

Introduction to the Royal Greenland's CSR policy

Resuming the Sustainability Strategy 2015-18

Balanced growth for Royal Greenland

Royal Greenland has been working with corporate social responsibility for many years and since 2012 has adopted a structured approach to CSR. We now want to simplify our CSR activities and focus more on sustainable fisheries and employee development.

Royal Greenland – local and global

Royal Greenland is a very important company for the Greenlandic community. It is Greenland's largest employer, and the way in which the company manages its resources and creates working environments for employees and suppliers has large impact on the development of a sustainable future for Greenland.

Royal Greenland operates globally and also has an influence on the societies in which we operate outside of Greenland. We want to assume responsibility for our activities and contribute to the positive development of the societies of which we take part in.

Sustainable development

In 2012, we decided to structure our CSR work and drew inspiration from both the UN Global Compact's ten principles and the ISO 26000 standard, which offers guidance on social responsibility. Royal Greenland's CSR themes outlined in its 2012-2015 strategy reflect this connection and contain relatively many focus areas.

During the period, we have launched a broad range of measures which are now beginning to take effect. We are therefore allowing three of the themes to transfer to daily operations while strengthening our efforts in the two most important areas which remain. In other words, we are seeking to simplify and strengthen our efforts. At the same time, we want to tie the company's CSR work more closely with our business mission, which is based on the principles of People – Planet – Profit. Thus, we expect to achieve a better and simpler structure which can lead to significant results.



"CSR is all about balancing economic, social and environmental sustainability: Planet – People – Profit."

Mikael Thinghuus,
CEO, Royal Greenland

Assumptions and method

- *Building on our experiences and simplifying*

Taking the Planet – People – Profit idea as our starting point, we will develop our business and social commitment.

Planet – People – Profit

Using the three Ps, we will facilitate an understanding of the CSR concept and draw attention to the fact that the link between the three themes is necessary to achieve a sustainable society and a profitable, competitive company. In focusing on this, we want to adhere to the basic principles of our strategy by developing the business with respect for social and environmental aspects. Our focus areas are thus being set out on the basis of the following overriding principles:

Principle 1:

Environmental and social development and initiatives must support economic growth.

Principle 2:

Business growth must support environmental and social development in the local community.

Selection of focus areas Royal Greenland is a vertically integrated company with activities throughout the value chain from fishing to sales. In selecting our sustainability initiatives, we have taken the whole chain as our starting point and listened to our stakeholders.

In spring 2015, we conducted a survey among our customers and end users to find out more about what they require with respect to CSR when choosing suppliers and products.

In the survey, sustainable fishing and working conditions were designated as the most important parameters.

Working conditions and human rights were one of the five focus areas in the first version of our CSR strategy. This has now been implemented with workplace assessments and safety groups, and is therefore very much a part of operations.

It follows that sustainable fishing will remain the area with the highest priority on Royal Greenland's agenda.

Based on our own materiality analysis, the following themes have therefore been chosen as key points for the 2015-2018 strategy:

- **Sustainable fishing**

- **Employee development, training and education**

Focus areas 2015-2018

Fokus	Planet	People	Profit
Areas	Sustainable fishing	Employee development - training and education	Long-term economic stability

CSR policy

As a company owned by the Greenland Self Rule Government, Royal Greenland holds special responsibility for making a contribution to society. CSR is particularly significant in Greenland because we are a crucially important player in Greenland's economy and sustainable development. We therefore take a very serious approach to our CSR work.

We will:

- Contribute to developing Greenland's society and use our presence and activities to make a difference;
- Cooperate with other partners in projects where this is expedient, in order to find new opportunities and tackle the challenges presented;
- Work with CSR systematically and actively on the basis of internationally recognised principles such as the UN Global Compact and guidelines such as ISO26000;
- Achieve results via improvement processes based on the principle of setting objectives, making action plans, implementation and evaluation
- Communicate and report on CSR activities, challenges and results.

Planet – Our future

Main focus

Sustainable fishing

For Royal Greenland, sustainable fishing is of vital significance, since this is our business foundation. Sustainable use of marine resources ensures a long-term, effective investment.

Sustainable fishing infers healthy fish stocks that are fished on the basis of the "Maximum Sustainable Yield" principle, and which are managed with due consideration of the environmental, economic and social aspects.

We will:

- Cooperate with scientific institutes to increase our knowledge about fish and shellfish
- Promote the sustainability of Greenland fish and shellfish
- Maintain MSC certification of prawns and lumpfish
- Achieve MSC certification of the key species Greenland halibut and cod in Greenland
- Utilize the by-products from the primary production of fish and shellfish.

Secondary focus and partially transferred to daily operations

Environment

Effective utilisation of energy and aquatic resources, as well as efficient waste handling, entail greater focus on consumption and can help reduce costs. For the environment this means reduced energy consumption, and reduction of CO2 emissions and local pollution.

We:

- Work to optimise energy and water consumption in production units and fishing vessels;
- Involve employees in the day-to-day environmental activities
- Discharge wastewater and handle waste in an environmentally responsible way
- Take action where there is a local need for improvement, preferably on a joint basis with other stakeholders.

People –together towards the goal

Main focus

Employee development

Royal Greenland has a special responsibility in Greenland in terms of handling fish and shellfish, as well as creating jobs in facilities and factories, and on vessels. Via open communication and active involvement we wish to be a useful contributor to solving social challenges. In particular, we consider improving competence levels to be an important and significant contribution to society.

We will:

- Strengthen personal development through courses and mentor schemes.
- Promote professional competencies through training.
- Develop the company's managers.

Secondary focus and partially transferred to daily operations

Working conditions and human rights

Royal Greenland wishes to be an attractive workplace that puts its employees in the centre, in order to ensure job satisfaction and employees' welfare in all parts of the organisation. We emphasise good working conditions and respectful interaction with each other. Each individual's competence and motivation are significant and are strengthened via training, as well as internal and external education.

We:

- Prioritise measures to safeguard the psychosocial and physical working environment;
- Take responsibility for the training and supplementary education of employees, based on each individual's requirements and motivation;
- Expand diversity on a broad basis within Royal Greenland;
- Inform and strengthen employees' motivation to exercise more, and to improve their dietary, alcohol and smoking habits;
- Communicate internally at Group level in Greenlandic, Danish and English
- Respect ILO conventions and human rights, as described in the UN's Universal Declaration.

Profit –The existence of the company

Secondary focus and partially transferred to daily operations

Good business ethics

A sound business foundation is achieved via fair and competitive trade, where opportunities often arise as a result of cooperation with customers and partners. As a company owned by the Greenland Self Rule Government, it is important that Royal Greenland is a legitimate business, in order to ensure a sound reputation as an attractive, well-reputed workplace and business partner.

We:

- Give priority to our products' food safety by setting requirements of raw materials and hygiene;
- Ensure products' traceability in our own facilities, factories and vessels throughout the food chain;
- Communicate openly on the origins and characteristics of the products;
- Ensure fair trade;
- Risk assess and inspect suppliers in relation to product type, origin and purchasing scope;
- Require that our suppliers fulfil Royal Greenland's Code of Conduct for suppliers
- Reject corruption in all its forms, including extortion and bribery.