

2020

CORPORATE SOCIAL RESPONSIBILITY

Statutory statement of social responsibility in accordance with the Danish Financial Statements Act §99a



A/S Sæby Fiske-Industri



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The statement forms part of the management's report of A/S Sæby Fiske-Industri's (SFI) annual report for 2019, which covers the period 1. January-31. December 2019.

The statement includes:

1. Information on A/S Sæby Fiske-Industri's concept and business model
2. Information on main risks
3. Information on the policies A/S Sæby Fiske-Industri has adapted
4. Description of policies
5. Description of our activities in the field
6. Description of what results we have achieved or expect to achieve

In paragraphs 4-6, policies, activities, and results, the statement is divided into four main areas, which are:

- a) Human rights
- b) Social- and employee conditions
- c) Environment and climate
- d) Anticorruption



1. Information on A/S Sæby Fiske-Industri's idea and business model

The company's idea is to develop, produce, market, and sell a wide range of canned mackerel.

The company's business model is generally described as, to buy fresh mackerel during the raw material season, which is head- and tail cut, cleaned and frozen. In subsequent production, the frozen mackerel is skinned, using only boiling water rather than chemicals. The mackerel is boiled and filleted by hand and filled into cans. The cans are then filled with a sauce, according to a recipe, water, or oil of various kinds. After filling of sauce etc. and seaming of lids, the can is autoclaved and packed after a period in the incubation storage. After packing, the item is ready to be shipped to the customer, - or put away, alternatively in storage.

The products are taken by supermarket chains in Denmark, most of Europe, the UK, the US, and the Asian market.

During the overall production process, no waste occurs, as cuts from the fish and guts etc. are further produced to, in part animal feed and fish oil. Thus, no waste is produced in the production process, other than water that is cleaned at the factory's own treatment plant.

A/S Sæby Fiske-Industri's approach to corporate social responsibility (CSR)

Our work with CSR at A/S Sæby Fiske-Industri is based on that;

- Our customers, consumers, and employees demand it
- In the long-term it is economically beneficial
- We want to help move the world in a positive direction

A/S Sæby Fiske-Industri is certified according to SEDEX. As a result of the SEDEX certification, A/S Sæby Fiske-Industri has committed to follow the UN Global Compact (UNGC). The UN Global Compact has defined four main areas and within these a total of 10 principles for companies working with CSR.



2. Information on main risks

A/S Sæby Fiske-Industri sees the following risks as the main risks related to our business activities, business relationships, and the negative impact of products of; human rights, social and employee conditions, environment and climate, and anticorruption.

- Risk of unnecessary or accidental consumption of energy and water and thus negative impact on our environment and climate
- Risk of a lack of orderly social and employee conditions with our subcontractors
- Risk of a lack of orderly social and employee conditions for our own employees



3. Policy information

A/S Sæby Fiske-Industri has through its SEDEX certification joined the UN Global Compact (UNGC), which commits us to making the 10 principles an implemented part of our business activities. SEDEX carries out unannounced checks every two years of that we can document and comply with the principles.

The CEO of the company is responsible for the company's CSR policy, while the company's HR Manager is responsible for the reporting and certification of SEDEX.

Human rights

1. The company should support and respect the protection of internationally declared human rights.
2. The company should ensure that it does not contribute to human rights violations.

Social conditions (including employee conditions)

3. The company should maintain freedom of association and effectively recognize the right to collective bargaining.
4. The company should support the eradication of all forms of forced labor.
5. The company should support the effective elimination of child labor.
6. The company should eliminate discrimination in relation to work- and employment conditions.

Environment and climate

7. The company should support a precautionary approach to environmental challenges.
8. The company should take the initiative to promote greater environmental responsibility.
9. The company should encourage development and dissemination of environmentally friendly technologies.

Anticorruption

10. The company should oppose all forms of corruption, including extortion and bribery.



4-6. Description of the policies' content, activities, and results

A. HUMAN RIGHTS

ETHICAL AND SOCIAL POLICY

<p>A.4. MAIN CONTENT OF THE POLICY</p>	<p>The policy stipulates that all work performed for SFI by its own employees or suppliers must voluntary.</p> <p>Work by slaves, children, minors etc. will not be tolerated. SFI or their suppliers may not participate in or support human trafficking.</p> <p>The worker must be allowed to retain control of his/her identification documents.</p> <p>SFI and suppliers must give the worker the right to rest days and ensure that working hours are in accordance with the law.</p> <p>SFI and supplier must respect the right of workers to choose to legally and peacefully form or join unions of their choice and to negotiate collectively.</p>
<p>A.5. WHAT HAVE WE MADE OF EFFORTS/ACTIVITES</p>	<p>In relation to the approval of suppliers a “supplier’s questionnaire” is forwarded. When filling in the document the supplier is asked to confirm that they, too, adhere to the human rights.</p> <p>Our decisions are based on Danish culture. Through our negotiations with buyers and sellers in Europe and around the world, we convey our respect for human rights and social relations with all out partners in the value chain.</p>
<p>A.6. WHAT RESULTS HAVE BEEN ACHIEVED OR WHAT RESULTS DO WE EXPECT IT TO PRODUCE</p>	<p>In addition to the fact that in 2019, by obtaining the above mentioned questionnaire/confirmation from suppliers, we ensure that our suppliers have acceded to human rights, we also expect in the longer perspective that through our general cooperation with our partners we promote ethical- and socially correct behavior.</p>



**B. SOCIAL- AND WORK
CONDITIONS**

OCCUPATIONAL HEALTH AND SATEFY POLICY

<p>B.4. MAIN CONTENT OF THE POLICY</p>	<p>SFI is committed to ensuring a healthy and good work environment for all its employees, free from harassment and where the safety, health and well-being of its employees are paramount.</p> <p>At SFI, we emphasize diversity. With us it is the human and professional competences that matter regardless of gender, age, ethnicity, religion, sexual orientation, or political beliefs.</p> <p>At SFI, we focus on collaboration, work environment, and personal development of our employees. The employees are our greatest asset and the foundation of our success and results, therefore it is important for SFI to ensure a responsible, secure, and safe work environment where employees thrive and where there is a focus on continuous development.</p>
<p>B.5. WHAT HAVE WE MADE OF EFFORTS/ACTIVITES</p>	<p>SFI has set up a group that works with mental working environment, as we believe that a good mental working environment promotes the joy of work.</p> <p>In 2019, we introduced an employee satisfaction survey to target our areas of action. Based on this, an employee satisfaction group has been formed to help anchor SFI's desire to be a responsible and attractive workplace.</p> <p>We record occupational injuries and near-accidents, and the objective is to continuously reduce the number of work-related accidents.</p> <p>The employees are our key element to success. In 2019, we implemented an anti-bullying policy to ensure that the tone of SFI is proper and bear the mark of mutual respect. In addition, we had a stress policy to help promote employee well-being and job satisfaction.</p>
<p>B.6. WHAT RESULTS HAVE BEEN ACHIEVED OR WHAT RESULTS DO WE EXPECT IT TO PRODUCE</p>	<p>In 2020, we will continue our focus on employee well-being and development, where we expect to see an increase in responses to employee satisfaction.</p> <p>With a focus on visible management, we expect to significantly reduce sickness absence.</p> <p>Our aim is to ensure that the operation is safe and that we take the necessary measures to reduce the number of work-related accidents.</p>



ENVIRONMENT/CLIMATE

ENVIRONMENTAL POLICY

<p>C.4. MAIN CONTENT OF THE POLICY (WHAT DOES IT PRESCRIBE FOR US TO DO)</p>	<p>For SFI the sustainability of the environment plays a crucial role. Our mackerel raw materials are sourced directly from nature. SFI is its responsibility proven in the environmental field and will work to protect the environment and climate in the day-to-day operations, and through systematic efforts ensure continued responsible management of the raw materials and resources used. SFI will constantly try to minimize the environmental impact and consumption of resources.</p>
<p>C.5. WHAT HAVE WE MADE OF EFFORTS/ACTIVITIES</p>	<p>Energy consumption: water/electricity: SFI has focused on parts of our energy consumption and the work on measurable goals in 2019. The proportion of regenerated water use has increased. Replacement of lighting units to LED lighting.</p> <p>Treatment plant Our employees are motivated, trained, and actively involved in the day-to-day environmental work. Increased focus on less use of chemicals at the treatment plant by increased focus on the operation of the treatment plant by employees.</p>
<p>C.6. WHAT RESULTS HAVE BEEN ACHIEVED OR WHAT RESULTS DO WE EXPECT IT TO PRODUCE</p>	<p>Energy consumption: water/electricity: Water consumption is reduced by 20.000m³ compared to 2018. Unchanged consumption of electricity and gas, despite increased production. We expect savings of 50% of electricity used for lighting over a 3-year period.</p> <p>Treatment plant The consumption of chemicals has been reduced by 63.000 kg in 2019 compared to 2018.</p>



D. ANTICORRUPTION

ETHICAL AND SOCIAL POLICY

BRC STANDARD

SEDEX CERTIFICATION

D.4. MAIN CONTENT OF THE POLICY (WHAT DOES IT PRESCRIBE FOR US TO DO)	Suppliers must not tolerate, allow, or engage in bribery, corruption, or unethical practices in negotiations with officials or individuals in the private sector.	SFI is certified according to BRC standard, which requires SFI to have a system to minimize the risk of purchasing counterfeit raw material and to ensure that all products descriptions and requirements are legal, accurate, and verified.	According to the SEDEX certification the company should counter all forms of corruption, including extortion, and bribery.
D.5. WHAT HAVE WE MADE OF EFFORTS/ACTIVITIES	Supplier questionnaires and risk assessments of all suppliers.	SFI requires that all suppliers/traders of primary ingredients have a BRC certificate before they are considered as suppliers. All primary commodity suppliers are audited on site.	All suppliers are asked if they are registered/certified by SEDEX.
D.6. WHAT RESULTS HAVE BEEN ACHIEVED OR WHAT RESULTS DO WE EXPECT IT TO PRODUCE	None of our suppliers have been involved in corruption cases in 2019.	No food fraud cases from our suppliers in 2019.	In the future, we expect more of our suppliers to choose to be certified to this standard.