 2021/22.

Furthermore, we will concentrate our efforts on the production facilities where data on occupational health and safety show that there is a need for strengthening the safety culture. Based on a one-year transformation process with the local management, we hope to reverse the trend. One example is Danish Crown in Svenstrup, Denmark, where we reduced the total number of accidents by 60 per cent in 2020/21 by focusing on management's prioritisation and introducing proactive tools to prevent accidents and optimise the safety culture.

Safety First

Our Safety First approach is based on the theory that all accidents can be prevented by way of well-planned preventive efforts.



Good jobs
for everyone



Target

We will reduce the annual frequency of lost-time accidents to 20 per 1,000 FTEs at our European production facilities by 2025. Facilities reaching the goal ahead of schedule must achieve another 20 per cent reduction in 2025.



Sustainable Development Goals

We support target 8.8. by protecting labour rights and providing a safe and secure working environment for everyone.

Accidents per 1,000 FTEs

2020/21	37
2019/20	27
2018/19	28

Unfortunately, the frequency of accidents increased in 2020/21. One of the reasons was the recruitment of employees in Germany (page 37), where registration of accidents was previously attributed to third-party employers hence not part of our registration.

In Denmark, 200 COVID-19-related work-related accidents were reported to the authorities (not included in the above figures).

Average days of absence per accident

2020/21	18.3
2019/20	22.4
2018/19	22.2

Despite the increase in accident frequency, the average days of absence decreased. The reason is that the individual accidents were of a less serious nature.

Health and well-being on the job

This year, we launched a number of initiatives supporting a healthy working environment where employees thrive, and we want to invest further in automation that will reduce heavy workloads.

Health and well-being on the job is essential for us to attract and retain our employees. Working at our abattoirs and in food production is physically demanding, and work instructions, production planning as well as automation and high-tech ancillary equipment are very important tools to prevent the attrition of our employees.

Investing in automation

Unfortunately, the development of musculoskeletal disorders (MSD) is one of the most widespread disorders among our employees, and in 2020/21, we adopted a target of reducing the impact of musculoskeletal disorders going forward to 2025. We are in the process of pinpointing the most demanding jobs and preparing local action plans for how to minimise the risk of attrition. Moreover, we are investing in the further automation of jobs to reduce or eliminate physical strains for employees. At the Danish pig abattoirs alone, the target is to increase automation by 20 per cent going forward to 2026.

If an employee becomes worn out, we work together to find a solution that will retain the employee or assist him or her with a retraining programme to

ensure that the employee can remain an active member of the labour market.

Testing exoskeletons

Not all workflows can be automated, and we therefore tested spring-based exoskeletons at our Ringsted abattoir in Denmark in 2020/21. One purpose of exoskeletons is to reduce the physical burden of repeated lifting. To make the test as valid as possible, we are collaborating with researchers from the occupational medicine clinic of Herning, Denmark (Arbejdsmedicinsk Klinik), which oversees the entire project. The project results will be published at the end of 2021, and the project has received financial support from the Danish Working Environment Research Fund.

Noise reduction target

We are continuously working to reduce noise and prevent hearing damage, and in 2020/21, we defined a target to limit daily noise exposure for our production employees to a maximum of 82 dB(A) by 2030. At the same time, we are establishing baselines for noise exposure at the individual production facilities so that we can prepare local action plans for how to achieve this target.



Sokołów recognised for occupational health and safety in Poland

In April 2021, and for the fourth consecutive year, Sokołów received the Solid Employer of the Year 2020 award, which is granted to businesses for their HR and corporate social responsibility efforts. Sokołów is recognised for high health and safety standards and for leadership programmes, co-financing of public holidays and holiday coupons as well as access to medical treatment packages and donations to the local community.

In 2020/21, Sokołów undertook a thorough review of working conditions at all production facilities, which resulted in a combined action plan for further improvements. In addition, Sokołów has focused on preventing accidents and implemented a number of measures, for example clear warning signs and improved protection equipment.



Good jobs for everyone



Target

We want to reduce employee turnover by at least 10 per cent per year from 2021 to 2026.



Sustainable Development Goals

We support target 8.8, by protecting labour rights and providing a stable working environment for everyone.

Employee turnover % (including holiday relief)

2020/21	23.11
2019/20	17.98
2018/19	19.77

Unfortunately, our employee turnover increased in 2020/21. This is due to a general shortage of labour and challenges in attracting employees in the countries we are present in. As we expect the situation to persist in the coming years, the 10% reduction is ambitious.

No to offensive behaviour

In February 2021, we launched an offensive behaviour policy, including harassment and sexual harassment, and followed up on the policy by training our occupational health and safety managers and health and safety representatives. The policy makes clear that Danish Crown does not tolerate behaviour or comments made with the intention to harm, offend or annoy others, just like we do not tolerate discrimination. Consequently, we encourage all our employees to report any offensive behaviour using our whistleblower scheme (see page 14). The scheme makes our employees feel safe saying no if they see something that he/she finds to be improper and if, for a range of reasons, it is impossible to discuss the matter with the immediate superior.



Food safety

Once again, the COVID-19 crisis highlighted our critical societal function and the importance of an effective supply chain and flexible production.

The COVID-19 pandemic confirmed that in a crisis there is hardly any other need that is more fundamental than access to safe food, and that the food supply chain constitutes a critical infrastructure in society, as lockdowns and supply problems increase the risk of food fraud, among other things.

Even though many activities were shut down or restricted during the pandemic, Danish Crown maintained full reliability of supply in all our markets. At the same time, we have successfully adapted our production almost overnight to very comprehensive and quick changes in sales patterns from foodservice to retail business and secured deliveries from farm to fork.

High standards of safety and control

The high standards of food safety and control in our production and for our products are also the prerequisite for our position in the global market. We have robust systems to ensure traceability to the group of slaughter animals delivered by the individual farmer, and we also have strict self-check programmes based on Hazard Analysis and Critical Control Points (HACCP) to identify potential food hazards. In addition, we have clear procedures for

potential product recalls and for information to the public. In 2020/21, we had a total of six recalls in Denmark, Sweden and Poland. By way of comparison, we had three recalls in 2019/20.

Pork and beef without drug residue

Years of dedicated breeding have resulted in healthy and strong pigs which are resistant to disease, and the use of antibiotics in Danish and Swedish farms is currently among the lowest in the world. We engage in ongoing dialogue with our farmers about limiting the use of antibiotics to a minimum, as excessive use may cause animals and humans to develop resistance. As part of the Climate Track, which is part of our sustainability programme, our farmers define targets for how to reduce the use of antibiotics, see page 20.

Antibiotics may, however, be required in order to combat diseases. If slaughter animals are treated with antibiotics, the farmer must record the treatment, label the animal and observe a retention period before sending the animal to be slaughtered. At the abattoirs, we test the pigs randomly for any antibiotic residues to ensure that our pork is free of antibiotic residues. Furthermore, in Denmark,

Sweden and Poland we produce special pigs raised without the use of antibiotics.

Controlling contagious diseases

The ability to keep highly contagious diseases from entering Denmark is one of the basic conditions of our export agreements worldwide. Consequently, we pay great attention to the development of African swine fever (ASF), which has never been found in Denmark. Unfortunately, both Poland and Germany were affected by ASF, which had a major impact on the commercial potential in export markets. In both countries, we were very much focused on establishing barriers to infection and good collaboration with the authorities to ensure that any infection is eliminated and to minimise the risk of spreading the infection in Denmark.



Together with customers and consumers



Target

We want to maintain high standards of food safety in our production and for our products, ensure clear labelling and minimise product recalls.



Sustainable Development Goals

We support target 2.4. by supplying safe and nourishing food all over the world and promoting sustainable agricultural practices in our supply chain, and target 3.3 by contributing to fighting infectious diseases.

Our global food control

7,100+

food inspections from authorities at all our abattoirs and facilities annually.



1,974,000+

laboratory analyses and tests of products and production equipment annually as a part of our self-checks.

470+

employees work with food quality and safety, control inspections and traceability.

Animal welfare

Our efforts to promote good animal welfare won international recognition with a second-highest ranking. This was driven not least by our management of animal welfare in agriculture.

At Danish Crown, we give high priority to animal welfare and ensure good animal welfare from farm to abattoir. Besides, the best meat is achieved from healthy, thriving animals.

In 2021, we updated our animal welfare position paper and specified our approach and practice. The position paper applies to all markets, the production of both pork and beef and all Danish Crown brands. It defines our position on important animal welfare issues such as tying up and the use of boxes and farrowing pens, routine tail docking, teeth clipping or grinding, castration, transport, cloning and the use of genetically modified animals, growth promoters and antibiotics, rooting material and pre-slaughter anaesthetisation. Animal welfare requirements are also set out in our Code of Practice for cooperative owners, which lays down minimum requirements to be met by suppliers of pigs and sows to Danish Crown in Denmark, in separate Codes of Practice for haulage contractors in Denmark and Sweden and in our general Code of Conduct for suppliers.

EU animal welfare legislation sets out common minimum requirements covering all markets.

We also comply with national legislation, industry standards and customer-specific welfare programmes that sometimes go beyond EU requirements. We market a range of special products produced according to high animal welfare standards and contribute to the development of labelling schemes, such as Better Animal Welfare, the Danish state-driven animal welfare label, see pages 24-25.

Strict control process

In Denmark, Sweden and Germany, our control process for animal welfare goes beyond EU requirements. The process has three steps: Self-checks, which are carried out by specially trained farm and abattoir staff; veterinary controls with state-employed veterinarians monitoring the entire process from rearing of the animals at the farms to inspections of individual animals at the abattoir; and unannounced external controls performed by relevant authorities and customers. The controls include mortality, proper use of hospital pens for animals and the use of medicines, which are monitored closely at the farms and are always subject to approval by the affiliated veterinarians.

Certification of animal welfare at abattoirs

At all our abattoirs, trained staff handle livestock. To ensure a common approach, we have developed a certification programme for animal welfare at our abattoirs expected to be implemented in 2021/22. The baseline for the programme is based on self-auditing against EU legislation and a benchmarking programme measuring our performance against customers with special animal welfare requirements.



Gentle and short transport

In Denmark, Germany and Sweden, we are at an advanced stage of development in terms of safe, gentle and short animal transport from farm to abattoir. All our vehicles have modern ventilation equipment, deck heights, compartment divisions, bedding, cover, requirements on rules for stocking density and a requirement that drivers are trained in transporting live animals.



Target

We want to be ranked Tier 1 in the Business Benchmark for Farm Animal Welfare (BBFAW) Report by the end of 2022.



Sustainable Development Goals

We support target 2.4 by promoting sustainable food production systems and implementing resilient agricultural practices.

Retained Tier 2 ranking

In April 2021, we were once again ranked Tier 2, the second highest level, in the Business Benchmark for Farm Animal Welfare (BBFAW) Report 2020, the leading global measure of political commitment, performance and animal welfare disclosure in food companies. The report ranks 150 global food companies across 37 animal welfare criteria covering all animal types.

We are very pleased that we retained our ranking, the second highest level, and even improved our score in the category. In this year's report, BBFAW had slightly adjusted the weighting of some of the 37 valuation criteria, and this made higher demands on Danish Crown's results.

The Benchmark ranks Danish Crown among the companies that have made farm animal welfare an integral part of their business strategy. The main reasons given for this ranking were increased transparency in relation to our management approach and practices on promoting animal welfare and veterinary health. Danish Crown is also recognised and commended for being one out of only 12 food companies demonstrating and assuming leadership within animal welfare in agriculture.

Responsible sourcing

We are strengthening our global supply chain processes to ensure compliance with our sustainability requirements.

We have suppliers all over the world, and we prefer to work with suppliers who support our sustainability goals. Our Supplier Code of Conduct defines the requirements to be met by our suppliers. It is based on applicable legislation and recognised international standards on environmental, human and labour rights, anti-corruption, animal welfare and food safety. The code reflects, among other things, the Ten Principles of the UN Global Compact and the UN Guiding Principles on Business and Human Rights.

We have also drawn up a separate Code of Practice for our cooperative owners that lays down our requirements to be met by suppliers of pigs and sows, as well as a Code of Practice for those planning to transport pigs to Danish Crown. For example, our cooperative owners observe various animal welfare standards, including DANISH Product Standard in Denmark, QS in Germany and Grund-certificering Gris in Sweden.

In 2020/21, we trained our procurement function staff in engaging with our suppliers on the sustainability requirements defined in our code. Again this year, we are in dialogue with a few of our suppliers

regarding our endorsement of their own codes, while all suppliers of meat to Danish Crown Foods have accepted our code.

Due diligence

In 2020/21, we developed a self-evaluation questionnaire to be used by our group procurement function in connection with their initial supplier assessment and due diligence process.

By means of clearly defined risk categories, we are continuing the development of an audit programme for our group procurement suppliers. We expect to initiate the implementation thereof in 2021/22. The programme will comprise Danish Crown's own sustainability requirements and our customers' requirements, and the results thereof will be included in the annual supplier assessment.

We encourage both internal and external stakeholders to report any suspicion of non-compliance with legislation or our policies via the whistleblower scheme.



Continued NGO focus on beef from Brazil

Our Supplier Code of Conduct also covers our trading company ESS-FOOD, which sells and distributes fresh and frozen food products all over the world. In last year's report, we referred to a case concerning distribution of beef from a Brazilian abattoir without a guarantee for its origin. In 2020/21, NGOs such as Greenpeace increased their focus on the risk of deforestation and violation of the rights of indigenous people among beef cattle farmers in Brazil.

In response to this case, we are currently ensuring that all of ESS-FOOD's suppliers in Brazil have accepted our code and understood their responsibility with the purpose of securing proper conditions in the chain. Our dialogues with specific Brazilian suppliers about our sustainability requirements confirm that they have launched new initiatives to protect nature and people. We are still planning to have this information verified through audits.



Sustainable food production



Target

We will integrate environmental, social and ethical considerations into our business operations and supply chain by making demands on our suppliers.



Sustainable Development Goals

We support target 12.6 by encouraging suppliers to adopt sustainable practices.

Status of Supplier Code of Conduct

Since the launch of our Supplier Code of Conduct in 2019, our group procurement department has focused especially on suppliers of food ingredients, packaging materials and logistics.

At the end of 2020/21, we had achieved the following acceptance percentages for our Supplier Code of Conduct:

Food ingredients	88 %
Packaging materials	65 %
Transport	75 %

Our goal for these categories in 2020/21 was to have acceptance from suppliers covering 85% of our total procurement volume – and although we have not achieved that percentage for a few categories, we still believe we can achieve the 90% target for 2021/22. It is still a requirement that all new suppliers can only enter into agreement with Danish Crown group procurement by accepting our Supplier Code of Conduct.

Human and labour rights

We are implementing due diligence processes to minimise the risk of negative impacts on human rights and labour rights in our production and our value chain.

We want to promote human rights and labour rights, and the UN Guiding Principles on Business and Human Rights are therefore incorporated in our Code of Conduct, CSR policy and Supplier Code of Conduct.

Our due diligence processes comprise the use of the Sedex data platform and tools to identify current and potential negative impacts on specific human rights and labour rights in our own production. Through our sustainability programme aimed at farmers (see page 20), we focus on workplace assessments and employment conditions at the farms of our slaughter animal suppliers. We also expect our suppliers to generally promote human rights and labour rights in their supply chain, see page 36.

If internal or external stakeholders suspect non-compliance with legislation or our policies, they can report it to us via our whistleblower scheme, see page 14.


Production risks

Our Sedex risk analysis conducted in the first half of 2020 identified risk factors within the

environmental and social aspects of our production, see page 14. In 2020/21, we analysed the identified risks of negative impacts on specific human rights and labour rights against our existing processes, and we are currently engaging with Sedex about the risk score, as it paints a distorted picture of some aspects. We employ more than 100 nationalities, of which some, by Sedex, are considered vulnerable to modern slavery. This affects the risk assessment, despite the fact that all nationalities in Danish Crown are employed on equal terms.

However, our use of third-party contract staff constitutes a potential risk of infringement of human rights and labour rights, which we manage through audits and phaseouts. We have developed action plans for other risk areas to strengthen our risk management, both at group level and locally. In terms of our working environment, for example, it is mainly a matter of strengthening our management systems and training, which we are currently in the process of doing, see page 14.

We will perform a new Sedex risk assessment in 2021/22 to evaluate our progress.



Phasing out the use of third-party contract staff in Germany

As with many other food producers, we are challenged on the access to labour in production, especially in Poland, Sweden and Germany, where we have hired third-party contract staff. We generally seek to minimise this.

In 2020/21, we phased out the use of contract staff via third parties in Germany, which is also no longer legal. We permanently hired 150 former contract staff at our abattoir in Essen in 2019, which we later increased to approximately 1,000 employees. We hired a total of nearly 2,000 employees in Germany in 2020/21 and arranged for transport and residential accommodation for the former contract staff, who come primarily from Eastern Europe.

We continuously monitor employment conditions for contract staff hired via third parties.



**Good jobs
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Target

We respect international conventions on human rights and labour rights, and we strive to mitigate any negative impacts on human rights and labour rights in our production and our value chain.



Sustainable Development Goals

We support targets 8.5, 8.7, 8.8 and 16.2 by offering decent work, combating modern slavery, protecting labour rights and providing a safe and stable working environment.

Our work with UN principles

In the autumn of 2020, the Danish Institute for Human Rights published a snapshot analysis of 20 large Danish companies' work to document their compliance with the UN Guiding Principles on Business and Human Rights. Danish Crown achieved a shared 10th place, and the analysis indicated room for improvement in the companies' processes and documentation as a whole.

We are continuously working to improve our processes, documentation and communication thereof. In 2020/21, we performed an audit in Denmark focusing on the working conditions for transport sector employees, which have previously been characterised as unacceptable. Here it was confirmed that the initiatives launched and our dialogue with the logistics supplier have been successful and that working and accommodations conditions are now acceptable. We also engage with Brazilian cattle suppliers about respecting the rights of indigenous people in areas where non-compliance with rights has also been subject to criticism, see page 36.

In line with our obligations in the UK, we report annually on our efforts to limit the risk of modern slavery in our value chain. Our Statement on the Modern Slavery Act is available on our website at danishcrown.com/sustainability-report.

Anti-corruption

We continued to roll out our anti-corruption compliance programme and, among other things, initiated a new due diligence process in which we screen customers against international sanctions lists.

We do not tolerate corruption of any kind, regardless of where in the world we operate, and we consider combating corruption and bribery the responsibility of all the group's managers, employees and business partners. Our approach is based on an anti-corruption compliance programme adjusted to the requirements defined in the U.S. Foreign Corrupt Practices Act, the UK Bribery Act and other applicable legislation in the countries in which we do business.

Our anti-corruption policy and related guidelines apply to all employees and in all jurisdictions in which we do business – even if local legislation is less stringent. Contracts with third parties and suppliers require compliance with our Supplier Code of Conduct, which also places requirements for combating corruption and bribery in their supply chains.

We encourage both our employees and external partners to notify us if they suspect non-compliance with the rules. One way to do this is via our whistleblower scheme.

Anti-corruption compliance programme

Our anti-corruption compliance programme is updated as required and at least every other year. The update is performed based on risk assessments, feedback from training sessions, reports made via the whistleblower system, results of internal controls, changes in legislation and best practice in the area. The programme includes an e-learning module aimed at the employee groups which we assess to be at particular risk of exposure to bribery.

Our risk assessments focus on internal and external interactions, third parties and sectors as well as in the countries in which we do business.

Screening of suppliers and customers

Due diligence of third parties is an important part of our compliance programme, and we determine the due diligence level based on the risk of corruption which third parties may constitute. In 2020/2021, we strengthened our due diligence processes in relation to anti-corruption and, among other things, initiated a new process in which we screen customers against international sanctions lists.

Strengthened compliance culture

We customise our training to fit the duties discharged by our employees. In addition to training of relevant employees, we also began to integrate the training into our onboarding process for new employees in 2020/21. In connection with the ongoing roll-out of our HR management system launched in 2020, we also included a new e-learning system.

The management system enables us to manage our anti-corruption compliance programme more efficiently. And we will be able to follow up on whether our employees have signed our policy, and whether they have completed their training. This improves the reporting, and we will introduce new KPIs for this area in 2021/22.



Sustainable
food production



Target

We do not tolerate corruption, bribery or other forms of non-ethical business practices.



Sustainable Development Goals

We support target 16.5 by working to eliminate corruption and bribery in all their forms.

Seven steps to combat corruption

Our anti-corruption compliance programme ensures integrity in all our activities and complies with applicable legislation:

1. Top management's commitment ensures dedication, focus and compliance with anti-corruption rules.
2. Risk assessments ensure that our employees are correctly trained based on the level of inherent risk of corruption.
3. Policies and procedures ensure global uniform and high anti-corruption standards for how we do business, irrespective of jurisdiction.
4. Education and communication ensure that all relevant employees are highly aware of our rules and are able to comply with these.
5. Due diligence based on the risk of corruption that third parties may constitute protects us against infringement of rules in our supply chain.
6. Monitoring and internal control ensure a robust compliance programme and compliance with procedures.
7. Reporting on the status of the compliance programme and the results of internal controls provides transparency to top management.

Handling of COVID-19

Once again, the COVID-19 pandemic affected our everyday lives, but we managed to protect our employees and production and thereby maintain a stable supply to our markets.

Face masks, sanitising, social distancing and COVID-19 testing have once again played a major role in the daily activities across the group. Despite the efforts to protect our employees from becoming infected at work, we did not totally avoid outbreaks during the second wave of COVID-19, which resulted in local shutdowns. The entire organisation has shown great flexibility and supported the COVID-19 measures, maintaining our ability to produce food in a responsible manner.

Comprehensive test strategy in the Netherlands

In February 2021, our Dutch facility in Haarlem was affected by a COVID-19 outbreak among its employees. We quickly identified the infected employees and established a test facility, controlling the spread of the infection. When the infection was at its peak, we tested about 400 employees at the beginning of each working day.

The facility also implemented a number of other measures to combat the spread of infection. First and foremost, employees even with mild symptoms are immediately sent home, and by means of big screens in the canteens, staff are kept updated on the number of infected persons. In addition to this,

disinfectants are available at each entrance, and all doors to passages and corridors are kept open to minimise the spread of infection via door handles and to increase air circulation. In order to better maintain social distance, staggered breaks have also been introduced, offices have been transformed into canteens, and the setup in canteens and at coffee machines has been changed – smoking takes place temporarily outdoors instead of in small smoke rooms.

Dutch health authorities particularly commended the comprehensive test strategy, and at the most recent control inspection, they concluded that a COVID-19 outbreak at the facility is highly unlikely.

Focus on prevention in Chile

DAT-Schaub's Insuban facility in Chile is also dedicated to preventing the spread of infection among employees and has implemented a number of COVID-19 measures that support national prevention and control strategies.

The facility has updated all relevant policies and procedures to include COVID-19 measures. In addition, it distributed protective equipment and regularly

trained all its employees in the use of face masks, the washing of hands, sanitising, etc. Stricter access control to the facility together with daily disinfection of canteens and other common rooms were also implemented.

In order to support the national vaccination programme that aims to have 80 per cent of the Chilean population vaccinated, DAT-Schaub also set the goal of 80 percent of its employees being vaccinated by the end of June 2021. The goal was surpassed, and DAT-Schaub set a new goal of 90 per cent of its employees being vaccinated by the end of September 2021, which was also achieved.

The vast majority of employees are non-Chilean and were reluctant to get the vaccine for cultural and religious reasons. DAT-Schaub therefore spent a lot of time on enlightening its employees about the vaccines and the advantages of being vaccinated, but also on engaging with the employees about their concerns. After these dialogues with employees, local measures have led to more employees getting the vaccine.



Good jobs
for everyone



Sustainable Development Goals

We support target 3.d by strengthening our capacity for early warning, risk mitigation and handling of national and global healthcare risks in the countries where we operate.

Preventing the spread of infection



4 million+

face masks were used in Denmark, Germany, Sweden and Poland* in 2020/21. This is close to double the number in the first year of the pandemic 2019/20.



50,000+

litres of hand sanitiser used in the *above-mentioned countries. This is a slight decrease relative to the year before, but the use of sanitising wipes has increased.



350,000+

tests during the year were part of our local efforts.



Data and reporting principles

[Activity overview](#) | [Indicator overview](#) | [Data definitions](#)





Activity overview

	Key activities 2020/21	Planned activities 2021/22
Feeding the world	<ul style="list-style-type: none"> Strategic decision to maintain current level of slaughter animals. Development of new life cycle assessment model (LCA) for meat products. Signing up to the Science Based Targets initiative (SBTi). 	<ul style="list-style-type: none"> Defining scientifically based climate target through the Science Based Targets initiative (SBTi). Mapping and calculating Scope 3 emissions according to GHG Protocol methods.
Sustainable farming	<ul style="list-style-type: none"> 100 per cent inclusion of Danish pigs, 'Dansk Kalv' and on the Climate Track. Initiating update on sustainability standard and establishing certification committee. Implementing action plan for procurement of responsibly produced soy in Denmark. Developing action plan for procurement of responsibly produced palm oil for feed mixtures in Denmark. Updating animal welfare position paper. 	<ul style="list-style-type: none"> Continuing the roll-out of the Climate Track in Denmark, Sweden, Germany and Poland. Developing action plans for reducing the carbon footprint of producers of pigs, cattle and lamb. Continuing collaboration with relevant industry players in research projects on climate solutions of tomorrow. Developing action plan for procurement of responsibly produced soy for feed in Germany. Developing application to collect biodiversity data from farmers. Implementing biodiversity concept for beef cattle producers in Denmark and Sweden. Further developing animal welfare policy and strategy with a focus on use of antibiotics and biosafety. Commence implementation of certification programme for animal welfare at abattoirs.
Sustainable food production	<ul style="list-style-type: none"> Decision regarding three CO₂ neutral production facilities and mapping of CO₂ emissions. Estimate of CO₂ emissions from external carriers. Developing local action plans for reducing water consumption and wastewater emissions. Installation of full-scale plant for recycling of water in Horsens, Denmark. Mapping of waste streams. Mapping of packaging requirements 	<ul style="list-style-type: none"> Developing and implementing action plans to achieve three CO₂ neutral production facilities. Intensifying efforts to electrify production processes. Investigating possibilities for biogas production within the value chain. Finalising and implementing packaging strategy. Developing local action plans for reducing and recycling waste. Establishing full-scale plant for reusing water in Vejle, Denmark. Align process on COD measuring and calculation of produced total quantity (tonnes).
Good jobs for everyone	<ul style="list-style-type: none"> Establishing partnerships in Denmark to boost the interest of young people in the food industry and upgrading skills among hourly-paid workers. 	<ul style="list-style-type: none"> Expanding initiative to upgrade the skills of hourly-paid workers in Denmark. Continuing roll-out of prevention campaigns.

	Key activities 2020/21	Planned activities 2021/22
Good jobs for everyone	<ul style="list-style-type: none"> Introducing a corps of ambassadors for apprentices. Inclusion of vulnerable groups of people. Joining the Vision Zero initiative. More systematic approach to registering near misses. Developing MSD initiative and testing exoskeletons. Phasing out third-party contract staff in Germany. Launching offensive behaviour policy. Initiating a project to uncover how we can further retain and engage our employees. 	<ul style="list-style-type: none"> Launching skills upgrading project among those in charge of trainees at abattoirs in Denmark. Reducing the impact of MSD for the most demanding jobs. Investing in automation to reduce the risk of attrition. Strengthening systematic registration in H&S across the group. Continuing the initiative aimed at reducing the use of third-party contract staff in Poland and Sweden. Increased roll-out of prevention campaigns.
Together with customers and consumers	<ul style="list-style-type: none"> Launching new food concepts with a sustainability profile. Dialogue with customers and consumers about the sustainability profile of products. Sustainability training for administrative, sales and marketing and procurement staff. Signatory to the EU Code of Conduct for Responsible Food Business and Marketing Practices. 	<ul style="list-style-type: none"> Continuing the development of healthy, safe and sustainable food – animal and plant-based. Strengthening the initiative aimed at reducing food waste in collaboration with customers and consumer organisations.
Compliance and sustainability governance	<ul style="list-style-type: none"> Launching of the business committee Ethical Committee to handle ethical issues and risks. Implementation of One Management System in Denmark. Sustainability training for senior management and Board of Representatives. Risk assessment based on Sedex 2020 results. Launching EHS targets. Development of Sustainability Tracker. Develop self-evaluation questionnaire to be used by our group procurement function in connection with their initial supplier assessment. 	<ul style="list-style-type: none"> Updating policies for sustainability, including CSR and Code of Conduct for Suppliers. Implementing One Management System. Conducting an extended course in sustainability for the Board of Representatives. Conducting a Sedex risk assessment at production facilities. Assessing risks within human and labour rights in the value chain. Establishing data warehouse for collecting ESG data. Initiating process for third-party verification of ESG data. Implementing audit programme for suppliers. Further developing anti-corruption compliance programme and due diligence processes.



Indicator overview

KPI	Unit	ESG	2020/21	2019/20	2018/19	2017/18	2016/17
Animals (organic, free-range and raised without antibiotics)	Number of animals		839,500	846,000	786,000	724,000 ^A	380,000
Energy consumption	MWh	*	1,328,087	1,345,898 ^{A+B}	1,343,448 ^{A+B}	1,214,323 ^{A+B}	1,288,645 ^{A+B}
	kWh per produced tonne	*	471	495 ^{A+C}	469 ^{A+C}	411 ^{A+C}	464 ^{A+C}
Scope 1 CO ₂ e emissions	Tonnes CO ₂ e ^E	*	168,710	171,899	177,882	149,032	170,801
Scope 2 CO ₂ e emissions (market-based) ^C	Tonnes CO ₂ e ^E	*	172,627 ^F	236,349 ^F	247,643 ^F	275,412 ^F	284,387 ^F
Scope 2 CO ₂ e emissions (location-based) ^C	Tonnes CO ₂ e ^E	*	173,766 ^F	186,052 ^F	211,325 ^F	191,360 ^F	202,651 ^F
Total CO₂e emissions (Scope 1 and 2 market-based)	Tonnes CO₂e^E	*	341,337	408,248^{A+D}	425,525^{A+D}	424,444^{A+D}	455,188^{A+D}
	kg CO ₂ e per produced tonne	*	0.12	0.15	0.15	0.14	0.16
Water consumption	1,000 m ³	*	10,604	10,238	10,460 ^A	10,379	10,028
	m ³ per produced tonne	*	3.8	3.8 ^{A+C}	3.7 ^{A+C}	3.5 ^{A+C}	3.6 ^{A+C}
COD in wastewater	kg per produced tonne		6.5	7.0 ^{A+C}	7.3 ^{A+C}	9.9	12.2
Suitable combustible waste from production facilities	Tonnes		14,845	-	-	-	-
Lost time accidents	Number of accidents per 1,000 FTEs	*	37	27	28	41	35
Absence due to lost-time accidents	Days of absence per accident	*	18.3	22.4	22.2	17.2	18.7
Employee turnover	%	*	23.11	17.98	19.77	-	-
Apprentices	Number of people		278	253	242	-	-

Reporting scope and reporting principles

Data in the sustainability report cover the accounting period from 1 October 2020 to 30 September 2021 to the best possible extent. The legal entities included correspond to the entities included in the annual report (see the annual report for a description of inclusion principles and a complete list of companies). Enterprises acquired or established during the reporting period are included in the data from the date of acquisition or establishment. Enterprises divested or closed down are included in the data until the date of divestment or closure. The date of divestment is the date when control of the enterprise passes to a third party.

The basic principles for data management and reporting are unchanged relative to last year. However in 2020/21 we have introduced some methodological adjustments with the aim of improving and clarifying the quality of our data. This has, as a result, led to the revision of some of our historical figures where this was possible, while other data points could not be updated for some years. Please see notes A-G.

This sustainability report is largely 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 different periods. Material changes relative to prior years' reported data or to calculation principles or methods are described in the data definition.

A We have improved our data foundation in 2020/21 and have therefore adjusted some figures. For historical data, we refer to the 2019/20 Sustainability Report.

B The deviation in the revised figures oppose to the earlier reported figures is primarily due to misreporting of the type of energy used from a specific business unit.

C Compared to 2019/20, the relative consumption of energy has been adjusted by up to 20 percent, while water and COD per produced tonne has been adjusted by approximately 10 percent. This is primarily due to a lack of standardisation in the calculation of the produced quantity in previous years. Alignment of the calculation is therefore a focus area.

D These figures have increased due to a shift from location-based to market-based approach.

E In 2020/21, we started to report specifically on Scope 1 and Scope 2 emissions.

As recommended by the GHG Protocol, we provide dual-reporting for Scope 2 emissions (location- and market-based approach), which has led to some adjustments of historic data.

F In connection to dual-reporting on our Scope 2 emissions, we have revised our historical CO₂e emissions based on this new methodology.

G Since 2020/21, all GHG emissions are included and expressed in tonnes of CO₂ equivalents (CO₂e).



Data definitions

Sustainability figure	Unit	Definition
Animals: Organic, free-range and raised without antibiotics	Number of animals	Total number of animals slaughtered which were raised organically, as free-range and/or without antibiotics.
CO ₂ emissions	Tonnes CO ₂	Total CO ₂ emissions (scope 1 and scope 2) from natural gas, gas oil, fuel oil, gasoline, other fossil fuels, diesel, petrol, electricity, district heating and steam, liquified and compressed gas, dry ice, vacuum-packaging, anaesthesia and refrigerant losses. Calculations are primarily based on specific CO ₂ factors for each location. Where these are not available, the latest official CO ₂ factors from IEA (the International Energy Agency) are used.
Energy consumption	MWh	Total consumption of fossil and renewable energy sources: natural gas, gas oil, fuel oil, gasoline, other fossil fuels, diesel, petrol, electricity, district heating and steam, liquefied and compressed gas, biomass energy, other alternative energy and own production of renewable energy.
	kWh per produced tonne	Content in numerator: Total energy consumption. Content in denominator: Volume of produced products in tonnes.
Water consumption	1,000 m ³	Total consumption of water from all sources: Ground-water, surface water, (including collected rain water), sea water, water from municipality facilities and other external vendors, own wells or water collections. Bottled water purchased for drinking is not included.
	m ³ per produced tonne	Content in numerator: Total water consumption Content in denominator: Volume of produced products in tonnes.
COD in wastewater	kg per produced tonne	Content in numerator: Total tonnes of COD in wastewater. Content in denominator: Volume of produced products in tonnes.

Sustainability figure	Unit	Definition
Waste	Volume of waste disposed of, summarised in tonnes	Waste comprises all waste except biological waste such as fuel waste, plastic, paper, cardboard and paperboard, etc. The disposed quantities of waste are summarised in tonnes for the entire accounting period.
Lost time accidents	Number of accidents per 1,000 FTEs	Content in numerator: Number of work-related accidents. An accident is recorded when it occurs during working hours and causes at least one day of absence after the day of the accident. Accidents during travel to/from work are generally not included. Both permanent and temporary employees at Danish Crown are included. Employees working for and managed by Danish Crown's contractors and subcontractors are not included. Content in denominator: Number of 1,000 FTEs.
Absence due to lost-time accidents	Average days of absence per accident	Content in numerator: Total workdays of absence due to lost-time accidents excluding the day of the accident. 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. Content in denominator: Number of lost-time accidents.
Apprentices	Number of people	Number of people employed by Danish Crown as part of their business education. Their education is completed by an apprenticeship test.
Employee turnover	Annual turnover rate	Content in numerator: The total number of resigned employees, including retirement, voluntary redundancies, holiday relief, dismissals, etc. Content in denominator: Number of 1,000 FTEs.

