

A photograph of two children, a boy and a girl, running through a field of tall grass at sunset. The boy is in the background, wearing a green checkered shirt. The girl is in the foreground, wearing a blue denim dress, and is smiling. The background is a soft-focus landscape with trees and a bright sky.

GOODVALLEY

Since  1994

Home of Quality

Sustainability Report 2019

Goodvalley A/S
Statutory CSR report 2019
(Danish Financial Statements Act,
section 99a and b)



“In 2019 we continued to strengthen our sustainable production platform enabling us to provide the conscious consumers with responsible products.”

Hans Henrik Pedersen
CEO

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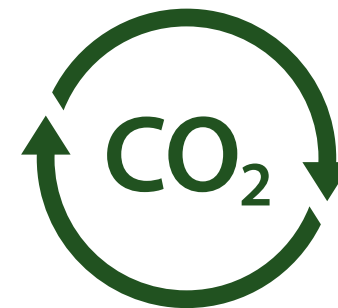
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CSR strategy

Based on our ambition and the impact of our business, Goodvalley introduces a new CSR strategy

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Carbon neutral company

Goodvalley's production from field to fork is certified as carbon neutral

 Page 14



Climate friendly packaging

During 2019 Goodvalley developed a new climate friendly packaging which is ready to be introduced to retail in the first half of 2020

 Page 18

EXECUTIVE MESSAGE

Goodvalley presents a new 2019 Sustainability Report

In a time where climate is at the very top of the global agenda and the agricultural sector is looking for ways to reduce their impact on the environment, we are very proud to present our Goodvalley 2019 Sustainability Report as a certified carbon neutral company.

At Goodvalley we have been producing our climate friendly meat products since long before the current debate about the impact of human activity on the global climate took off, using our unique business model with field to fork production combined with biogas. In 2019 we have seen great interest from consumers, peers, NGOs, scientists, media and the general public in learning more about our way of producing meat sustainably and we have shared our ISO 14064 certified report on Goodvalley's corporate carbon footprint and emission reductions with many interested stakeholders during the year.

To better accommodate this interest, from 2019 and onwards we will further integrate the ISO certified carbon neutral report with our CSR reporting. We have also renamed the CSR report the Goodvalley Sustainability Report to further emphasize what we are all about – providing consumers

with a sustainable choice when they shop for their favorite meat products.

However, this report is about much more than climate friendly meat as our sustainability agenda also focuses on Nature, our use of resources, food safety, animal welfare, employee rights, work safety and development as well as anti-corruption and supporting local communities. Altogether, our initiatives in these areas support our ambition of working for a better tomorrow

Happy reading!

“Sustainable production is the core of our business model – and the future of our industry”

Hans Henrik Pedersen
CEO





GEOGRAPHY & SEGMENTS

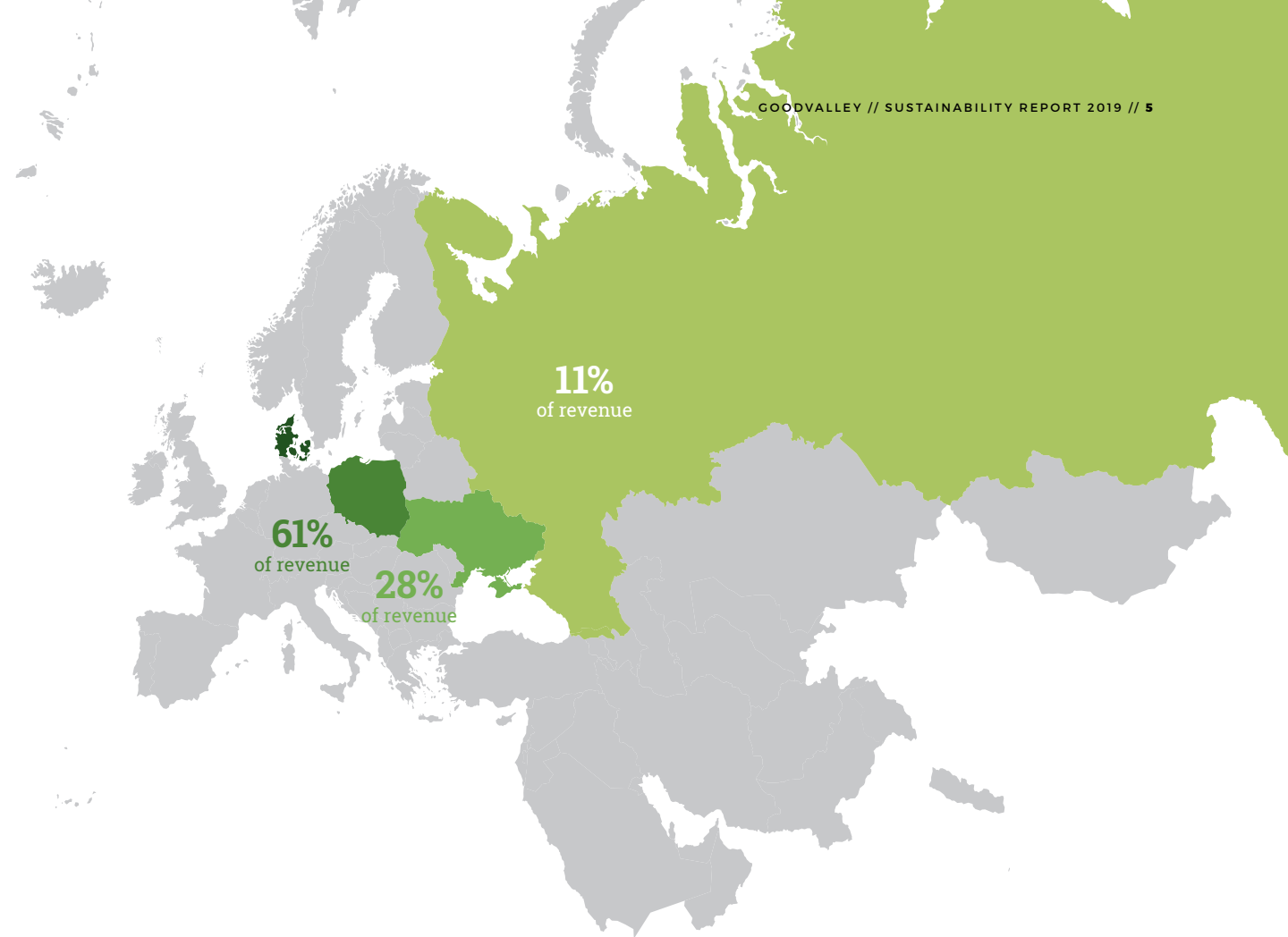
Goodvalley at a glance

Goodvalley is a vertically integrated pork producer and food brand founded on sustainable farming principles.

Our operations are located in Poland, Ukraine and Russia and consist of arable production, feed mills, pig farming, slaughtering, meat processing and marketing as well as green energy production in our biogas plants. We use the most advanced technology and farming methods at our facilities and apply Danish pig farming principles of sustainability and efficiency in countries with strong market drivers and prospects for growth and development.

We sell live pigs to external slaughterhouses and produce pork products at our own meat processing plant, which supplies retail chains across Poland where we are building a strong food brand based on a range of climate-friendly premium products made from pigs raised without antibiotics and fed with non-GMO feed.

Goodvalley produces sustainable meat for a better tomorrow.



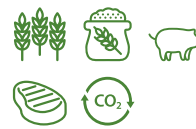
Denmark Headquarters

Copenhagen



Poland #2 pig producer

Fully integrated



Ukraine #2 pig producer

Partly integrated



Russia Solid platform

Partly integrated





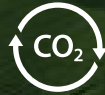
BUSINESS MODEL

Sustainability from field to fork

WE HARVEST
OUR OWN FIELDS



WE PRODUCE OUR
OWN ENERGY



WE RAISE OUR
OWN PIGS



WE GROW OUR
OWN CROPS



WE PREPARE OUR
OWN QUALITY MEAT

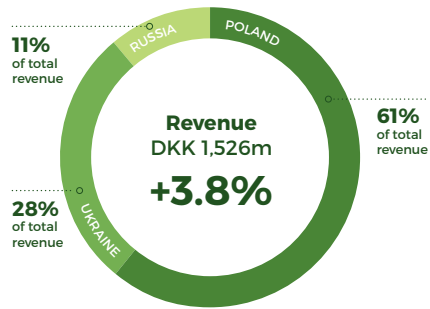


WE PROCESS
OUR OWN FEED

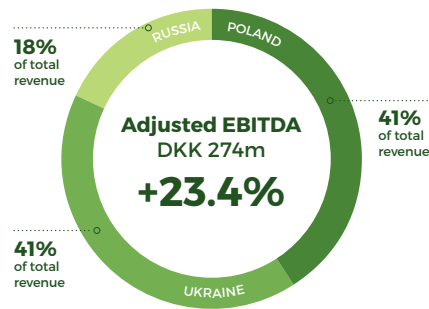
GOODVALLEY

Facts and figures

Total results 2019



Revenue grew by 4% due to higher live pig prices and volume growth.



Adjusted EBITDA increased driven by live pig sales despite low profitability from pork sales and weak arable yields.



31% women

In 2019 Goodvalley had 708 female employees corresponding to 31% of the total workforce.



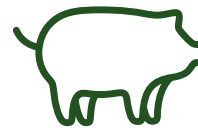
30% women in management

In 2019 the share of women in management positions increased from 25% to 30% compared to 2018.



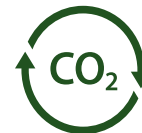
2,269 employees

The constant education and development of our employees is the foundation of Goodvalley's continued success.



41,000 sows

In 2019 Goodvalley's production was based on a herd of 41,000 sows on average in Poland, Ukraine and Russia combined.



Carbon neutral company

Goodvalley was certified as a carbon neutral company again in 2019 based on our vertically integrated business model.



38,300 hectares

Goodvalley's arable land bank increased by 700 hectares in 2019 to a total of 38,300 hectares of land.



9 biogas plants

Goodvalley operates 9 biogas plants which play a key role in our sustainable business model.



SDGs

Sustainability is an integral part of Goodvalley's business model and we continue to improve our sustainable and responsible production principles with reference to the SDGs.



GOODVALLEY

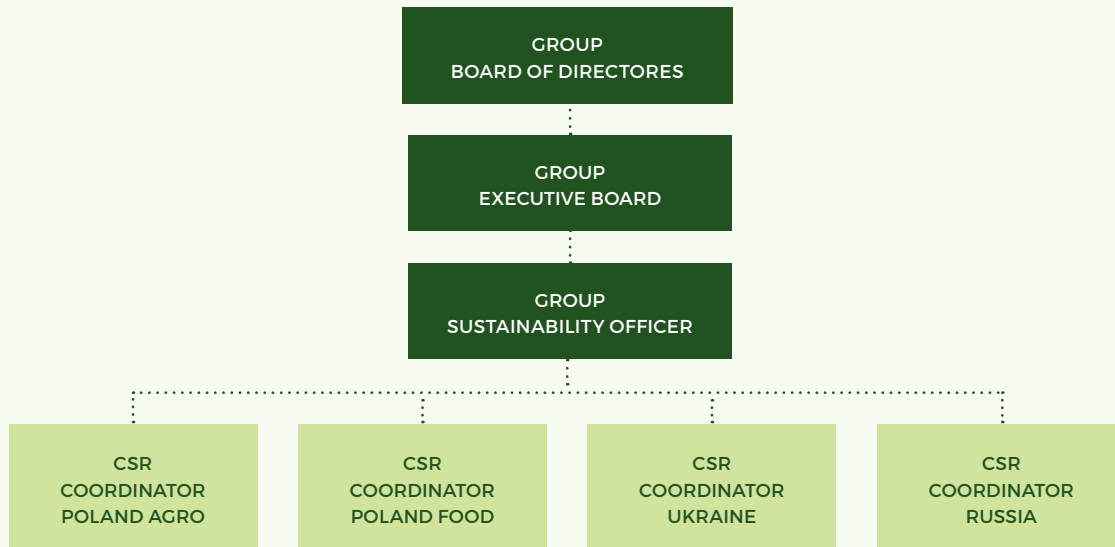
CSR governance structure

Goodvalley's CSR Policy is adopted by the Board of Directors. The Board sets out the overall direction and monitors the CSR work and progress in the Group on the quarterly meetings of the Audit Committee.

Together with the Group Sustainability Officer and the local CSR Coordinators the Executive Board defines the CSR goals and targets for the year. Progress on the goals and targets is secured by the

local CSR Coordinators together with a cross-group Green Team consisting of specialists within the four pillars of the CSR strategy: **Climate, Food, Work and Fair Play.**

Governance structure



GOODVALLEY

CSR strategy

Based on a materiality analysis, including interviewing a number of key Goodvalley employees and external stakeholders the Goodvalley CSR strategy was revised in 2019 in a structured process with the participation of the Group Executive Board, the Group Sustainability Officer and local CSR coordinators from the countries in the Goodvalley Group as well as an external consultant.

The aim of the proces was to create a new and improved CSR report by integrating the Group's reporting on carbon neutrality and the UN Sustainable Development Goals (SDGs) into the report.

“As vertically integrated food producers we are among the first in line to be affected by climate change which is why working with minimising our carbon-footprint and limiting our use of natural resources makes perfect sense.”





Jens Peter Aabyen
VP, Group Sustainability Officer



GOODVALLEY

Value chain and risks

As vertically integrated food producers we are well aware that our activities throughout the value chain have an impact on our surroundings. Identifying, assessing and mitigating the CSR risks is part of the overall Goodvalley Risk Management Framework and as such they are handled by the Executive Board of Goodvalley and monitored by the Audit Committee.

Value chain	Risks			
	 CLIMATE	 FOOD	 WORK	 FAIR PLAY
Arable production	<ul style="list-style-type: none"> Fuel consumption Chemicals Pressure on biodiversity CO₂ emission Non-organic waste 	<ul style="list-style-type: none"> Pesticides Chemicals 	<ul style="list-style-type: none"> Health and safety Diversity Human rights Salary 	<ul style="list-style-type: none"> Bribes Fraud Supplier conduct
Pig production	<ul style="list-style-type: none"> CO₂ emission Air pollution Non-organic waste Protein sources 	<ul style="list-style-type: none"> Animal welfare Food safety Food waste Biosecurity Antibiotics 	<ul style="list-style-type: none"> Health and safety Diversity Human rights Salary 	<ul style="list-style-type: none"> Bribes Fraud Supplier conduct
Biogas	<ul style="list-style-type: none"> Fuel consumption Gas consumption CO₂ leakage 		<ul style="list-style-type: none"> Health and safety Diversity Human rights Salary 	
Slaughtering	<ul style="list-style-type: none"> Water consumption Electricity consumption Fuel consumption Food waste Waste water 	<ul style="list-style-type: none"> Water consumption Animal welfare Electricity consumption Transportation Food waste Waste water Labour safety 	<ul style="list-style-type: none"> Health and safety Diversity Human rights Salary 	<ul style="list-style-type: none"> Bribes Fraud Supplier conduct

GOODVALLEY

Stakeholders

In Goodvalley we acknowledge that we depend on our stakeholders and through continuous improvements of our sustainable practises we work to create value for all our stakeholders, entering into dialogue and partnerships to further develop our responsible business operations.



Customers

We will develop and offer sustainable and natural climate friendly pork products and live pigs to retail chains, consumers and slaughterhouses to contribute positively to the idea of climate friendly production and drive an increase in consumer demand for sustainable meat products.

Employees

We continue to promote sustainability, healthy lifestyle and climate friendliness as a way of thinking among our employees, offering joint transportation to the workplace, ensuring proper waste segregation at our sites, reusing office supplies and enforcing a responsible travel policy.

Investors

We promote our sustainable and vertically integrated business model to investors, which diversifies Goodvalley from bulk producers of pork meat, and highlight our carbon neutrality and sustainable production methods as competitive advantages and testament to the future-proof nature of our business.

Suppliers and partners

We respectfully demand that our suppliers adhere to criteria defined to ensure sustainable and responsible production and resource consumption. In 2019, we introduced a well received Group-wide supplier code of conduct to replace existing agreements and ensure alignment across our business units.

Communities

We continue to develop our engagement in the local communities, providing training and materials for waste segregation and promoting a healthy lifestyle as well as supporting projects and initiatives concerning recycling, climate-friendly transportation and minimising food waste.

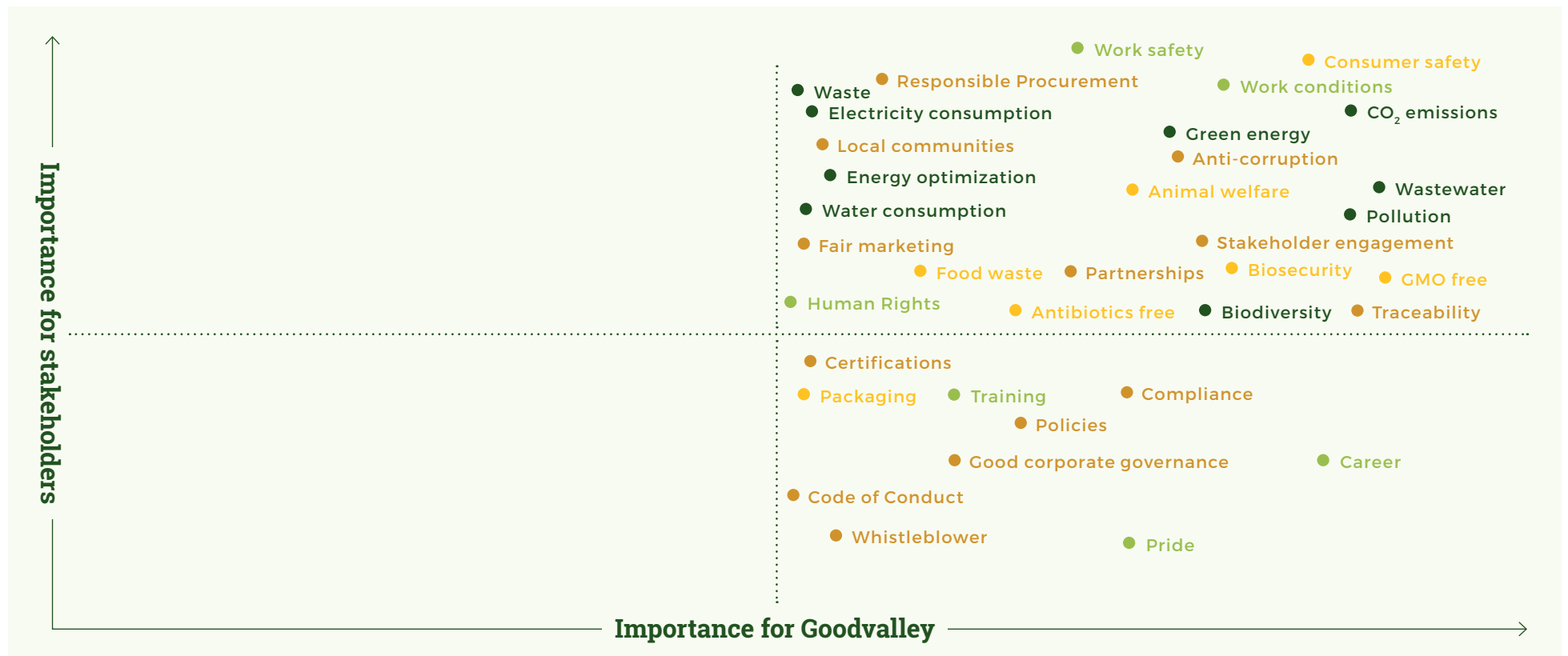
Authorities

The use of agricultural land is a highly regulated and sensitive subject in all the geographies where Goodvalley works. As large land owners and operators we have an ongoing, dialogue and cooperation with local and regional authorities building on long term trust and transparency.

GOODVALLEY

Materiality analysis

During the 2019 review of our CSR strategy, we performed a materiality analysis among our internal and external stakeholders with the aim to identify, assess and prioritise Goodvalley's most important CSR issues. The results of the analysis provided both the basis for a new CSR strategy and a platform to update the strategy regularly going forward. It is the intention to review the analysis every year to make sure that we are constantly improving and developing on all parametres.



GOODVALLEY

Working with the Sustainable Development Goals

Goodvalley is an international producer of pork products, contributing to meet the demand for food by an increasing global population. We acknowledge that animal production has an impact on both the local environment and global climate, which is why we are constantly developing and improving our sustainable production methods.



The Sustainable Development Goals (SDGs) serve as a compass for us to navigate in the right direction as we strive to contribute to as many of the goals as we can.

Goals 2,12,13 and 17 are the four primary SDGs where we see that we can make a difference. However, there are several other areas within the 17 SDGs that cross paths with our business. We have chosen to show this by adding these specific SDGs to the individual sections in this report.

*Read about the specific targets here:

<https://www.un.org/sustainabledevelopment/sustainable-development-goals/>

Goal 2. Zero hunger

– with special emphasis on targets: 2.4 + 2.A*

Goodvalley's business model is a closed and carbon neutral production chain where the optimum use and reuse of resources is an important part of our field-to-fork concept. We develop and promote sustainable agriculture and food production methods in the countries where we are present and we hope to set an example for our peers and stakeholders in other geographies where our business model and production set-up could be adapted.

Goal 13. Climate action

– with special emphasis on targets: 13.2*

In Goodvalley we produce our products with a carbon neutral footprint and biogas plants are an integral part of the business model, also in countries where the production of green energy is not financially supported by the state. We see it as both a business opportunity as well as a societal goal to promote and work for the development of more green energy solutions in favour of the climate.

Goal 12. Responsible consumption and production

– with special emphasis on targets: 12.3,4,5 & 6*

The agricultural sector has a responsibility to develop and improve its production methods. Goodvalley's sustainable production model is an example of how resources can be recycled in the production chain thereby reducing waste and even gaining higher yields in the process. Being large-scale farmers in the local markets where we are present, we promote this sustainable approach to agriculture by example and we educate the public about usage and reuse of waste products in a productive and sustainable manner.

Goal 17. Partnership for the goals

– with special emphasis on targets: 17.16 + 17.17*

To meet the targets within the SDGs we realize that sustainable and meaningful partnerships are important. That is why we seek to engage in and promote partnerships that can help drive both local, regional and national sustainable development of agriculture and food production where we work.

CLIMATE

Carbon neutral



While the world is looking for ways to reduce the environmental impact from animal production, even replacing meat with plant-based alternatives, Goodvalley continues to develop our way of producing quality meat with respect for the climate.

Our pigs consume grain which is seeded, treated and harvested on our fields using diesel fuelled arable machinery. We add protein, minerals etc. to the feed which are produced by third parties often using fossil fuels in their production. Together with the powerful greenhouse gas, methane and other gasses in the pig manure, this all contributes to the carbon footprint of our company. We are well aware that our industry has an inherent climate and environmental risk as shown in the overview on page 10 and the handling of these risks is defined in our Environmental Policy and are part of Goodvalley's overall risk management framework.

In terms of climate risk, the most important mitigation action is the use of the pig manure mixed with biomass from our

fields and waste from our slaughterhouse in our nine biogas plants, whereby we turn the methane into green energy - enough to more than offset carbon emissions. Furthermore, our carbon footprint per kilo meat produced is relatively low to begin with due to our field-to-fork business model where the majority of the raw materials are produced and processed internally on our own fields and feed factories in close proximity to where the pigs are raised, slaughtered and processed.

Framework

The CO₂ equivalent emissions are calculated and presented according to ISO 14064-3, which regulates the principles and specifications for the quantification, reporting and verification of greenhouse gas emissions on an organisational level. We have applied this standard and format since 2013 while Goodvalley opened its first biogas plant in 2005. Since 2007 Goodvalley's emission reductions are calculated and monitored according to UN (UNFCCC) climate projects (JI, Joint Implementation of CDM, Clean Development Mechanism).

Reporting, monitoring and the use of methodologies for calculation of contributions and reductions are verified annually by an independent, accredited auditor, TÜV Rheinland, performing on-site audit and issuing a certificate on the net emissions.

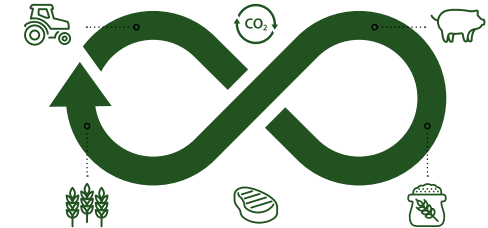
➔ Go to certificate - page 51

Goodvalley owns and controls the entire value chain from the field to the end product which is packed and ready to leave the meat processing plant, enabling us to document and monitor the consumptions, emissions and reductions which altogether add up to Goodvalley's carbon neutrality.

Emissions

Goodvalley's production is split into four sectors; Arable Production, Pig Production, Slaughterhouse and Biogas. For each sector, boundaries are set defining from which contributors and how far up or down the value chain emissions are measured and included in calculations. Operational boundaries and contributors are settled in scopes 1, 2 and 3, according to

Short distance from field to fork – the unique business model of Goodvalley



Short geographical distance from field to fork gives a low carbon emission per kilo produced meat



Waste products are used in Goodvalley's biogas plants reducing the carbon footprint even further

199,100 t CO₂-e emission ÷ 249,300 t CO₂-e reduction

= Carbon neutral

CLIMATE - CARBON NEUTRAL

the Corporate Accounting and Reporting Standard, part of the GHG Protocol which is the world's most widely used greenhouse gas accounting standard.

Scope 1 defines direct emissions from own and/or controlled sources, whereas Scope 2 is indirect emissions from the production of externally purchased energy and Scope 3 is other indirect emissions from Goodvalley's value chain. The definition of the boundaries for Scope 3 emissions are voluntarily set by Goodvalley and described in the reporting. To learn more about the scopes and boundaries

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Emissions are calculated for each contributor based on registered consumption and standard emission factors from equivalent products or services.

Arable

From the arable sector emissions are included from both purchased and own raw materials for the feed production and biomass for the biogas plants. Own production also includes emissions from commercial fertilizers and raw as well as de-gassed manure.

Pig production

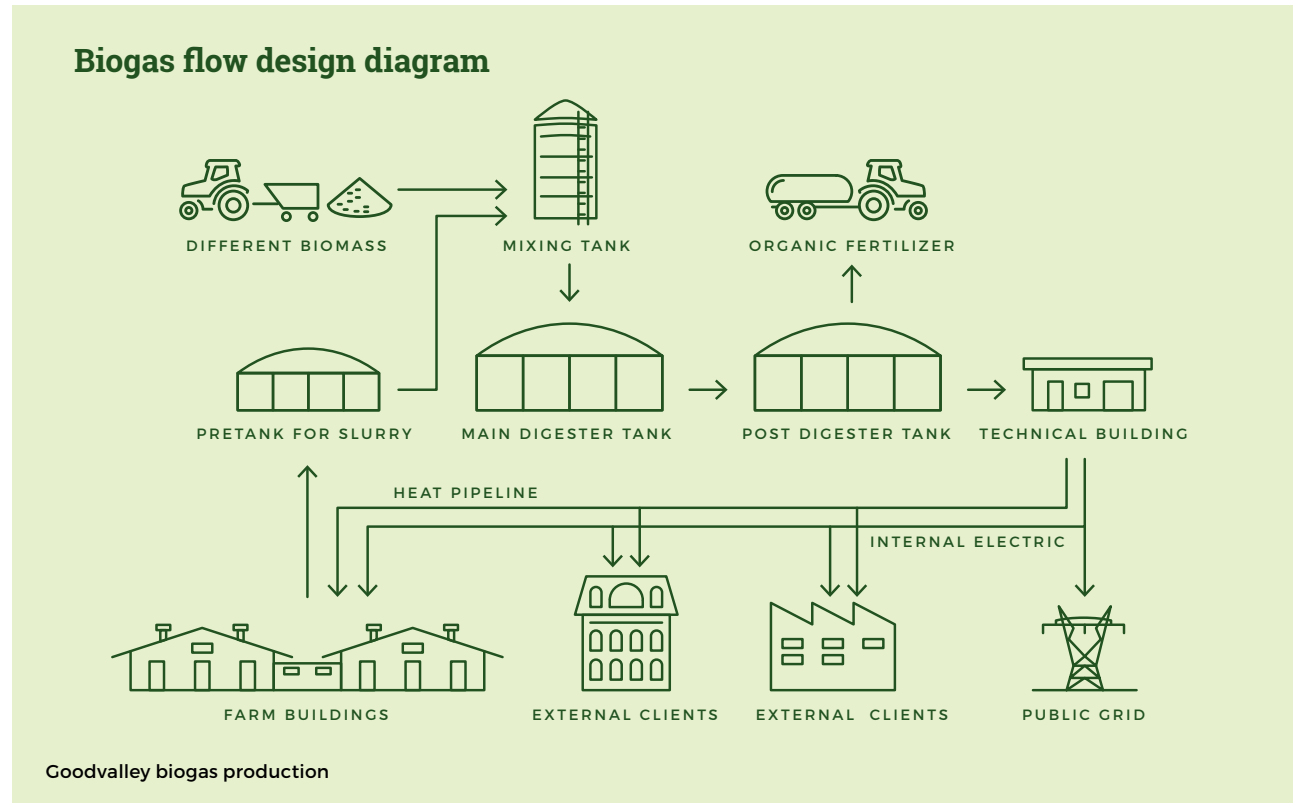
From the pig production sector emissions are included from raising the pigs, from the farms and from transportation between the farms and to the slaughterhouse.

Slaughterhouse

From the slaughterhouse sector emissions constitute consumption of energy and external purchase of inputs for the meat production until the point where the meat products leave the slaughterhouse.

Biogas

From the biogas sector emissions are included from external purchase of inputs and energy consumption until the



point where the de-gassed manure is leaving the biogasplant to be applied to Goodvalley's fields.

Reductions

The biogas which is produced in the biogas plants is utilized for heat and power generation, destroying the methane (greenhouse gas) and producing green (carbon neutral) power and heat. The green electricity replaces Goodvalley's consumption of locally produced electricity derived from fossil fuels with a high carbon emission per kWh electricity and the rest of the green electricity is sold to the local grid. The green heat is used to replace locally produced heating for private homes in the villages around Goodvalley as well as for heating the biogas tanks. There are no rules

specifying which methodology or certificate to use when preparing voluntary CO2 accounting. Goodvalley uses internal accounting based on ISO 14064-1. Calculations show reductions compared to the baseline, meaning how emissions would be if biogas plants did not make a controlled collection and destruction of methane and at the same time utilized the biogas for combined power and heat generation.

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Each year, Goodvalley receives a statement from the power company which is buying the green electricity from Goodvalley that this energy is not resold as green and not utilized by others as energy replacements, thereby avoiding double counting.



CLIMATE - CARBON NEUTRAL

Case: Making protein from methane



In 2019 we launched a pilot project testing the possibility of making protein for our pigs based on the methane produced in the biogas plants.

We have joined forces with the Danish company Unibio who have invented a new technology to derive high quality protein from methane gas, in a pilot project that took off in 2019. The idea is to grow bacteria which feed on the methane gas. When dried the bacteria are becoming a valuable protein source with a very good amino acid composition, well suited for the digestive track of our pigs.

Together with Unibio, Goodvalley is participating in a UNDP (United Nations Development) project called the SDG accelerator, aiming to bring this technology in operation on local, medium sized biogas plants, thereby contributing to a local production of valuable protein and at the same time saving the climate from the evaporation of huge quantities of methane and CO₂. The project is well underway and we

expect to start testing on the first Goodvalley biogas plants in the near future.

The project is the latest step in our effort to increase our own supply of proteins for animal feed. Currently we are testing several high protein crops, e.g. lupines, horse beans and peas and at the same time increasing our production of both sunflower, rape seed and soybeans on areas where climate and soil can justify growing these protein rich crops. As an example, we have doubled the area with soybeans from 750 to 1500 hectares in Ukraine for 2020 compared to 2019. In doing so, we aim to replace imported soya which has a significant carbon footprint.



200%

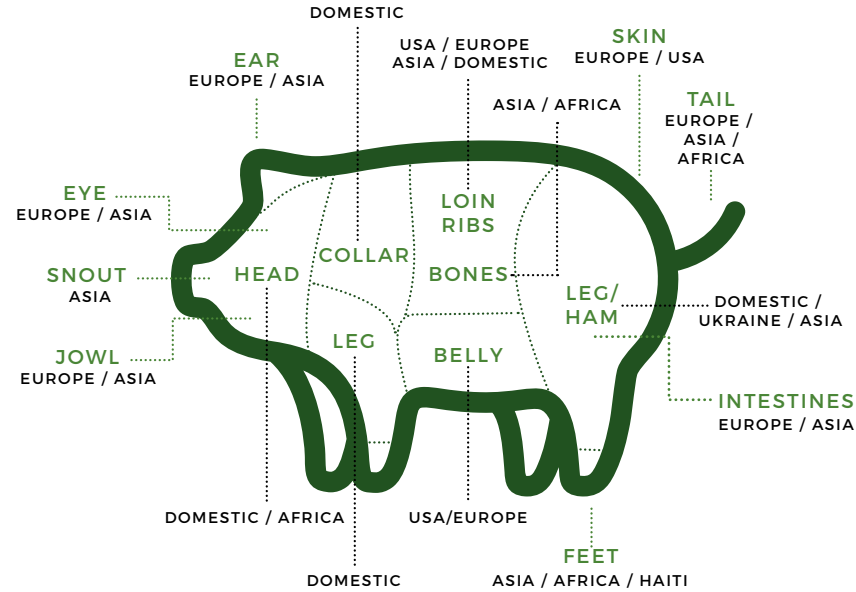
More soybeans from 750 to 1500 ha. in Ukraine for 2020, compared to 2019.



Together with Unibio, Goodvalley is participating in the UNDP project named The SDG accelerator.

CLIMATE

Resources



We want to limit the use of resources as this makes sense both from a climate protection and economical perspective.

Recycling

We are constantly developing and optimizing our use of resources and we strive to recycle as much as possible of our waste material. Being an agricultural producer, Goodvalley uses significant amounts of water primarily for cleaning barns and vehicles and mixing with the manure that we apply to our fields. We are aware that water is a scarce resource and we monitor the consumption of water closely.

Goodvalley is recycling waste such as glass, metal and plastic to the largest extent possible given local infrastructure and legislation and even where the possibilities of recycling are limited we interact with the local political level to introduce e.g. waste segregation systems etc.

Pig manure

We use the organic waste from our fields and the manure from the pigs for biogas production and we use the de-gassed manure as valuable organic fertilizer on our fields.

Food waste

We reduce food waste by utilizing almost every part of the pig.

Feed Conversion Ratio

The feed conversion ratio (FCR) is a classic pig production KPI indicating the amount of feed used to produce 1 kilo of meat live weight. While this parameter says something about a variety of things including the effectiveness of the pig producer, the genetics of the pig and the feed recipe, it also touches upon the highly debated topic of whether plants should be used for producing meat or rather go directly to human consumption. We are perfectly aware that there might be good reason to cut down on meat production and consumption in some parts of the world. However, bearing in mind that meat consumption is on the rise in many

other places in the world, it makes sense to present consumers with the option to buy meat with reduced climate impact also from a resource point of view. Using the least possible feed to produce one kilo of meat is an important part of this effort.

Measuring points

In 2019, we measure our use of resources as water consumption in m3 per ton meat produced carcass weight (CWT), waste generation per ton produced meat CWT and feed conversion ratio.

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2.73

Goodvalley Feed Conversion Ratio, (FCR) whole herd 2019

CLIMATE - RESOURCES

Case: Launch of 100% recyclable packaging



In December 2019 Goodvalley launched the first products packed in recyclable material.

During the past year we have worked to match our packaging with our environmentally friendly production method by testing several solutions that would enable us to deliver our products to consumers with the same high quality look and feel as today, food safety standards and shelf life but with less negative impact on the environment.

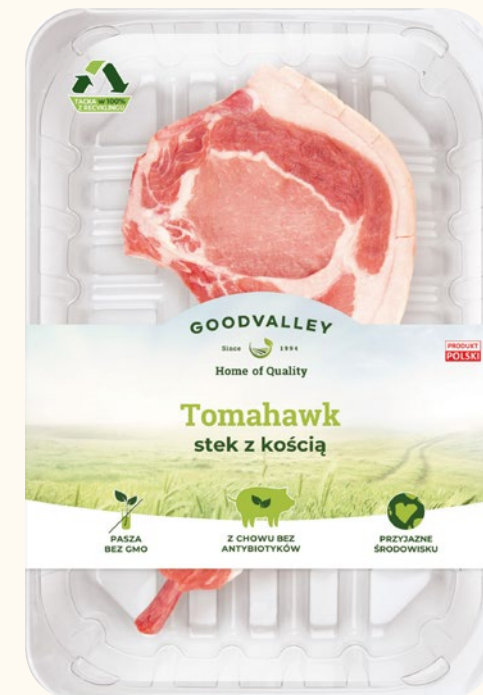
While most producers are struggling with the transition from plastic to alternative materials, some industries are more challenged than others. Being a producer of meat there are several advantages of using plastic packaging in terms of food safety and shelf life. However, the key is not neces-

sarily to eliminate the usage all together but rather to use a sustainable kind of plastic. That is why we are changing the packaging on all Goodvalley products in the first half of 2020 to "mono PET" plastic which is made from 100% recyclable materials and is equally 100% recyclable.



"We know that our target consumers care about the environment and the entire lifecycle of the product they are buying. That's why we are very proud of taking the next step, proving that we are not only climate friendly in our production of meat but also in the way we pack our products."

Pawel Nowak,
Managing Director, Goodvalley Poland



CLIMATE

Nature



We recognise that our business has an impact on Nature and biodiversity. We are committed to reducing this impact to an absolute minimum by taking care of the climate and natural environment, while sustaining growth and profitability.

The Goodvalley Environmental Policy is vested in the CSR Policy. We execute the policy through the environmental departments and officers in our countries of operation, who are responsible for environmental issues on behalf of the local management. We are regularly measuring our impact on ground and surface water quality as well as measuring emissions of gasses, dust and noise. Monitoring results are subsequently checked by environmental authorities.



Conventional producers

Being conventional (i.e. non-organic) producers, we believe that Nature and biodiversity is best served when agricultural producers are applying the best available practices, including fertilizers, chemicals and precision farming in general, on a limited number of high-yield agricultural land as opposed to extensively cropping a much larger amount of land to obtain the same yields.

A few examples

Our sprayers are GPS controlled ensuring that chemicals are automatically mixed with the right amount of water and applied in the right doses at the right place and never double. We only use chemicals on our fields that are approved locally, in the EU and according to GLOBAL G.A.P. (Good Agricultural Practice) standards. Each field is sprayed according to a software program which considers the properties of the

soil and the crop growing on it. The use of water in the mix is limited to a minimum of 30-50 liter per hectare as opposed to the normal 140-200 liters per hectare, by applying a vaporizing technology that mixes water and air.

Goodvalley uses the degassed manure from the pigs extensively as organic fertilizer. The manure is usually applied with hoses in growing crops or injected on black soil before seeding. The manure is pumped directly from the covered lagoons next to the farm onto the field through the hose thereby saving fuel for the heavy machinery which would have been used otherwise.

Measuring points

For 2019 we measure our impact on Nature as wastewater generation in m3 per ton meat produced CWT.

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CLIMATE - NATURE

Case: Protecting the bees



In March 2019 Goodvalley signed a memorandum of cooperation with the beekeepers of the Carpathian area in Ukraine.

The signing was a further step in our effort to work closely together with local organisations and at the same time take care of the natural environment in our areas of production.

The memorandum defines the communication channels and cooperation between Goodvalley and the beekeepers committing both parties to work closely together to protect and increase biodiversity in the areas where Goodvalley works. The memorandum obliges Goodvalley to take the needs of the beekeepers into consideration when planning the field work. We met with the

beekeepers on numerous occasions during 2019 getting to know and understand each other's businesses. Apart from visits to the beehives, to Goodvalley production facilities and fields, we also supported the project financially.

At year end the beekeepers supplied honey which was used as presents for Goodvalley employees and stakeholders.



Case: Datadriven fieldwork



In the end of 2019 we launched a cross country workgroup that will focus on developing our data driven fieldwork. The first tasks of the group will be to create a common system in Goodvalley for collecting arable data and put this into use by applying more intelligent, data driven solutions in our arable departments.

Precision farming is the future of sustainable agriculture and currently we are using all of our collected data to understand our fields better and to map the individual needs of the specific soils. We always strive to cultivate our land for a maximum yield but with minimum impact on nature. The combination of science represented by our constantly updated data together with advanced engineering allows us to treat our fields in a more sophisticated manner. By using satellites, drones and soil analysis, we map the fields in each country, making sure the right amount of different inputs is applied in the exact wanted spot.



“With the implementation of the newest technology on a common platform it will be possible to farm in ways that were considered impossible less than a decade ago. We have only just scratched the surface of the possibilities here, but with a common and cross-country platform we will learn very quickly to utilize these systems to their full potential”

Morten Albertsen,
Project leader of Goodvalley Data Driven Agriculture group (DDA)

FOOD

Consumer safety



According to “EU Agricultural Outlook 2019-2030” published by the European Commission 35% of EU citizens are concerned about antibiotics, pesticides, environmental pollutants and food additives.

In other words food safety is high on the agenda among consumers. This plays well with Goodvalley’s branded products being RWA (raised without antibiotics), non-GMO and free from additives. The branded products which are produced at Goodvalley’s meat processing plant in Poland and sold on the Polish market have seen good traction in 2019 since we started marketing these products in 2018.

Producing safe products of high quality for our customers is essential to us and becoming still more important as we position ourselves as a premium food brand on the Polish market with an increasing number of value added products on the shelves.

LEAN

The Goodvalley meat processing plant works with food quality and safety within the framework of our own Visual Management System, which is based on LEAN principles. According to this system, key safety and quality parameters are monitored and visualized on whiteboards daily, and incidents as well as potential incidents are discussed on morning meetings. Tasks are assigned to relevant persons; deadlines are set, and follow-up is performed at the next meeting or when agreed.

Traceability

Goodvalley meat products are fully traceable back to the farm and barn where they were produced enabling us to react adequately and fast on actual and potential food safety incidents. We are currently working on a way to share this information

with the consumers with QR-codes on our packaging.

Certifications

The slaughterhouse undergoes annual food safety audits performed by GLOBAL G.A.P. as well as audits of our ISO 22000 (food safety) certification. Goodvalley is a member of GLOBAL G.A.P. which is the most widely accepted private sector food safety certificate in the world. Being GLOBAL G.A.P. certified entails annual independent third-party audits of our production facilities, animal welfare and food safety and gives us access to GLOBAL G.A.P. capacity, building tools, education resources and network. On top of this we have the regular audits from the large retail chains selling our products.

Measuring points

As in previous years we measure consumer safety by recording recalls of our products in tons and in % of the total tons sold from the meat processing plant.

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Our slaughterhouse ISO 22000 certified

Our products



We are approved members of



FOOD - CONSUMER SAFETY

Case: Traceability from field to fork

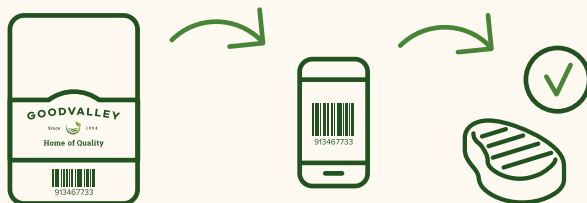


During 2019 we made changes in our pig production set up, enabling us to further develop traceability for the benefit of the consumers of our products.

Our ambition in Goodvalley is to have the absolute best and most transparent food safety systems in place. In 2019 we intensified our traceability work and revised the pig-flow to make sure that we can trace the batches of pigs back to their point of birth and share this information with our customers.

The future work on the project consists of setting up the right reporting system and converting that into user-friendly information for our consumers. The way to get this additional information about the product will be via a QR code on the packaging of the Goodvalley products which can be scanned with a mobile phone.

This initiative is the latest step to enhance food safety and we aim to have a prototype of the customer-oriented traceability system ready during 2020.



Case: New RWA certification in place



As demand for traceability is on the rise among consumers who want to be sure that they can trust the products they buy, Goodvalley aims to be as transparent as possible. Up until recently the validation of RWA pigs having never been treated with antibiotics was a 2-step process with validation when leaving the farm and when entering the meat processing plant. Today more retail chains request a third-party audit of traceability systems.

In 2019 we carried out a project together with GLOBAL G.A.P. developing an RWA certification program for our production. The certification is basically a detailed checklist with data sheets for all RWA pigs. This way we can register the entire life cycle of the pig including tests, relocations, change in diet etc.

Apart from applying the certification to all RWA producing units, we will do a frequent self-audit and GLOBAL G.A.P will perform unannounced audits during the year.





FOOD

Animal welfare



In Goodvalley, we are committed to the wellbeing and humane treatment of all animals in our care. We believe that animal welfare and high-quality products go hand in hand in modern animal production.

The Goodvalley animal welfare rules are codified in the Animal Welfare Policy and Goodvalley standard procedures. The rules are a combination of Danish and EU standards as well as a number of GLOBAL G.A.P. standards. In combination, this framework provides for one of the highest welfare standards in the world. To ensure that these high standards are met, we educate and train all our employees in proper care and handling procedures concerning our animals. All employees involved with the handling of animals must comply with the rules and understand their responsibilities to ensure the welfare of the animals in their care.



Our welfare procedures and operational facilities undergo quarterly audits; internally by the Goodvalley Internal Audit Department, who reports to the Group Executive Management and externally by GLOBAL G.A.P.

Biosecurity

Reacting to the increasing threat posed by African Swine Fever (ASF) spreading rapidly across Europe and Asia in 2019, Goodvalley and other members of the Danish Farmers Abroad association retained one of the leading experts on ASF, Dr. James Lowe of Lowe Consulting to develop a white-paper on ASF as well as a practical guide to designing and implementing biosecurity systems for modern pig production. Based on this documentation, existing local Goodvalley practices and the Goodvalley Biosecurity Policy, we developed and implemented a set of cross-group Goodvalley Standard Procedures for biosecurity covering every aspect of modern pig farming including infrastructure, people and procedures, pig flow, water and feed, transport, cleaning and disinfection.

Measuring points

In 2019 we measure animal welfare by counting liveability, rejections from our slaughterhouse due to animal welfare-related injuries and animal welfare related fines from veterinary authorities.

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ZERO

Animal welfare-related fines in 2019

FOOD - ANIMAL WELFARE

Case: Global GAP for better welfare



Since 2017 Goodvalley has been a certified member of GLOBAL G.A.P., following the highest production standards to guarantee the quality of our products. Last year GLOBAL G.A.P. introduced the Animal Welfare add-on, which is a certification used to control and verify the level of animal welfare in the production. The add-on was implemented in Goodvalley by our GLOBAL G.A.P. coordinators led by Sergiy Pokhyly:

A perfect match

At some point I stopped considering GLOBAL G.A.P. as a standard or control institution. Now I am completely confident, that it's a philosophy.

It's a philosophy of modern farming and a handbook for every farmer or owner of an agricultural business.

It is simply about doing agribusiness the right way with controlled practices and high standards.

Animal welfare is like a clear line which goes through most compliance criteria within GLOBAL G.A.P. So by being a member, you will automatically be living up to the highest standard of animal welfare. However, the add-on is the result of Goodvalley putting even more emphasis on the importance of animal welfare.

The requirements range from pigs housing, stocking density/space allowances, ventilation and air quality, bedding, flooring of the pens, enriched environment as well as health related topics such as tail docking, castration, herd health control, sick pens, policy



Our team of Global Gap coordinators

on euthanasia, ending with the loading and transport all the way to a slaughterhouse or customers.

Improved animal welfare according to GLOBAL G.A.P. Livestock Standards helps enforce the policy of antimicrobial reduction in livestock production and contributes to the prevention and reduction of antimicrobial resistance. Animal welfare is important for a number of reasons: It is an important factor for the health of livestock, which in return contributes to food safety.

Many countries do not address animal welfare in their national laws regulating agriculture. So for us in Goodvalley it is extremely important to harmonize our operational standards in all countries where we operate to have a common understanding and best production practice regarding animal welfare. We see GLOBAL G.A.P. as the perfect match for our high ambitions and standards in this field.

WORK

Work safety



Working in agriculture and meat processing implies an inherent high risk of work accidents compared to other industries, which is why labour safety is key for us. We mitigate the risk of accidents by having clear Operational Health and Safety (OHS) policies in place and by applying LEAN tools and our own LEAN-based Visual Management System work safety framework.

In all countries of production, Goodvalley has an OHS organisation in place consisting of specialists and inspectors who provide advice to the organisation and manage

the OHS system. The OHS departments oversee the education of new and existing employees in the OHS framework and conduct workplace inspections and workplace hazard management together with the HR departments.

Goodvalley is actively using the Visual Management System to keep a strict focus on labour safety KPIs. Accidents and potential accidents defined as situations that could potentially have led to an accident are recorded and analysed at daily whiteboard meetings ensuring that the organisation learns from mistakes and adjusts unsafe practices.

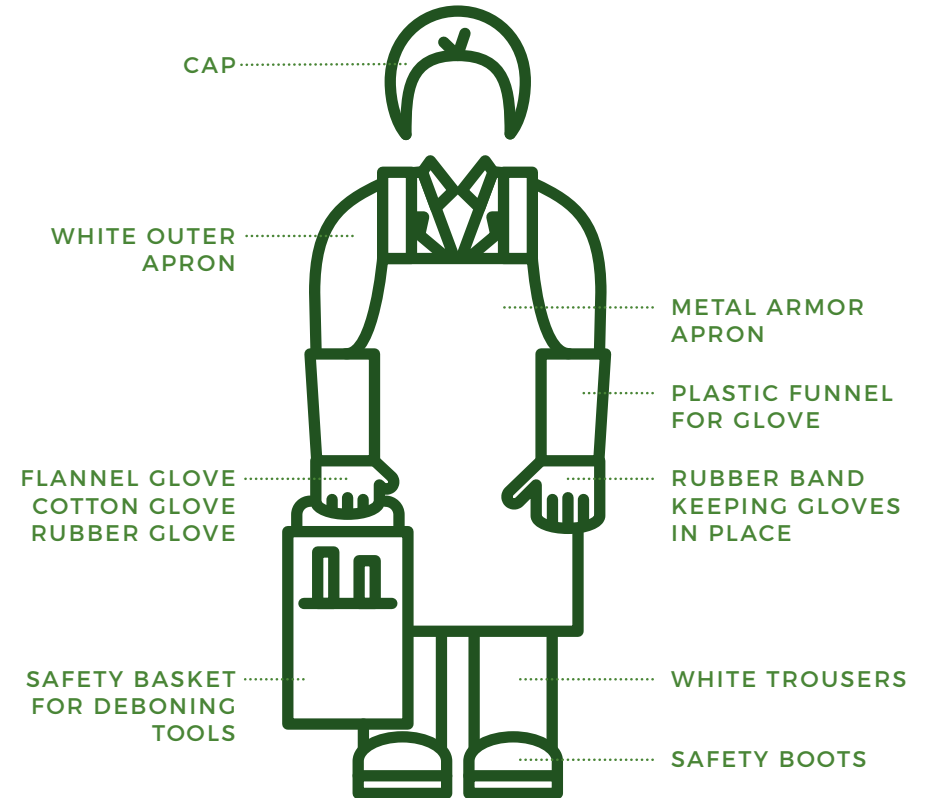
Measuring points

In 2019 we measure work safety in number of accidents and fatal accidents and days away from work due to accidents.

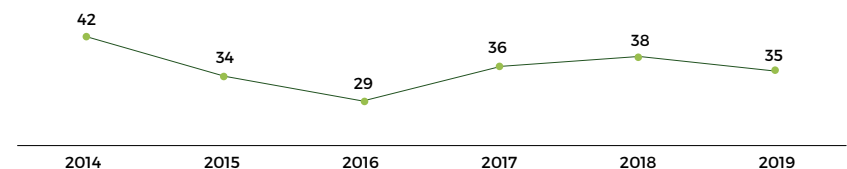
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Safety workware

- employee in deboning and slaughterline

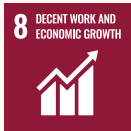


Accidents 2014 to 2019



WORK - SAFETY

Case: Goodvalley common labour safety



In 2019 we formed a labour safety group to improve occupational health in Goodvalley and align standards across countries.

In Goodvalley we believe that labour safety is not just about sticking to the rules but also about making all employees take responsibility for their own safety and the safety of others.

These tasks are some of the main points to be discussed and solved in the new labour safety group which consists of labour safety representatives from all Goodvalley companies. By aligning our efforts in the Group, we wish to ensure the highest standards in all countries regardless of local legislations

and norms to reduce the number of work accidents to a minimum.

The first meeting of the labour safety group took place in August 2019 in Poland. The participants had the opportunity to visit the Polish production sites and exchange experience, discuss legal and cultural challenges related to labour safety and share visions and ideas for the future.

As a first step, the group started to use a common platform where it is possible to share information about work accidents and potential accidents to develop some common labour safety standards. The first action by the group in 2019 was to develop a standard for the quality and use of gloves at the workplace to avoid frequent hand injuries.





WORK

Rights



Being a major employer in agriculture and meat processing we acknowledge the risk of discrimination due to gender, nationality, political and sexual orientation as well as the risk of harrasment, accidents and an unhealthy lifestyle among our employees.

The mitigation of these risks is vested in the Goodvalley Code of Ethics, the OHS system and the HR policy, the Gender Diversity Policy and backed up by our whistleblower platform provided by the Danish company GotEthics.

According to the Goodvalley Gender Diversity Policy we are committed to increasing the proportion of women in the Goodvalley Group and in managing positions in particular. From 2018 to 2019 we saw a solid increase from 25% female managers to 30%. This was done by including women in leadership and talent programmes, mentor programmes and internal marketing using the female role models that we have



among our colleagues as well as offering flexible work hours to women and men alike. Working in both a male-dominated industry and in countries with a quite traditional view on gender roles we are proud of this development.

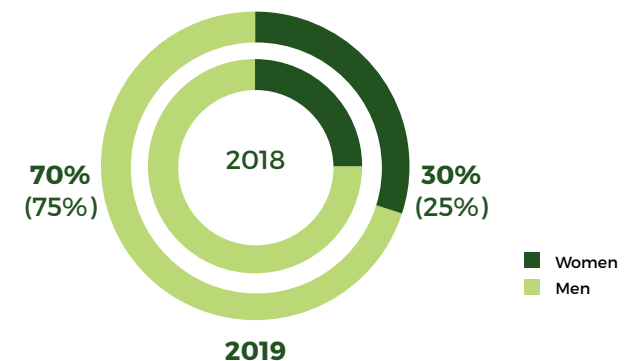
We support and promote a healthy lifestyle among our employees with initiatives as the annual Goodvalley Triathlon, the cycling and running for charity project, both mentioned elsewhere in this report as well as quit smoking campaigns, we bike to work campaigns etc.

The whistleblower platform where bullying and harassment were areas of focus in 2019 gives anyone the possibility to anonymously report actions, conduct and incidents which are not in line with the aforementioned Goodvalley framework of policies.

In 2019, the Goodvalley A/S Board of Directors consisted of one woman and five men. According to the Goodvalley Gender Diversity Policy the target is to have 2 women on the Board of Directors within the next 3 years.

In 2019 we succeeded in recruiting a new, highly qualified member to the Board of Directors, which did, however, not change the gender split. For this reason we are still working towards the target.

From 2018 to 2019 we saw a solid increase from 25% female managers to 30%.



WORK

Employee development



89%

Feel proud to be a Goodvalley employee*



The principles and work with HR, gender and human rights are vested in the Goodvalley HR Policy, the Goodvalley Gender Equality Policy and the Goodvalley Code of Ethics.

We know that the main asset of our company is our employees and we work hard to ensure that Goodvalley is and remains an attractive and safe place to work. We do this by constantly educating, involving and developing our employees to make sure that everyone uses his or her full potential to the benefit of the company and the employee.

Education

The education of our employees is embedded in the Goodvalley HR Policy and is executed within the Goodvalley Academy and ranges from labor safety and quality to management training and LEAN training.

Employee satisfaction survey

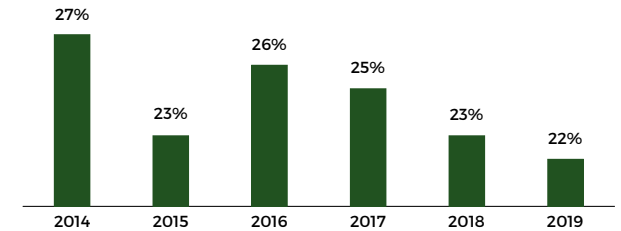
We measure employee satisfaction in an annual survey asking our colleagues 40 questions addressing inter alia if the respondent would recommend Goodvalley as a work place to a friend, if he or she is satisfied with the possibilities of professional development, work atmosphere, salary, tasks, recognition from superiors, pride in work to mention a few.

Measuring points

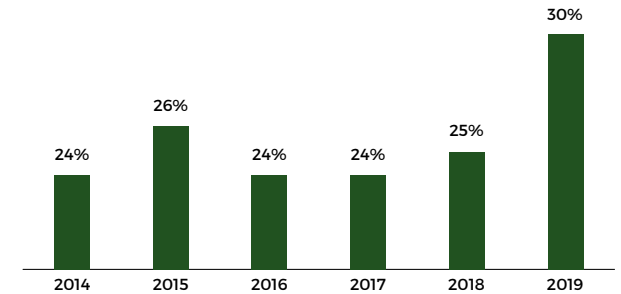
In 2019 we measure employee development as employee turnover, training hours received per employee, diversity (women in management) and employee satisfaction

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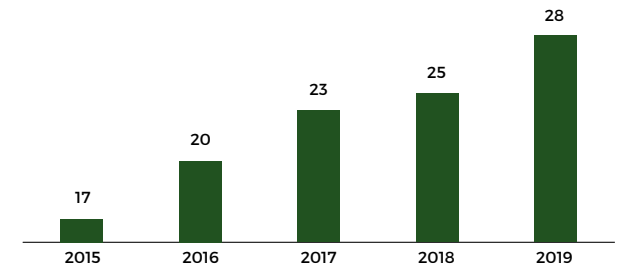
Employee turnover



Women in management



Training in hours per employee



* Extract from the 2019 Goodvalley Employee Satisfaction Survey

WORK - EMPLOYEE DEVELOPMENT

Case: Developing talent



Lilia Iurchyshyn is our newest LEAN specialist as she passed the LEAN practitioner education in June 2019. Lilia started working with us in 2014 as a translator in the construction department and has since then advanced rapidly. We asked Lilia about her time in Goodvalley and how she sees the potential for development:

82%

Feel that they have the opportunity to learn and develop their skills at work*

* Extract from the 2019 Goodvalley Employee Satisfaction Survey

From translator to LEAN Specialist

I started working as a translator in the construction department, quickly realising that there was room for me to try out other paths within Goodvalley. The international aspect of the organisation appealed to me and I saw huge possibilities to educate myself even more. During a couple of years I attended several internal courses, among these the GMC course (Goodvalley Management Course) where you learn everything about the history and values of the company as well as getting an understanding of how you can create an organisation based on a management style that actually motivates and encourages employees.

From then on, I started working as an assistant in the HR department and eventually I was promoted to HR manager. HR and organisational development is a big priority in Goodvalley making sure that people are heard and seen – this is how talents and motivated employees are being spotted and guided

in the right direction. I expressed a wish to work even more with LEAN which has become a valuable tool in the organisation. So, in February 2019 I began on the LEAN practitioner course and in June I passed the final exam with the project “Increasing the sale of 1st category slaughter pigs in Goodvalley pig production”. Since the summer I have been working as a LEAN specialist improving processes across our organisation by applying LEAN tools.

My story in Goodvalley is far from unique. Many of my colleagues can tell similar stories about how they have advanced within the organisation and received both encouragement and support all the way. Here we are equal and always provided equal opportunities.



WORK - EMPLOYEE DEVELOPMENT

Case: Spotting talents



In Ukraine, our company Development Director Luba Bogachevska was announced member of the Executive Board of Goodvalley Ukraine in the spring of 2019. Luba has worked her way up in Goodvalley being employed in 2007 as a translator and assistant to the Executive Board.

Having a degree in philology, international economics and project management from the university, Luba was eager to put her knowledge to work and help develop Goodvalley Ukraine based on her background and education. She later advanced to Administrative Manager, then Head of External Relations and now she has stepped into the top management of the company:

Female future – Luba Bogachevska

“I am proud when I look at how my career has developed within Goodvalley because of the possibilities I have been given. Ukraine is a country in transition and there are huge possibilities for companies if they realise the talents they can raise from within, allowing also women to drive the development of the company. Women in management are not that common in Ukraine and also not in the industry we work in. However, things are developing and improving, and I hope that I can inspire other young women to get an education and show companies how valuable it is to have a balanced gender representation in an organisation.

In Goodvalley, we will without a doubt continue to spot, educate and promote talent based on their competencies– not gender. Doing so is in my opinion the road to success”



78%

Would recommend a job in Goodvalley to someone they know*

* Extract from the 2019 Goodvalley Employee Satisfaction Survey

FAIR PLAY

Community

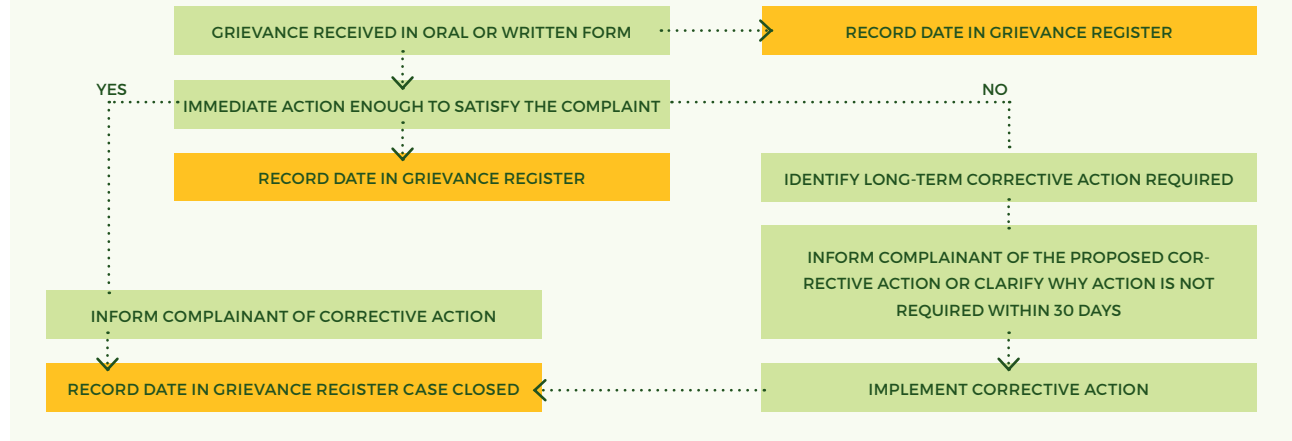


Goodvalley puts an effort into being a good neighbour supporting the communities where we work. We realise that being a significant player in, quite often, relatively small communities, we have a special responsibility as businesspeople, landowners, employers, taxpayers etc. Therefore, we engage in many projects and social activities, supporting local communities.

Grievance mechanism

Another more formalized part of the interaction with the local communities is our grievance mechanism. Being a large-scale pig producer and a major land owner employing hundreds of people and operating heavy machinery, entails a certain inevitable amount of smell, noise and damaged roads or fields. We are very aware of this and we believe the best way to mitigate this reputational risk, is to be complete-

Goodvalley Grievance Mechanism



ly transparent regarding what and how we do and when we do it. We put an effort into informing our neighbors and the public in general prior to spraying and applying manure to our fields as well as having “open farm days” where we invite all interested to see how we work. However, sometimes these efforts are not enough and we get complaints. All complaints are recorded and processed via our grievance mechanism securing that no questions are left unanswered and all affected parties feel that they have been heard and, where this is relevant, compensated.

Donations

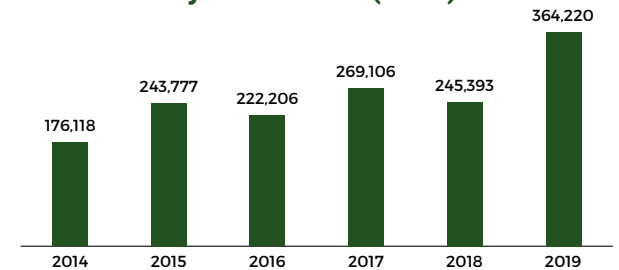
In 2019 we have supported a large variety of projects in the areas where we work with a total of EUR 364,220.

Measuring points

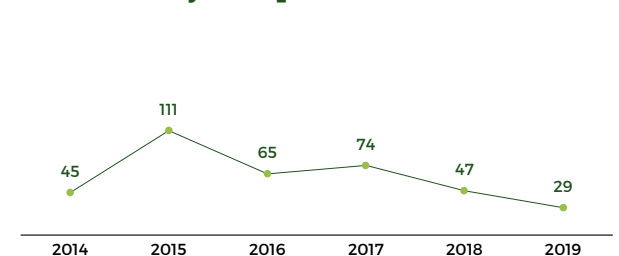
As in other years we measure our standing in the communities where we work by recording the number of complaints received and our financial donations to the communities.

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Community donations (EUR)



Community complaints



FAIR PLAY - COMMUNITY

Cases: Local CSR



Ukrainian environment day

In the spring of 2019 we celebrated the Ukrainian environment day together with the people of Tustan village in the Galych district in Ukraine. Together we planted 160 apple trees in three different locations.

Thanks to all the participants from Tustan village our great teamwork resulted in some lovely green recreational areas with fruit trees while doing something good for the climate.

We hope that this is the beginning of a new initiative in our villages and more gardens will be planted in the future.



Goodvalley grant for development

In 2019, for the first time, we organised a Goodvalley grant competition in Ukraine where the best local project was supported to drive local development. 29 applications for participation in the program were received from different villages and communities of the Ivano-Frankivsk region. Five winners were selected and Goodvalley presented certificates with a total value of UAH 1 million. The grant was distributed between five winners: Project of Lany village council (modernisation of the street lighting system), Voynyliv community reconstruction of the heating system at the gymnasium and NGO "Nadia-2017" from Luka village (major overhaul of the educational institution). All received UAH 50 thousand each. The Community of Verkhnya (purchase of an ultrasound device) won UAH 350 thousand. The absolute winner was a project from Kopanky village, which received UAH 500 thousand to start equipping the Sports Club in the village to increase memberships and activities.



Easter packages

During Easter we conducted our annual visits to the lonely, elderly or disabled people of the villages where our farms are based.

In total we prepared 1500 Easter packages with meat, flour, eggs, bread and other necessities. The packages were personally delivered by Goodvalley employees..

We are happy to be able to help local communities and grateful that they open their homes to us during the holidays. The initiative is always a positive experience both for the villagers and our employees who deliver the packages.

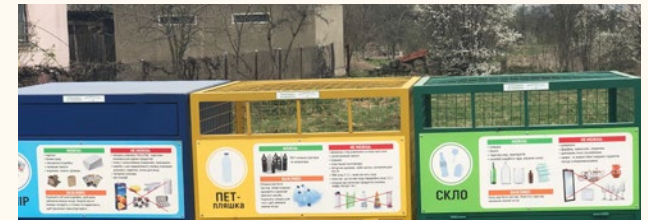
FAIR PLAY - COMMUNITY

Cases: Local CSR



Cleaning of roads and forests

In May 2019 our Russian colleagues in Goodvalley spent a day cleaning the roads and forests close to our production. Two of our big trucks were filled with trash and we cleaned 11.5 kilometers of forest road altogether. Thanks to all participants from Goodvalley, we made an effort to take care of the environment close to our farms, gathering 25 tons of trash in total.



Zero waste

The Project Zero Waste was initiated in 2018 and further developed in 2019. During this period more communities as well as employees have shown an interest in improving the environmental protection of their local communities and workplace. In addition to the practical effect - reducing the amount of waste that goes to landfills or incineration - this project has a great positive impact on the outlook of adults and children.

The project involved the communities of local village councils in the Ivano-Frankivsk region, where waste is now being sorted. Each village participating in the project was equipped with the necessary facilities for waste sorting. Goodvalley Ukraine organised the process and installed containers for the separate sorting of PET bottles, paper and glass. Each container has instructions on how to sort the waste correctly. Also, the project coordinators worked out an information leaflet that was distributed among villagers and students. In 2019 we also held lectures on waste sorting, practical trainings, quizzes and team work for local school-children.



Triathlon – promoting a healthy lifestyle

Every year Goodvalley is hosting the annual Triathlon in Przechlewo Poland – the village where we started our business more than 25 years ago. This year, at our 6th edition we welcomed more than 800 participants who, during the weekend, participated on the distances 1/2, 1/4 and 1/8 individual race, a relay race on the 1/4 distance as well as a Sunday family triathlon where all children below the age of 15 also got the possibility to compete. The weekend is kicked off by the Farmers Run - a 7.5 kilometres obstacle run in a Goodvalley field cut in the shape of a pig. Participants must jump big straw bales and other natural obstacles to make it to the finishing line. The triathlon weekend is organised and carried out by Goodvalley employees and volunteers from the local area.

FAIR PLAY - COMMUNITY

Cases: Local CSR



Sports for charity

2019 was the year of the 6th edition of 'We help by cycling and running' campaign where runners and cyclists from Goodvalley collect money for charity by doing sports. Over a course of 11 months, 22 employees from Goodvalley Polska participated in the action where Goodvalley donates money per kilometre. The most active participants won the right to choose which charity the money should be donated to.

In 2019 the money was donated to the following charity cases:

- "Zdążyć z Pomocą" Foundation for Children
- Former employee Sebastian Wiśniewski who suffers from multiple sclerosis and needs help to fund treatment and rehabilitation
- Local 10 year old school girl Łucja Kaczmarek who fell into a diabetic coma three years ago and is now needing help with paying for rehabilitation.



This reoccurring sports event is not only to help those less fortunate by sending them donations. It is also to promote a healthy lifestyle among our employees and in the local communities where we are present.



From dreams to action

In December 2019 Goodvalley participated in the social project "From Dreams to Action" which is an event organised by the Ivano Frankivsk region in Ukraine, to help support children with special needs. The project aims to help challenged children try out the professions they dream of. Goodvalley Ukraine represented the farmers profession and organised an introduction into farming for a student at Kalush Special School for hearing impaired children. We always strive to be as open and transparent at our facilities as possible, not least when we meet interested and motivated young people who might become a part of Goodvalley in the future.

Ready for school

Each year September 1st marks an exciting new beginning for more than 2 million kids and their families in Russia. First day of school. All over the Goodvalley organisation, working together with local schools and institutions is a big priority.

To make sure the younger generations get a good start to their school-life, we always contribute to create the best environment for learning and playing. During the end of August in Rasskazovo, Russia where our farms are placed, we helped get the school ready for the coming year. The main hall was renovated and we supported the project both financially and with manpower as our construction department spent a week on the renovations. At the first day of school we were invited as guests, and we brought goodiebags for the children.



FAIR PLAY

Anti-corruption



Goodvalley has adopted a Code of Ethics providing guidelines for employees on anti-corruption and fair play in business, including purchasing procedures, gifts in business relations, conflicts of interest etc.

We understand that corruption has considerable impact on business; impeding growth, escalating costs and posing serious legal and reputational risks. In Goodvalley, integrity, honesty and transparency are core values and we are bound by our name and our word. We want everyone to know that they can count on us as partner, customer, competitor and corporate citizen.

We play fair on the market and believe that healthy competition is the key to advancing societies economically, socially and culturally.

Whistleblower platform

Goodvalley has an advanced IT-based whistleblower platform supplied by GotEthics enabling employees and third parties to report incidents of corruption, theft, bullying or other misconduct directly to the Goodvalley Audit Committee and completely anonymously. All such reports are handled according to Goodvalley's Whistleblower Policy. In 2019 one report was filed and led to the unveiling of a kick-back scheme applied by a manager in one of our building departments towards certain suppliers. Following the investigation the manager resigned and we ended the cooperation with the suppliers.

Supplier code of conduct

In 2019, Goodvalley implemented a supplier code of conduct committing our business partners to refrain from corruption and to play fair.



FAIR PLAY - ANTI-CORRUPTION

Cases: Fighting corruption



Taking a strong stand against corruption has been fundamental in Goodvalley ever since the beginning of our history.

UNIC

The fight against corruption continues today where we still experience systems and processes that are subject to the forces of corruption. Fortunately more organisations are starting to realise the right way to do business. One of them is the Ukrainian network UNIC (Ukrainian Network of Integrity and Compliance) which was established by the Business Ombudsman Council with the support of the European Bank for Reconstruction and Development and the Organisation

Economic Cooperation and Development in October 2017. Today it has 55 companies as members accounting for 62,000 employees from 46 cities in Ukraine.

The purpose of UNIC is to promote the idea of doing business ethically and responsibly. By joining the network, Goodvalley has publicly pledged to maintain a good business reputation by improving our integrity and compliance practices, conducting corruption risk assessments regularly and promoting business integrity through training and communication.

In September 2019 we participated in the 4th edition of the Ukrainian International Compliance Forum which raises the importance of companies being transparent and taking responsibility for their actions. Our founder

Corruption is a fundamental barrier for a positive development in companies, countries and the world in general. With mutual trust and respect as our core values we are more motivated than ever to fight against this unethical practice and work for a better tomorrow.

Tom Axelgaard,
Goodvalley Founder

Tom Axelgaard had the opportunity to share experiences from Goodvalley about our work with sustainable partnerships and the importance of “walking the talk”.

Goodvalley was the first company to obtain membership in the Ivano-Frankivsk region and we strongly encourage other companies to come and join us.



Glossary

GENERAL

ASF:
African Swine Fever

Biogas:
A mixture of gasses produced by the breakdown of organic matter in the absence of oxygen, primarily consisting of methane and carbon dioxide (Co2)

Biosecurity:
A set of pre-emptive measures designed to reduce the risk of transmitting infectious diseases within and between animal operations

Carcass weight (CWT):
Slaughtered weight in half carcasses equalling live weight reduced by 0.78

Co2-e:
Carbon dioxide equivalent describing different greenhouse gases in a common unit signifying the amount of Co2 which would have the equivalent global warming impact

Feed Conversion Ratio (FCR):
Kilos of feed used for producing one kilo of meat

GLOBAL G.A.P.:
A global farm assurance program translating consumer requirements into Good Agricultural Practice

ISO 14064-1:
A specification of principles and requirements at the organization level for the quantification and reporting of greenhouse gas (GHG) emissions and removals. It includes requirements for the design, development, management, reporting and verification of an organization's GHG inventory

ISO 14064-3:
A specification of principles and requirements and guidance for verifying and validating greenhouse gas (GHG) statements (verification criteria).

ISO 22000:
A food safety management and certification system which can be applied anywhere from field to fork

Live weight: Weight before slaughtering and deboning

NON-GMO:
Non-organic waste: Waste for landfills and incineration

Raised Without Antibiotics (RWA):
Animals raised without any exposure to antibiotics

TÜV:
German and Austrian inspection and product certification organisation

ICONOGRAPHY



Arable



Distribution



Energy



Feed mill



Feed storage



Food



Group



Pig



Data sheet



DATA SHEET

Data definitions

Measuring Point	Unit	Definition
CLIMATE		
CO ₂ emission	Kilos/tons	Kilos/tons CO ₂ equivalents emitted as calculated by NIRAS environmental consultants and verified by TÜV Rheinland
Diesel consumption	Liters	Diesel consumption of arable machinery per hectare cropped in arable production
Energy consumption	kWh	Electricity in kWh
Waste generation	Kilos	All waste for incineration and landfill
Water consumption	m ³	Water consumption from own wells and external sources
Waste water generation	m ³	Amount of waste water estimated as equal to water purchased from external sources
FOOD		
Recalls	Tons	Recalls due to food safety or quality issues in absolute numbers and % of total tons meat produced at slaughterhouse
Liveability	Percent of pigs	Percentage of liveborn pigs reaching slaughter weight
Rejections	Absolute number/Percent	Pigs rejected due to animal welfare related injuries in absolute numbers and % of total heads delivered to slaughterhouse
Animal related welfare fines	Absolute number	Animal welfare related fines issued by veterinary or other authority
WORK		
Accidents	Number of accidents	Accidents at the work place or during transport to and from the work place causing one or more lost work days.
Fatalities	Number of fatalities	Deadly accidents
Days away due to accidents	Workdays	Total workdays lost due to work accidents. The day of the accident is included if the employee is absent on the next day
Employee survey	Percent	Percent of respondents answering "Yes" and "Rather yes than no" in the annual employee satisfaction survey
Employee turnover	Percent	Number of employees who left divided by (beginning + ending number of employees)/2 multiplied by 100
Education	Hours per employee	OHS education, education within Goodvalley Management and Farming Academy, introductory training etc.
Women in management	Percent of all management positions	Includes Board of Directors, Executive Board, country management , middle management, line managers, team leaders and specialists with vocational management responsibility
FAIR PLAY		
Donations	EUR	Donations of money and man hours made by Goodvalley to local communities
Complaints	Number of complaints	Complaints received through the Goodvalley grievance mechanism and other sources



DATA SHEET

Results 2019

Measuring Point	Unit	2014	2015	2016	2017	2018	2019
CLIMATE							
CO ₂ emission	Kilo CO ₂ per kilo meat CWT					2.16	2.15
Diesel consumption	Liters per hectare	123	105	105	113	107	89
Energy consumption	KWh per ton meat CWT					407	376
Waste generation	Kilo per ton meat CWT					45	27
Water consumption	m3 per ton meat CWT					25	18
Waste water generation	m3 per ton meat CWT					5.0	4.3
Feed Conversion Ratio (FCR)						2.75	2.73
FOOD							
Recalls	Tons/%	75/0.2%	20.7/0.02%	29.9/0.05%	27.4/0.05%	32.1/0.06%	10.1/0.02%
Liveability	Percent	84.3%	84.2%	82.6%	83.2%	82%	80.4%
Rejections	Number of pigs	1230	2704	2262	1650	2347	1728
Animal welfare related fines	Number of fines	10	0	0	0	0	0
WORK							
Accidents	Number of accidents	42	34	29	36	38	35
Fatalities	Number of fatalities	0	0	1	0	0	0
Days away due to accidents	Workdays	1750	1473	692	1042	1039	832
Employee turnover	Percent	27%	23%	26%	25%	23%	22%
Education	Hours per employee	n/a	16.5	20.2	23.4	24.5	28.2
Women in management	Percent	24%	26%	24%	24%	25%	30%
FAIR PLAY							
Donations	EUR	176,118	243,777	222,206	269,106	245,393	364,220
Complaints	Number of complaints	45	111	65	74	47	32

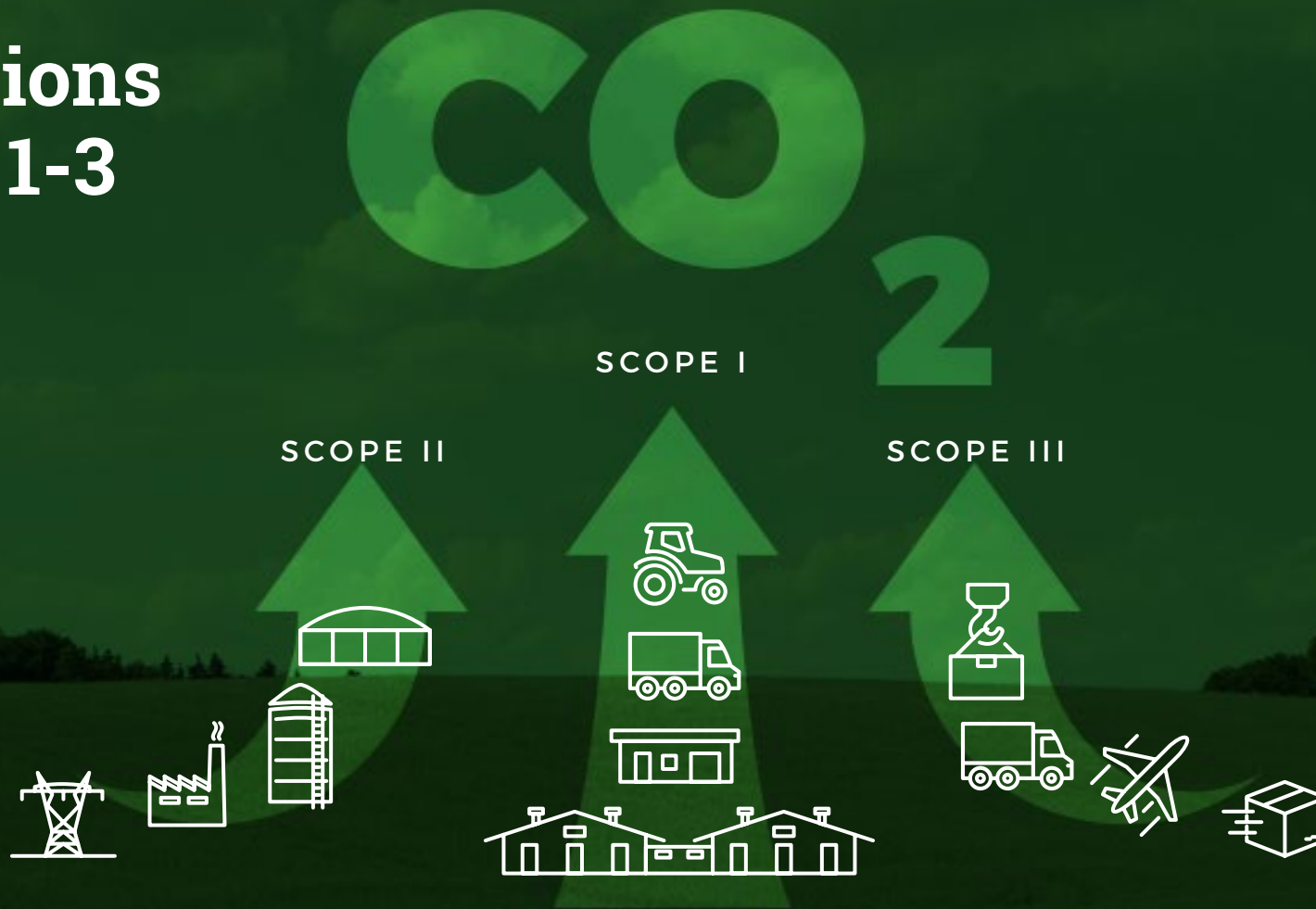


Appendix

42	1: Emissions scope 1-3
43	2: Emissions included (boundaries)
45	3: Emissions by scope and sector
50	4: Claimed emission reductions
51	5: TÜV certificate

APPENDIX 1

Emissions scope 1-3



Upstream activities

Scope 2: Indirect emissions from the production of externally purchased energy

Product / Company / Organisation

Scope 1: Direct emissions from Goodvalley's own and/or controlled sources

Downstream activities

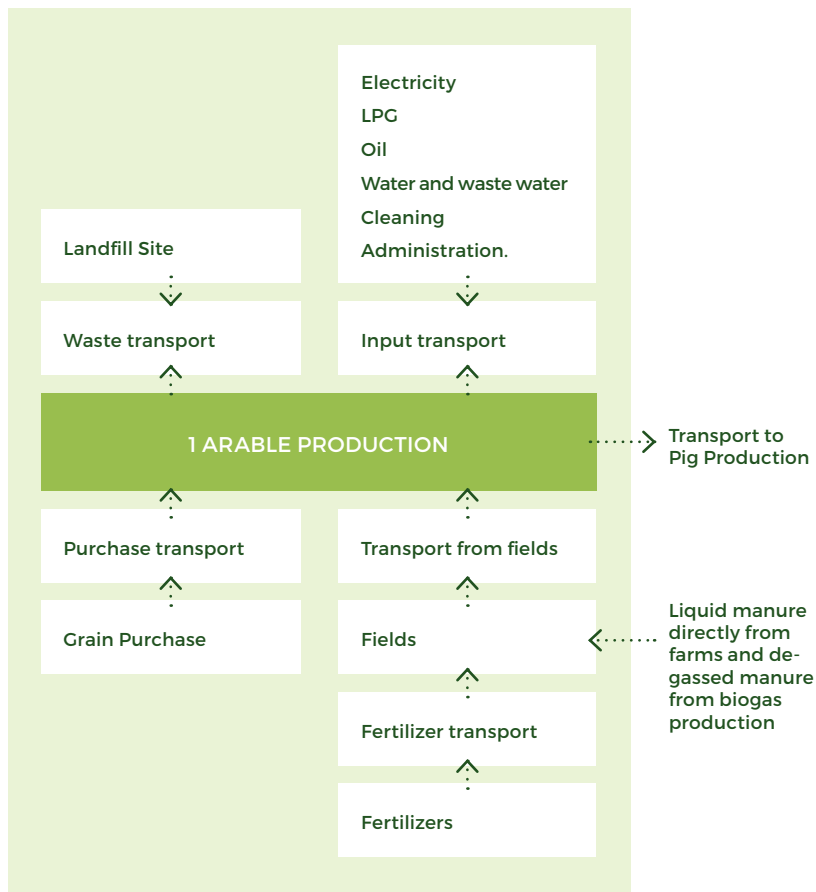
Scope 3: Other indirect emissions from Goodvalley value chain which Goodvalley defines as:

- fuel supply, transports, consumption of raw materials, packaging, water supply, waste handling, others

APPENDIX 2

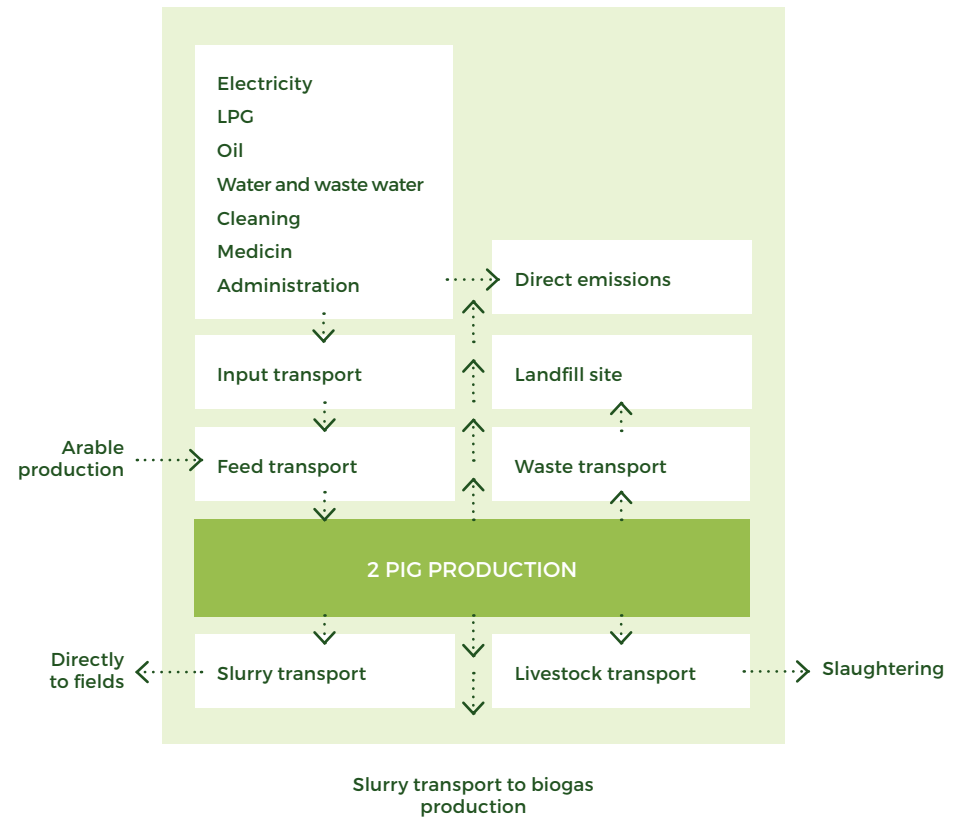
Emissions included (boundaries)

Arable Production



Boundaries for the Arable Production

Pig Production

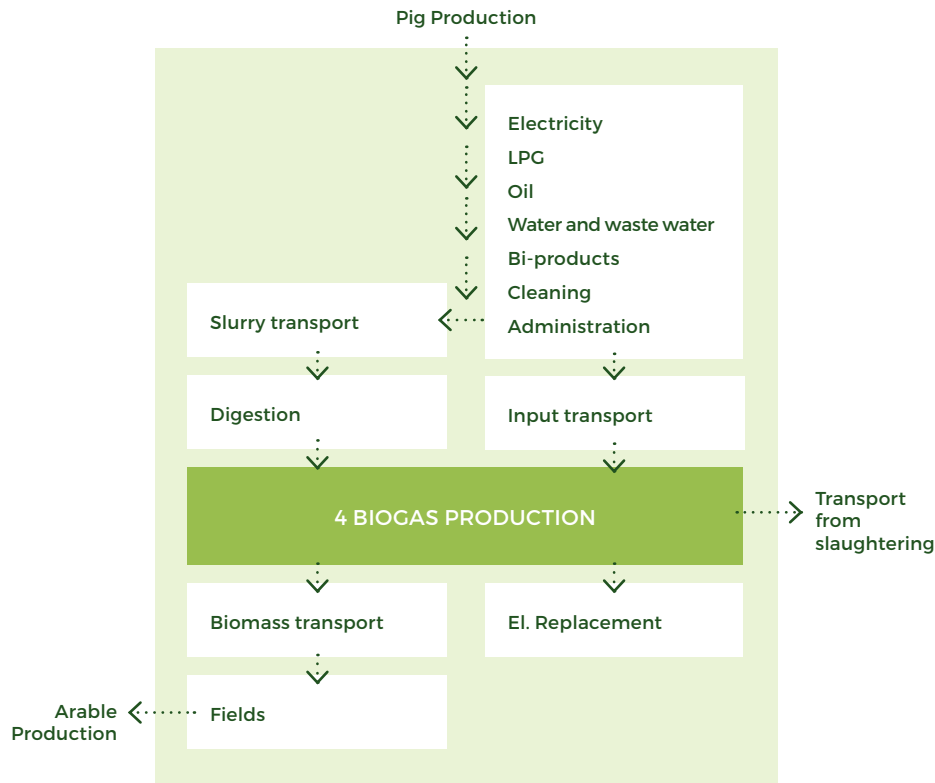


Boundaries for the Pig Production

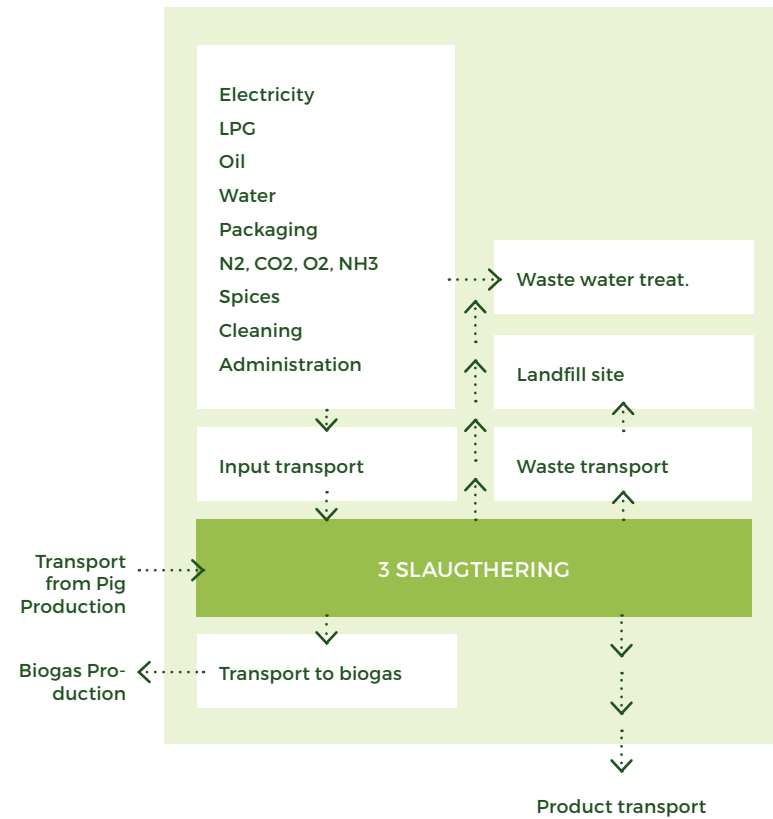
APPENDIX 2

Emissions included (boundaries)

Biogas Production



Slaughtering & processing



APPENDIX 3

Emissions by scope and sector

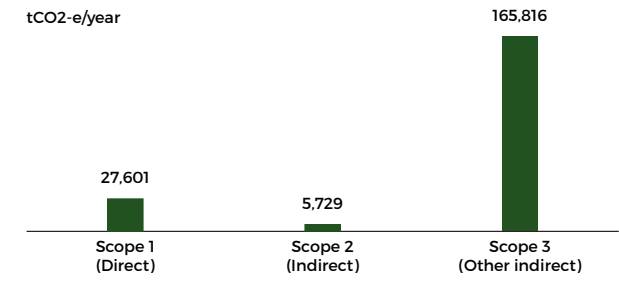
Group emissions 2019

Total	Unit	2019
Total emissions	tCO ₂ -e	199,073
Total meat CWT	Tons	92,540
Emissions (LUC not included)	kg CO ₂ -e/kg meat	2.15

Office

CO ₂ emissions	Unit	2019
Elec. and heat	tCO₂-e	7.0
- Electricity	tCO ₂ -e	2.6
- Heat	tCO ₂ -e	4.4
Transportation	tCO₂-e	47.7
Transport distance own cars - Diesel, Gas oil	tCO ₂ -e	13.3
Transport distance rental cars - Diesel, Gas oil	tCO ₂ -e	5.1
Transport distance - Cleaning detergents	tCO ₂ -e	0.0
Transport distance - Waste	tCO ₂ -e	0.0
Transport Flights	tCO ₂ -e	29.2
Auxiliary materials	tCO₂-e	0.0
- cleaning detergent - Alkaline	tCO ₂ -e	0.0
- cleaning detergent - Acid	tCO ₂ -e	0.0
- cleaning detergent - Neutral	tCO ₂ -e	0.0

Emissions by scope



CO ₂ emissions (Continued)	Unit	2019
Water/ waste water	tCO₂-e	0.0
- Water supply	tCO ₂ -e	0.0
- Water treatment	tCO ₂ -e	0.0
Waste	tCO₂-e	0.1
- disposal on landfill site	tCO ₂ -e	0.1
Other (not possible to calculate)	tCO₂-e	1.1
Estimated to 2% of the above total	tCO ₂ -e	1.10
Total emissions	tCO₂-e	56
Emissions per kg produced meat	kg CO₂/kg meat	0.00

APPENDIX 3

Emissions by sector

Arable Production

CO ₂ emissions	Unit	2019
Elec. and heat	tCO₂-e	9,085
- Electricity	tCO ₂ -e	4,887
- Heat	tCO ₂ -e	3,825
- Burning oil (for heat)	tCO ₂ -e	373
Transportation	tCO₂-e	22,556
Internal diesel consumption - Agriculture	tCO ₂ -e	12,413
Internal gas oil consumption - Agriculture	tCO ₂ -e	4
Transport distance - diesel, gas, oil and LPG	tCO ₂ -e	351
Transport distance - Cleaning detergents	tCO ₂ -e	0
Transport distance - Fertilizers	tCO ₂ -e	157
Transport distance - Grain purchase	tCO ₂ -e	6,509
Transport distance - Grain internal	tCO ₂ -e	3,122
Transport distance - Waste	tCO ₂ -e	0
Raw materials	tCO₂-e	91,613
Grain purchased	tCO ₂ -e	43,755
Fertilizers	tCO ₂ -e	22,303
Liquid manure - nitrogen component when disposal on fields incl N ₂ O	tCO ₂ -e	25,556
Auxiliary materials	tCO₂-e	0
- cleaning detergent - Alkaline	tCO ₂ -e	0
- cleaning detergent - Acid	tCO ₂ -e	0
- cleaning detergent - Neutral	tCO ₂ -e	0

CO ₂ emissions (Continued)	Unit	2019
Water/ waste water	tCO₂-e	11
- Water supply	tCO ₂ -e	4
- Water treatment	tCO ₂ -e	8
Waste	tCO₂-e	21
- disposal on landfill site	tCO ₂ -e	21
Other (not possible to calculate)	tCO₂-e	1,460
Estimated to 2% of the above total (ex. grain purchase)	tCO ₂ -e	1,460
Total emissions	tCO₂-e	124,748
Emissions per kg produced meat	kg CO₂/kg meat	1.35

APPENDIX 3

Emissions by sector

Pig Production

CO ₂ emissions	Unit	2019
Elec. and heat	tCO₂-e	22,934
- Electricity	tCO ₂ -e	13,683
- Heat	tCO ₂ -e	7,377
- Burning oil (elec.)	tCO ₂ -e	1,875
Transportation	tCO₂-e	5,893
Internal transport	tCO ₂ -e	2,034
Diesel consumption feed transport	tCO ₂ -e	1,440
Gas oil consumption	tCO ₂ -e	28
Transport distance - Diesel, oil and LPG	tCO ₂ -e	181
Transport distance - Cleaning detergents	tCO ₂ -e	39
Transport distance - Slurry directly to fields	tCO ₂ -e	2,033
Transport distance - Waste	tCO ₂ -e	45
Transport flights	tCO ₂ -e	93
Raw materials	tCO₂-e	18,746
- Feed (included under Arable Production)	tCO ₂ -e	0
- Medicin	tCO ₂ -e	60
Emissions directly from the farms - GE and FE	tCO ₂ -e	5,105
Emissions directly from the farms - NU	tCO ₂ -e	3,612
Emissions directly from the farms - GF	tCO ₂ -e	9,969

CO ₂ emissions (Continued)	Unit	2019
Auxiliary materials	tCO₂-e	1,049
- cleaning detergent - Alkaline	tCO ₂ -e	299
- cleaning detergent - Acid	tCO ₂ -e	341
- cleaning detergent - Neutral	tCO ₂ -e	409
Water/ waste water	tCO₂-e	84
- Water supply	tCO ₂ -e	28
- Water treatment	tCO ₂ -e	56
Waste	tCO₂-e	1,783
- Incineration and disposal on landfill site	tCO ₂ -e	1,783
Other (not possible to calculate)	tCO ₂ -e	917
Estimated to 2% of the above total (ex. flights)	tCO ₂ -e	917
Total emissions	tCO₂-e	51,406
Emissions per kg produced meat	kg CO₂/kg meat	0.56

APPENDIX 3

Emissions by sector

Biogas Production

CO ₂ emissions	Unit	2019
Elec. and heat	tCO₂-e	-24,420
- Electricity bought	tCO ₂ -e	0
- Electricity sold	tCO ₂ -e	-24,838
- Heat	tCO ₂ -e	338
- Oil	tCO ₂ -e	80
Transportation	tCO₂-e	1,657
Internal transport	tCO ₂ -e	441
Transport distance - Diesel, oil and LPG	tCO ₂ -e	19
Transport distance - Liquid manure	tCO ₂ -e	48
Transport distance - Other biogas input	tCO ₂ -e	220
Transport distance - Degassed biomass	tCO ₂ -e	929
Transport distance - Cleaning detergents	tCO ₂ -e	0
Raw materials	tCO₂-e	21,686
Liquid manure - nitrogen component when disposed on fields	tCO ₂ -e	12,011
Mixture of Lecithine and soap	tCO ₂ -e	1,110
Other biogas input	tCO ₂ -e	440
Leakage	tCO ₂ -e	8,126
Digestion - methane component combusted (considered separately)	tCO ₂ -e	0

CO ₂ emissions (Continued)	Unit	2019
Auxiliary materials	tCO₂-e	4
- cleaning detergent - Alkaline	tCO ₂ -e	1
- cleaning detergent - Acid	tCO ₂ -e	1
- cleaning detergent - Neutral	tCO ₂ -e	2
Water/ waste water	tCO₂-e	2
- Water supply	tCO ₂ -e	1
- Water treatment	tCO ₂ -e	2
Waste	tCO₂-e	0
- disposal on landfill site	tCO ₂ -e	0
Other (not possible to calculate)	tCO₂-e	475
Estimated to 2% of the above total (ex. el. replace.)	tCO ₂ -e	475
Total emissions	tCO₂-e	-595
Emissions per kg produced meat	kg CO₂/kg meat	-0.01



APPENDIX 3

Emissions by sector

Slaughtering & processing

CO ₂ emissions	Unit	2019
Elec. and heat	tCO₂-e	17,521
- Electricity	tCO ₂ -e	12,212
- Heat	tCO ₂ -e	5,309
- Burning oil (elec.)	tCO ₂ -e	0
Transportation	tCO₂-e	1,845
Transport distance - Oil and LPG	tCO ₂ -e	133
Transport distance - Slaughtery waste to Pawlowko biogas plant	tCO ₂ -e	6
Transport distance - Disposal on landfill site	tCO ₂ -e	3
Transport distance - N2, CO2, O2, NH3	tCO ₂ -e	985
Transport distance - Spices	tCO ₂ -e	38
Transport distance - Cleaning detergents	tCO ₂ -e	8
Transport distance - Packaging	tCO ₂ -e	574
Transport Cars	tCO ₂ -e	96
Transport Flights	tCO ₂ -e	2
Raw materials	tCO₂-e	1,097
- N2	tCO ₂ -e	818
- CO7	tCO ₂ -e	221
- O2	tCO ₂ -e	59
- NH3	tCO ₂ -e	0

CO ₂ emissions (Continued)	Unit	2019
Auxiliary materials	tCO₂-e	1,250
- cleaning detergent - Alkaline	tCO ₂ -e	140
- cleaning detergent - Acid	tCO ₂ -e	23
- cleaning detergent - Neutral	tCO ₂ -e	26
- Spices	tCO ₂ -e	1,061
Water/ waste water	tCO₂-e	210
- Water supply	tCO ₂ -e	0
- Water treatment	tCO ₂ -e	210
Waste	tCO₂-e	511
- disposal on landfill site	tCO ₂ -e	507
- waste to Pawlowko biogas plant	tCO ₂ -e	0
- packaging	tCO ₂ -e	4
Other (not possible to calculate)	tCO ₂ -e	1,024
Estimated to 5% of the above total (ex. Cars and Flights)	tCO ₂ -e	1,024
Total emissions	tCO₂-e	23,458
Total meat slaughtery	Tons	37,199
Emissions per kg produced meat	kg CO₂/kg meat	0.63

APPENDIX 4

Claimed emission reductions

The total amount of emission reduction (excluding electricity replacement) generated from each plant emerges from table below.

Claimed emission reductions

Biogas Plant	Calculated Emission Reductions	Adjustment Factor	Claimed Emission Reductions
Pawlowko	20,072 tCO ₂ -e	1.0	20,072 tCO ₂ -e
Plaszczycza	21,069 tCO ₂ -e	1.0	21,069 tCO ₂ -e
Koczala	71,630 tCO ₂ -e	1.0	71,630 tCO ₂ -e
Kujanki	0	1.0	0
Naclaw	23,491 tCO ₂ -e	1.0	23,491 tCO ₂ -e
Swielino	20,574 tCO ₂ -e	1.0	20,574 tCO ₂ -e
Uniechówek	38,601 tCO ₂ -e	1.0	38,601 tCO ₂ -e
Giszyno	35,228 tCO ₂ -e	1.0	35,228 tCO ₂ -e
Bara	4,833 tCO ₂ -e	1.0	4,833 tCO ₂ -e
Kopanky	13,762 tCO ₂ -e	1.0	13,762 tCO ₂ -e
Total	249,259 tCO₂-e	1.0	249,259 tCO₂-e

APPENDIX 5

TÜV certificate

CERTIFICATE

Certificate-ID: C01-2020-03-21248463

Certified for: Corporate Carbon Footprint & Carbon Neutral Company

Holder of Certification: Goodvalley A/S
Vesterbrogade 4A
1620 København V
Denmark



Operational Boundaries: Scope I, II, III

Year of balance: 2019

Valid until: 31 March 2021

Verification Criteria: ISO 14064-3

Report Number: CF-2020-03-21248463

Corporate Carbon Footprint: 199.073 t CO₂-equivalent per calendar year

Carbon Neutral Certification



The Corporate Carbon Footprint of the company Goodvalley A/S with its daughter Companies (Goodvalley Agro SA, Goodvalley Sp. z o.o., Goodvalley Ukraine, Goodvalley Russia) has been verified. It is confirmed that the certificate holder has correctly calculated its CO₂ emissions according to the ISO 14064-1 standard. Further specifications on methodology and data review can be found in the verification report. The status of validity can be checked under www.certipedia.com with the Certificate-ID. The amount of 199.073 tons CO₂e per calendar year resulting from the company-specific footprint was compensated completely through 199.073 emission offset from the biogas plants of Goodvalley Agro SA and Goodvalley Ukraine in the year 2019. The company Goodvalley A/S can be entitled as "Carbon Neutral Company" for 2019.

Cologne, February 12th, 2020


Ralf Kober
TÜV Rheinland Group
Carbon Services


Norbert Heidelmann
TÜV Rheinland Group
Carbon Services

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Delivering high quality products and improving animal and human health

Creating awareness about sustainable food consumption

Strengthening traceability to ensure we can quickly establish where products originated