

**Group Clean Label Policy of Scandi Standard AB (publ) reg. no. 556921-0627**

It is noted that Scandi Standard AB's (publ) (556921-0627) ("Company") shares are listed on NASDAQ Stockholm. This document has been adopted in order to align the work of Corporate Governance and the Internal Control Framework with the requirements imposed as well as other applicable Swedish and foreign laws, regulations and requirements. This document is in addition to said laws, regulations and requirements although certain provisions thereof are included in this document in order to facilitate their application. Thus, in addition to what is provided for in the above-mentioned laws, regulations and requirements, this document shall apply during the time period until the next review. References herein to the "Company" shall, unless otherwise clear from the context include not only Scandi Standard AB (publ) but also the group in which Scandi Standard AB (publ) is the parent company.

## Content

1	Introduction .....	2
1.1	Purpose.....	2
1.2	Scope.....	2
2	Clean Label Policy .....	3
2.1	Clean Label Policy Inclusions .....	3
3	Clean Label Policy Directives .....	3
3.1	Ownership.....	4
3.2	Approval.....	5
3.3	Maintenance & Updates.....	5
3.4	Accessibility.....	5
4	Clean Label Policy Breaches.....	5
5	Version.....	5

## 1 Introduction

All raw unprocessed chicken is a healthy product choice, chicken fillets in particular are naturally high in protein and low in saturated fat\*. When we produce added value, processed and pre-prepared products using our chicken, we strive to keep the recipe and thereby the product labelling as clean as possible - We do it the Scandi Way! We acknowledge that it is often necessary to add ingredients and additives to our chicken to enhance the consumer sensory experience, perform a technological function & ensure our products are commercially competitive in our marketplaces. We produce safe food of uniform quality and for that food additives may be required. This policy provides information regarding the ingredients and additives recommended for use in products produced in all Scandi Standard manufacturing sites for Scandi Standard branded products.

### 1.1 Purpose

The purpose of this policy is to outline Scandi Standard's requirements regarding the ingredients and additives recommended for use in Scandi Standard branded products. The document will provide guidelines and advice to Scandi Standard manufacturing sites' purchasing/procurement, sales, marketing and NPD departments to develop as clean label products as possible. The following advice is provided for all future product development and reformulation projects without impacting upon food safety and consumer acceptance in the relevant markets.

In particular:

- 1: Use store cupboard ingredients easily recognisable by the consumer whenever possible.
2. Remove unnecessary ingredients/additives from products whenever possible.  
If additives are used, if possible, use additive name instead of the E number in the ingredient declaration.  
Always consider which name is more appealing for the consumer.

### 1.2 Scope

This policy covers all Scandi Standard branded food products (raw & ready-to-eat chicken) produced across all Scandi Standard manufacturing sites. This policy does not apply to private label produced or traded goods products. Private label products produced on Scandi Standard sites are out of scope for this document with the exception of allergens. The chicken feed is also out of scope. Scandi Standard sites must comply with all applicable local laws and regulations and those of the country of final sale of the finished product. This policy encompasses all added ingredients, processing aids, additives and carryover ingredients (declared and undeclared in the finished product).

\*Regulation (EC) No. 1924/2006 & 1169/2011

McCance & Widdowson, 7th edition, 18-323 Chicken, breast, grilled without skin, meat only.

## 2 Clean Label Policy

### 2.1 Clean Label Policy Inclusions

#### Allergens

Food allergens present in Scandi Standard branded products are declared according to Annex II of the EU Food Information for Consumers Regulation No. 1169/2011. The inclusion of allergy containing ingredients in the product recipe will be minimised when possible. Non allergenic ingredients are preferred where possible.

#### Flavour Enhancers

Avoid the use of Monosodium glutamate (MSG) (E621). Yeast Extract is a natural source of MSG and an acceptable alternative for Scandi Standard branded products.

#### Salt

There is plenty of evidence to confirm that too much salt in the diet is poor for consumer health. As nations, we generally consume too much salt in our diets, on average 9-12grams of salt per day for adults. WHO recommends that adults consume less than 5g of salt per day. Scandi Standard supports the salt reduction programmes in each of the respective countries that we operate in as follows:

Country of Manufacture	Commitment
Ireland	FSAI – Responsibility Deal Salt Targets for 2017 Link to FSA salt reduction targets <a href="https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/604338/Salt_reduction_targets_for_2017.pdf">https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/604338/Salt_reduction_targets_for_2017.pdf</a>
Sweden	Keyhole rules in relevant products The keyhole - a Nordic label: The keyhole marking is a Swedish initiative that celebrated 25 years in 2014. In Sweden, the Swedish Food Agency is behind the labelling. The keyhole marking is an independent marking and is free to use for the company that has products that comply with the keyhole rules. <a href="https://www.livsmedelsverket.se/livsmedel-och-innehall/text-pa-forpackning-markning/nyckelhalet? t_id=p8CdDPGJ-7O9VboAygUVnw%3d%3d&amp; t_uuid=kFa ik5ESd-pL52fMqwq8g&amp; t_q=nyckelh%c3%a5l&amp; t_tags=language%3asv%2csiteid%3a67f9c486-281d-4765-ba72-ba3914739e3b%2candquerymatch&amp; t_hit.id=Livs Common Model PageTypes ArticlePage/ e8c7a1ac-ef79-49fd-b297-187937cf1a97_sv&amp; t_hit.pos=2">https://www.livsmedelsverket.se/livsmedel-och-innehall/text-pa-forpackning-markning/nyckelhalet? t_id=p8CdDPGJ-7O9VboAygUVnw%3d%3d&amp; t_uuid=kFa ik5ESd-pL52fMqwq8g&amp; t_q=nyckelh%c3%a5l&amp; t_tags=language%3asv%2csiteid%3a67f9c486-281d-4765-ba72-ba3914739e3b%2candquerymatch&amp; t_hit.id=Livs Common Model PageTypes ArticlePage/ e8c7a1ac-ef79-49fd-b297-187937cf1a97_sv&amp; t_hit.pos=2</a>
Denmark	Keyhole rules in relevant products <a href="https://altomkost.dk/english/#c41068">https://altomkost.dk/english/#c41068</a>  In Denmark, there is the so-called Innovation Partnership, where authorities and industry collaborate to reduce salt intake, among other things. <a href="https://www.foedevarestyrelsen.dk/Foedevarer/sund_mad/Sider/Se-video-fra-stormøder-om-Innovationspartnerskabet.aspx">https://www.foedevarestyrelsen.dk/Foedevarer/sund_mad/Sider/Se-video-fra-stormøder-om-Innovationspartnerskabet.aspx</a>
Norway	Salt Partnership

	<p>In 2015, Norway, authorities, industry and various organizations worked together to reduce salt intake through the so-called salt partnership. The goal is to reduce salt intake by 30 percent by 2025.</p> <p><a href="https://www.helsedirektoratet.no/tema/kosthold-og-ernaering/matbransje-serveringsmarked-og-arbeidsliv/salt-og-saltpartnerskapet#saltpartnerskapets-malsetning-og-organisering">https://www.helsedirektoratet.no/tema/kosthold-og-ernaering/matbransje-serveringsmarked-og-arbeidsliv/salt-og-saltpartnerskapet#saltpartnerskapets-malsetning-og-organisering</a></p>
Finland	<p><b>Evira</b>          In Finland, recommendations for reduced salt intake were introduced in the early 1980s:</p> <p>Efforts to reduce intake have information, collaboration with the food industry and mandatory labeling of salt content.</p> <p><a href="https://www.ruokavirasto.fi/globalassets/tietoa-meista/asiointi/oppaat-ja-lomakkeet/yritykset/elintarvikeala/elintarvikealan-oppaat/sv/eviras_anvisning_livsmedelsinformation_17068_sv.pdf">https://www.ruokavirasto.fi/globalassets/tietoa-meista/asiointi/oppaat-ja-lomakkeet/yritykset/elintarvikeala/elintarvikealan-oppaat/sv/eviras_anvisning_livsmedelsinformation_17068_sv.pdf</a></p> <p>Ministry of Agriculture and Forestry decree on labeling certain foods that are heavily salted (1010/2014)  <a href="https://www.finlex.fi/sv/laki/alkup/2014/20141010">https://www.finlex.fi/sv/laki/alkup/2014/20141010</a></p>

#### Colours

Avoid the use of artificial colours when possible. If colours are required, then natural alternatives are preferred. Azo colours and E104 colouring are not permitted in Scandi Standard own brand products.

#### Flavourings

Avoid the use of artificial flavourings when possible. If flavourings are required, then natural alternatives are preferred.

#### Preservatives

Avoid the use of artificial preservatives when possible without compromising food safety.

#### Hydrogenated / Partially Hydrogenated Oils & Fats

Avoid the use of Hydrogenated/Partially Hydrogenated Oils or Fats.

#### Palm Oil

Avoid the use of palm oil, replacement/avoidance/reformulation wherever possible.

If palm oil must be added to a product in the form of a vegetable oil/fat based ingredient, RSPO palm oil sourced from the Segregated model is preferred. Processing aids and carryover ingredients in compound ingredients are out of scope for palm oil.

#### GMO's (Genetically Modified Organisms)

Avoid ingredients derived from GMO's.

## 3 Clean Label Policy Directives

### 3.1 Ownership

All sites will have a system of managing incoming ingredients to ensure compliance with BRC. The ingredient specifications must clearly outline the components of the ingredient both declarable & non declarable. It is the responsibility of each manufacturing site to ensure that they are working to this policy for each new product that they are introducing and / or reformulating for Scandi Standard branded products.

The Group/Company Management is responsible for ensuring that the Clean Label Policy is implemented and followed. All managers within the Company are responsible for implementing the Clean Label Policy recommendations within their organisation. All employees have the responsibility to understand and comply with the Clean label Policy in their daily work.

### 3.2 Approval

This document has been approved by Scandi Standard General Management.

### 3.3 Maintenance & Updates

The Clean Label policy will be reviewed annually during a consultation meeting with the area focus owner & local country partners.

### 3.4 Accessibility

The document will be distributed by the area focus owner to the local country partners who in turn will distribute to the relevant departments in each of their organisations. The policy is also published on the Scandi intranet.

## 4 Clean Label Policy Breaches

### 4.1 Clean Label Policy Deviation

If a manufacturing site is unable to meet the requirements outlined in this policy for a new or reformulated product, the deviation in question must be brought the attention of the country CEO. The country CEO may resolve to deviate from the document if special circumstances justify a deviation. Any derogations to policy must be justified and documented.

## 5 Version

Version No.	Author	Purpose/Change	Date of approval	Document Reference
1	Z. Montgomery NPD Manager, Manor Farm Ireland	1 <sup>st</sup> issue of the policy	2020-08-25	Board meeting protocol