



## **Corporate responsibility at Apetit**

Apetit's sustainability work is based on its values, mission and vision. The sustainability work is guided by Apetit's Code of Conduct and operating policies, as well as its procurement principles, which are based on the UN Global Compact initiative. Apetit's sustainability programme is part of the company's strategy and sustainability is part of daily operations.

Apetit's sustainability programme is based on material themes that have been determined in cooperation with its stakeholders regarding the climate and environmental impacts of operations (Planet), products and their preparation and processing (Product), the treatment of people (People) and financial responsibility (Profit). The themes are strongly linked to the company's value chain and stakeholders.

The purpose of goals and actions in Apetit's sustainability programme is to ensure sustainable practices throughout the company and nutritional and safe products that have been produced in a responsible way from raw materials that have been grown and procured in a sustainable way. Another objective is to ensure that all of Apetit's stakeholders are considered and treated equally.

### **Sustainability programme in accordance with the material themes**

Apetit determined the material themes of its corporate responsibility using an extensive survey carried out on its stakeholders in 2017. The key figures for 2018 are used as the comparison year for the sustainability programme's targets. Material themes were updated in 2019 when preparing Apetit sustainability programme.

At Apetit, responsibility goes through the entire value chain from field to fork. Apetit's key areas of corporate responsibility are development growing methods, the climate and environmental impact of operations, material and raw material efficiency, sustainable packaging solutions, responsible production of plant-based products and minimization of food waste. The implementation of Apetit's ethical principles and equality both in its own and in its stakeholders is also a key area.

#### **Planet**

The Apetit Group's most significant climate and environmental impacts arise in the various stages of the food production value chain, from cultivation and procurement, production and processing, and distribution, storage and consumption.

The relevant ways for Apetit to affect its climate and environmental impacts include the improvement of the efficiency of its production facilities regarding consumption of energy and water and the reduction of food waste.

We reduce our climate and environmental impacts in accordance with the goals of our sustainability programme:

- 50% reduction of CO2 emissions intensity by 2022
- 7.5% improvement in energy intensity by 2025 (4% by 2020)
- Boosting the efficiency of water consumption by recycling and processing: reduction of water consumption:
  - reducing the use of process water



- reducing the water used in harvest-time production
- Cutting down food waste and promotion of the circular economy by using side streams in production:
  - Reducing the waste generated from production with cooperation projects
  - Making use of side streams in harvest-time production: we will cut down the amount of composted material and increase the delivery of side streams for use as animal feed. We will utilise compostable waste as bioenergy.
  - Reducing the waste generated in households with product development and packaging design

## Products

Good and nutritional food is made from carefully selected and sustainably produced and procured raw materials. The product safety and quality of products are matters of primary importance for Apetit. High-quality products are guaranteed with sustainable cultivation and strict procurement principles.

The responsibility programme's goals related to products are:

- We are committed to climate responsible development of cultivation methods:
  - continuous development of cultivation methods at the Råpi experimental farm as part of Apetit's responsible farming practices
  - improving soil fertility by adding carbon as part of Apetit's Baltic Sea Commitment.
- Certification of contract growers: with the aim of ensuring all contract growers come under the scope of FSA (Farm Sustainability Assessment) certification\*:
  - 2019: at least 60% of contract growers recognised at bronze level
  - 2022: 100% at gold level
- Organic programme: as part of the development of cultivation methods we also want to develop organic cultivation methods at the Råpi experimental farm and together with our contract growers with the aim of increasing the amount of organic farming on an industrial scale
- Safe raw materials: in accordance with our procurement policy we procure raw materials, where possible, from Finland and safe countries in the neighbouring regions
- Animal-origin raw materials:
  - Fish raw materials: fish raw materials that we purchase are, whenever possible, MSC/ASC certified and purchases are made taking into account the guidelines of the WWF's Seafood Guide
  - In the case of other animal-origin products we aim to favour those that have been produced in Finland and in an ethical way. We use only barn eggs.
- Development of packaging solutions:
  - 1) making plastic packaging material 15% thinner by 2021
  - 2) increasing the recyclability of packaging and adding clear recycling symbols and instructions to help consumers recycle their waste correctly
  - 3) favouring renewable materials manufactured from natural resources in the use of packaging materials when possible



\* The FSA programme developed by the Sustainable Agriculture Initiative (SAI) used in self-assessment and third-party verification demonstrates the sustainability of agriculture with a scoring mechanism. Further information: <http://www.fsatool.com/>

## **People**

Apetit's corporate social responsibility is based on the Group's Code of Conduct, operating policy and values. Apetit respects the human dignity, privacy and rights of all of its employees and will not tolerate any kind of discrimination, threats, harassment or insults.

Apetit complies with international standards of working life to reduce the use of child labour. Apetit does not accept any form of forced labour or other infringements of human rights.

In accordance with its sustainability programme Apetit promotes:

- the equal treatment of its employees and the fostering of a good work atmosphere
- the broad use and development of its employees' expertise
- open and participatory interaction to improve the company
- the development of a varied and rich personnel structure
- occupational safety with the systematic prevention of occupational accidents

Our goal is to:

- Promote occupational safety and reduce the number of occupational accidents to zero
- Increase employees' knowledge of the company's Code of Conduct with training and to require all employees to approve the ethical operating principles in writing and to operate in accordance with them
- To maintain the strengths related to employee wellbeing and to focus on areas requiring development highlighted by the results of the Group-wide survey on wellbeing

## **Profit**

The Apetit Group's Code of Conduct guides operations in all Group business segments and all operating countries. Apetit requires all of its employees to comply with the Code of Conduct. The Apetit Group requires its suppliers to commit to the ethical, social and environmental aspects that are described in its supplier requirements and which are based on the company's Code of Conduct and the guidelines of the UN Global Compact initiative. Apetit also provides its employees with training on the principles of competition law.

All of Apetit's direct packaging suppliers sign the ethical supplier requirements. Vegetable raw materials are purchased from Finnish contract growers using responsible farming practices and from international partners fulfilling our supplier and quality requirements. In our grain and oilseed purchases, we follow the established international trading practices in the field.

As a listed company Apetit is also required to observe securities markets legislation and corporate governance regulations and recommendations. Apetit is responsible for the profitability of its operations to its shareholders.



## **Managing corporate responsibility**

Corporate responsibility is managed by the corporate management as part of its normal operations. The development of corporate responsibility work and the creation of sustainability targets are guided by the Group Responsibility Director. The targets of the corporate responsibility programme have been approved as part of the company's daily sustainability work. In the business segments the sustainability work is managed by the segment directors. The Apetit Group's corporate responsibility work is developed by the corporate responsibility steering group.

The personnel have the opportunity to regularly participate in corporate responsibility matters in personnel forums and meetings of occupational safety personnel.

## **Apetit' Group's Code of Conduct and management systems**

Code of Conduct  
Operating policies  
Management systems  
Environmental systems  
Procurement policy and ethical supplier requirements

## **Reporting**

Apetit reports on the measures taken in its sustainability work, the indicators of its material themes and the progress made in achieving its goals in its annual sustainability report in accordance with the Global Reporting Initiative (GRI) guidelines, as far as applicable.

## **Ethical channel for reporting suspected misconduct**

At the Apetit Group, suspected misconduct and non-compliance with the company's Code of Conduct and can be reported in Apetit's ethical channel for reporting suspected misconduct. Apetit's employees and all representatives of Apetit's stakeholders can report suspected cases of misconduct.

## **Apetit's sustainability programme's connection with the UN's Sustainable Development Goals (SDG)**

In its sustainability programme Apetit commits to operating and developing its operations in accordance with the corporate responsibility themes that have been defined as material themes for the Apetit Group. Apetit has also identified those themes in its sustainability programme that have the strongest connection with the UN's Sustainable Development Goals. The contribution made by the goals of Apetit's sustainability programme to the UN's Sustainable Development Goals is mainly local.

The Sustainable Development Goals initiative aims towards eliminating extreme poverty and facilitating sustainable development that takes the environment, the economy and people into consideration in equal measure.

The most material goals for Apetit and its stakeholders, which are supported by Apetit's operations:

### **Goal 2: Zero Hunger**

## Goal 3: Good health and wellbeing

## Goal 12: Responsible Consumption and Production

## Goal 13: Climate Action



## Goal 2: Zero Hunger

The goal is to end hunger, achieve food security, improve nutrition and promote sustainable agriculture.

- A plant-based diet will be able to feed more people in the future than products of animal origin, for example.
- Together with its contract growers Apetit is developing the responsible farming method, which has the aim of guaranteeing the highest quality and safest farming that is as sustainable as possible from the perspective of the climate and environment. In the responsible farming method growth is promoted with measures that improve the soil condition and plant protection measures are undertaken only if necessary. High quality farming methods ensure a pure, safe and abundant harvest.
- Apetit develops and produces high-quality, Finnish products that meet nutrition recommendations.

## Goal 3: Good health and wellbeing

The goal is to ensure healthy lives and promote wellbeing for all at all ages.

- Apetit's products are based on its R&D strategy to develop healthy and easy-to-use products that help people to increase their use of vegetables. Apetit develops its products in line with general nutritional recommendations, and the company monitors and makes use of reliable studies and nutritional information published by research institutes in its field.
- Apetit has made a nutrition commitment in seven content areas determined by the Finnish Food Authority. The purpose of the commitment is to improve the nutritional quality of Finnish diets.

## Goal 12: Responsible Consumption and Production

The goal is to ensure sustainable consumption and production patterns.



- Apetit is strongly committed to Finnish primary production in all of its operations. With its operations Apetit wants to promote Finnish farming of field vegetables, rapeseed and grain.
- As part of its nutrition commitments, Apetit is committed to supporting food choices that are in accordance with sustainable development.
- Apetit aims at reducing food waste in its own production and in consumers' kitchens using product development, various cooperation projects and communications to stakeholders.

### **Goal 13: Climate Action**

The goal is to take urgent action to combat climate change and its impacts.

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