

# Statement on Modern Slavery and Human Trafficking

#### Introduction

This statement is published in accordance with the requirements of the UK Modern Slavery Act and the California Transparency in Supply Chains. It sets out the steps taken by Chr. Hansen to prevent modern slavery and human trafficking in its supply chains.

## **Statements**

### Our business and supply chain

- Chr. Hansen is a global, differentiated bioscience company headquartered in Hørsholm, Denmark. The Company develops and produces microbial solutions for the food and beverages, nutritional, pharmaceutical and agricultural industries.
- Chr. Hansen employs more than 3,800 people across 32 countries, and has production sites in Brazil, Denmark, France, Germany, and the United States of America.

# Assessment of risk in our supply chain

- We primarily source raw materials for our fermentation technology such as natural or organic compounds (e.g. yeast, extracts, enzymes, amino acids and carbohydrates).
- As these raw materials require high technical knowledge to produce, the industry and business of Chr. Hansen is generally associated with a low risk for modern slavery and human trafficking.

#### **Policies**

- Our <u>Sustainability Position</u> outlines the social and environmental standards
  that Chr. Hansen expects all its stakeholders to follow, including suppliers and
  business partners. The position includes Chr. Hansen's support to the UN
  Global Compact, the UN Guiding Principles on Business and Human Rights,
  the International Bill of Human Rights, the core conventions of the
  International Labor Organization and the Ethical Trade Initiative's Base Code.
- A key component in our collaboration with our direct material suppliers is our <u>Supplier Requirements for Sustainability</u>, covering Chr. Hansen's requirements to suppliers in terms of social, environmental and ethical business conduct. The principles are included in our standard contracts for direct material suppliers. The principles clearly state that "Suppliers shall ensure that all employees work of their own free will. Suppliers must not use



any bonded or forced labor, slavery or human trafficking. Employees should be free to leave employment after reasonable notice."

#### Due diligence processes

- To manage potential and actual risks in the supply chain, direct suppliers are approved as a part of the Vendor Approval Management process, prior to signing a contract. As part of this process, potential suppliers must answer a Vendor Approval Questionnaire (VAQ). The VAQ includes questions on certifications, standards, and general practice on environmental and social issues. Based on the VAQ response and the risk level of the supplier, a risk assessment is conducted to further add insights into the supplier's performance.
- Chr. Hansen actively monitors and collaborates with its direct suppliers to ensure they understand and are able to follow our requirements. Based on a number of criteria, all direct suppliers are risk classified.

#### Access to remedy

 Chr. Hansen's Whistleblower hotline enables all stakeholders, including temporary, permanent and contract employees, suppliers and business partners to report any illegal or unethical misconduct of serious or sensitive concern, including human rights violations. The Whistleblower Hotline is available on the front page of www.chr-hansen.com.

#### Internal capacity and accountability

- Chr. Hansen documents and shares its performance at SEDEX (the Supplier Ethical Data Exchange). Third-party 4-pillars SEDEX Members Ethical Trade Audits (SMETA) are conducted at our sites at regular intervals by a third-party auditor.
- To ensure our sourcing managers have the competencies to assess actual or potential adverse impacts on workers in our supply chain, training in social and environmental supply chain risks and best practices is carried out.



# Assessment of effectiveness (KPIs)

 To assess the effectiveness of the efforts, Chr. Hansen closely monitors that all high-risk suppliers are assessed from a sustainability perspective. Chr. Hansen is currently in the process of reviewing our social and environmental due diligience of own sites and our supply chain.

Scope

Statement applies to all stakeholders of Chr. Hansen

Approval

January 22, 2024

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