

Sustainability report

HONKAJOKI® wealth by recycling



INTRODUCTION MIKA TUOMOLA, DIRECTOR, RESEARCH AND DEVELOPMENT

Waste is a design flaw

In 2020, food waste became a much debated and widely recognised issue that has led consumers to pay more attention to their consumption habits. Increasing attention is put to wasted food materials and associated economic and nutritional losses. There is a need for this, as food waste is an unnecessary environmental burden on society as a whole.

Food losses occur at all levels of the food system. At each stage of production, inefficiency can lead to production losses and increase the amount of unnecessary waste. In developed countries, raw material use and process efficiencies have largely been optimised, and waste has been determinedly reduced. In many developing countries on the other hand, waste remains a major problem in production and supply chains due to poor conditions and inadequate infrastructure.

Food production inevitably generates also non-edible, mainly organic by-products. This part of food production often receives less attention in public debate, but its impact is significant when looking at the food system as a whole. By-products are produced alongside the main products, and in an ideal situation can be used to create value-added products based on renewable raw materials. In a circular economy, the food chain and non-food chain are inextricably linked. In Finland, the Honkajoki Group plays an important role as a link connecting these two sectors, and as a pioneer in the productization and commercialisation of by-products.

Circular economy is an important enabler in decoupling economic growth from increasing consumption of finite materials. Existing value networks are mainly based on the use of virgin raw materials and challenging them is not an easy task. In order to move towards a circular economy, the smaller environmental footprint of secondary raw materials should have commercial value. In addition, the separate collection of by-products and recycling processes should work smoothly, and the market for circulated raw materials should be

profitable. As a special feature of food production chain in Finland, we gain added value from the very low use of pesticides and drugs, and for example from broilers raised entirely without the use of antibiotics. This is also reflected in our product quality.

At Honkajoki, we invest in the research and development of existing and potential new by-products and their processing opportunities in order to exploit them to their full potential. The aim is not only to replace existing raw materials, but also to explore new product opportunities, possibly in entirely new industries. The EU Waste Framework Directive serves as a useful guideline in moving towards a circular economy. It emphasises the use of recycled materials in line with a European waste hierarchy, which establishes the most preferred options for managing waste in order to protect human health, the environment, and natural resources. The most preferred option almost always provides also the greatest added value.

Productizing side streams is an environmentally friendly business. At Honkajoki, the animal by-product rendering sequesters multiple times more greenhouse gases than it generates. Compared to alternative protein raw materials, the carbon footprint of our recycled nutrients is very small, and our aim is to make it negative in the future. The industrial symbiosis in the Kirkkokallio region also brings its own added value to Honkajoki. Companies operating in different sectors in the area collaborate closely in recycling by-products and, for example, surplus heat, which enables operations that use minimal resources and generate minimal waste. This “eco-park” operating model has aroused international interest and is part of the Honkajoki Concept. In the future it will provide comprehensive solutions for the processing and commercialisation of animal by-products for the international market.

**INQUIRIES CONCERNING CORPORATE
RESPONSIBILITY AT HONKAJOKI:**

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A year of changes

2020 was an exceptional year in many ways, and major changes took place in several sectors worldwide. Changes also took place in the Honkajoki Group.

The animal species ratio in our raw materials changed. This was due to a couple of significant factors. Our raw material volumes decreased as some of our suppliers sold their meat products directly abroad. Another factor was the structural change in the fur industry. The decline of the fur industry is reflected in the increase in the quantities of raw materials delivered to Honkajoki, as the share of intermediated sales has further decreased over the past few years. As a result, we have had to shift our focus on end-product development and increasing our production capacity. Currently, the Group's production capacity is full and we need more capacity to process the raw material delivered to us.

Due to the above-mentioned changes, we established a major development and investment programme for 2021–2025. The development and investment programme will improve the value of end products processed from animal by-products, which will strengthen the Group's profitability and global market position. Sustainability, energy efficiency and carbon neutrality are at the heart of the investment programme, as responsible actions are fundamental to ensuring the continuity of the Group's operations.

The investment programme also aims to improve biosafety at the Honkajoki Group, as the threat of diseases that spread globally has

increased. At Honkajoki, biosafety is already taken into account at the planning stage. For example, we are building a second cleaning line at the Honkajoki plant to ensure sufficient capacity for washing and disinfecting containers. We will transfer the processing of category 1 material (risk material) to the Kaustinen unit, and in future, porcine-derived raw materials will be processed at the Honkajoki unit. Staff members play a key role in ensuring biosafety, and we will continue to revise our policies and procedures as necessary.

“PORCINE AND POULTRY PROTEIN
COULD ENABLE US TO PARTIALLY REPLACE IMPORTED
SOYBEAN MEAL, WHICH HAS A SIGNIFICANTLY HIGHER
CARBON FOOTPRINT THAN RECYCLED ANIMAL PROTEIN.”

Our end-product market was favourable in 2020. The world market price of fat increased and general price levels increased significantly. Demand for protein and meat and bone meal remained high throughout the year, and sales were further boosted by increasing demand in Asia. In addition, demand in the surrounding areas clearly increased as new local domestic pet food manufacturers started production. The possibility to use porcine and poultry protein for feed from 2021 onwards is expected to change the global protein market again in the EU.

Porcine and poultry protein could enable us to partially replace imported soy, which has a significantly higher carbon footprint than recycled animal protein. In the light of current information, most of the available soy comes from outside the EU, which increases the negative environmental impact of imported soy. When we compare our products with other proteins that are used for animal nutrition, protein meal produced from meat industry by-products appears to be more environmentally friendly in terms of climate impact than other alternative products on the market.

The Honkajoki Group will continue to work systematically towards the carbon neutrality target set out in connection with its 2020 strategy work. Currently, the biggest obstacle seems to be peat, which is classified as a non-renewable resource in Finland, unlike in Sweden, for example. The transition from peat will require significant investments and result in increased energy costs, which may prove to be a stumbling block for many companies. In the transition towards renewable fuels, decision-makers should look at the big picture, and consider all the challenges the process and manufacturing industries have to solve.

Kari Valkosalo
CEO



About Honkajoki Group

Honkajoki Oy is Finland's leading processor and refiner of animal by-products. We refine organic meat production by-products into clean, high-quality and safe products for our customers in various industrial sectors. At the same time, we give a new life to valuable food chain nutrients, which are used as raw materials for example in animal feed, fertilisers, cosmetics, and biofuels.



HONKAJOKI OY COMPLIES WITH THE FOLLOWING INTERNATIONAL AGREEMENTS AND RECOMMENDATIONS:

- The United Nations (UN) Universal Declaration of Human Rights and the Convention on the Rights of the Child
- The International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work
- OECD Guidelines for Multinational Enterprises
- The International Chamber of Commerce (ICC) Business Charter for Sustainable Development and ICC Rules on Combating Corruption

MISSION

Wealth by Recycling

HONKAJOKI GROUP

Refines its customers' organic by-products in accordance with the principles of the circular economy.

HONKAJOKI OY, FOUNDED IN 1967

- Atria Oyj 50%
- HKScan Finland Oy 50%

FINDEST PROTEIN OY, FOUNDED IN 1995

- Honkajoki Oy 66.9%
- Atria Oyj 33.1%

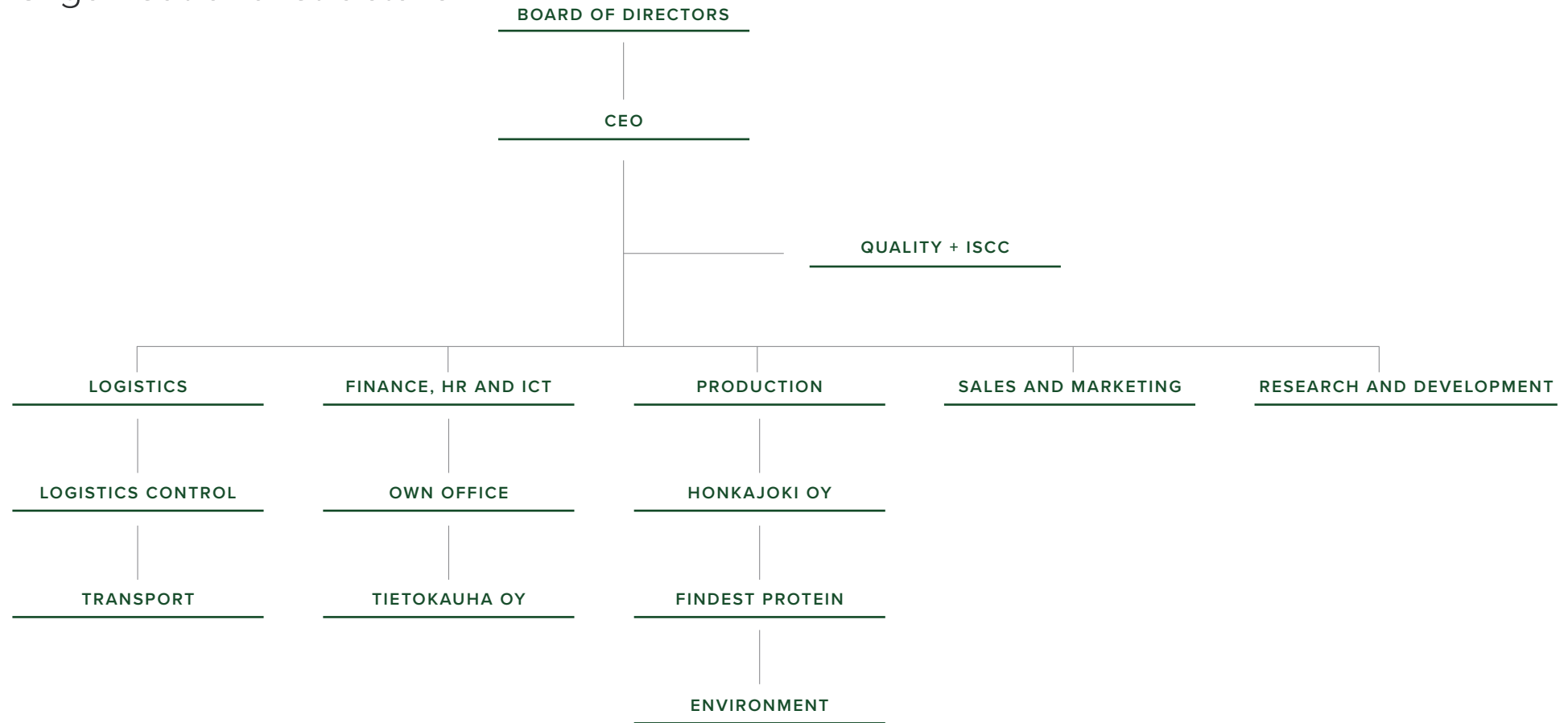
GMM FINLAND OY, FOUNDED IN 2017

- Honkajoki Oy 100%

REMSOIL OY, FOUNDED IN 2018

- Honkajoki Oy 60%
- Private owners 40%

Organisational structure



BOARD OF DIRECTORS

Mika Ala-Fossi, Chairman
Deputised by *Tapani Potka*

Juha Ruohola
Deputised by *Ulf Jahnsson*

Janne Leppänen
Deputised by *Pentti Sivula*

Matti Perälä
Deputised by *Markku Hirvijärvi*

VALUES AND STRATEGY

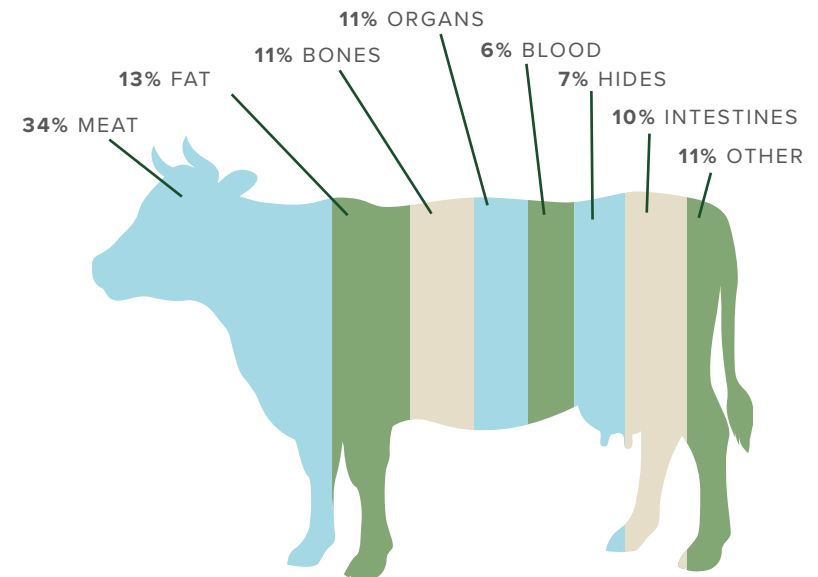
The best for the environment on its terms

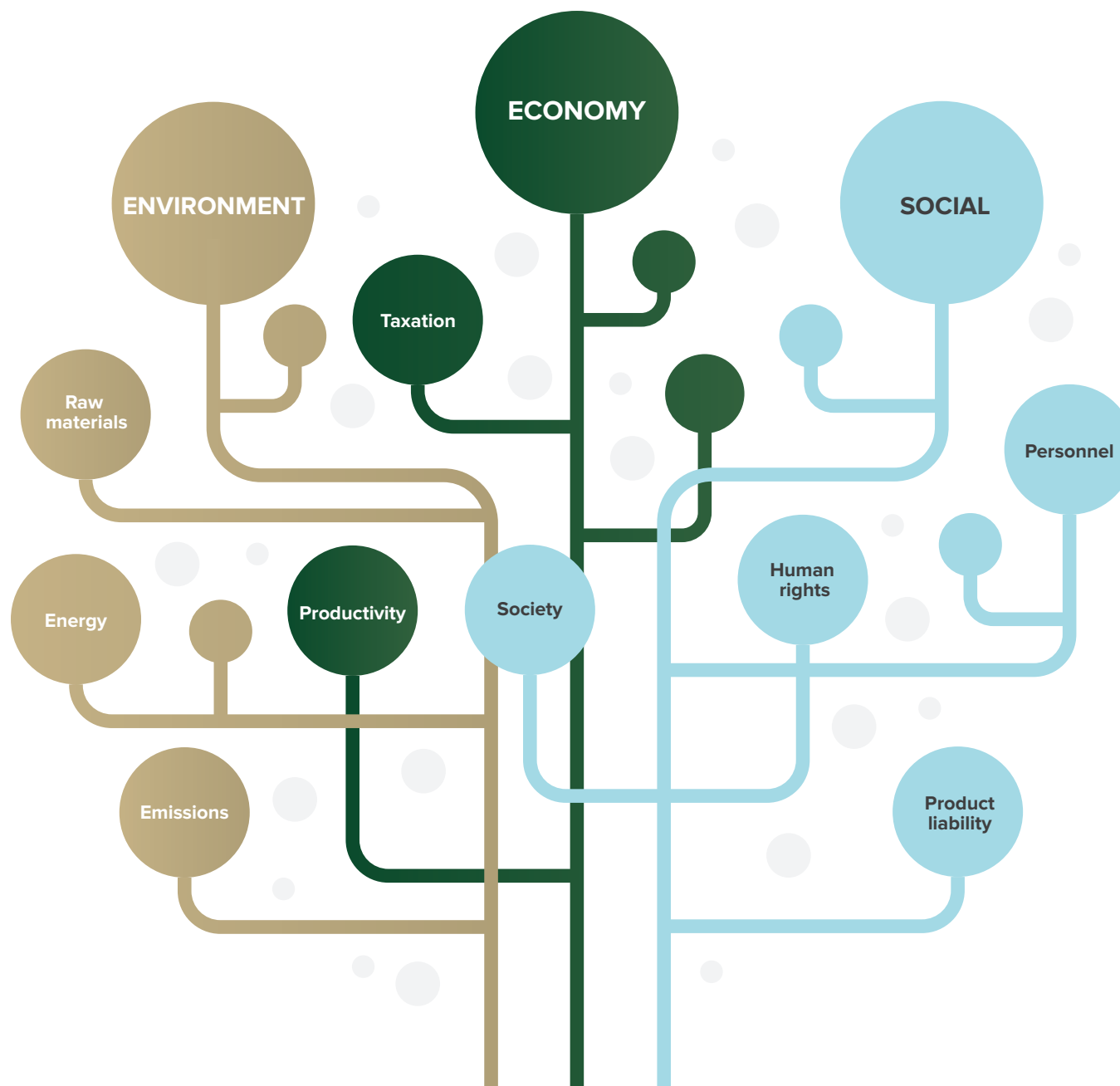
Honkajoki Oy's operations are based on recycling; we refine renewable raw material by-products into new products. Currently, most of our raw material comes from the Finnish meat industry. Our strategic goal is to increase the use of renewable fuels in energy production in order to build on our commitment to become a carbon-neutral process industry company.

Our aim is to ensure that all nutrients remain in the circle of life for as long as possible. We make sure that by-products from food production do not end up in landfill, but are reused in, for example, animal feed, pet food, and renewable biofuels. Honkajoki Oy's goal is to maximise the added value of its products. We use 100% of the organic materials we receive. The local agro-ecosystem also recycles the by-products of other local operators into new products (e.g. biomass into biogas, recovered heat into a useful form of energy, etc.).

In 2020, the Honkajoki Group renewed its strategy for the next five years. Considering the increase in meat production, the circular economy solutions developed by the Honkajoki Group are desperately needed, both in Finland as well as globally. Meat consumption is expected to continue to increase in developing countries due to high population levels and growth rates. According to current projections, meat consumption in developing countries will increase five times faster than in developed countries. This is particularly relevant in Africa and Asia, where meat consumption is expected to increase even faster than in the last decade.

Over the next five years, the Group aims to further develop its processes and invest in research and development to develop high added-value products, and expand the utilisation of food industry by-products.





VALUES AND OPERATING PRINCIPLES

We are committed to delivering high-quality, responsibly produced products and services at competitive prices. Reliability, honesty and responsibility are included in all our activities, and we adhere to the highest level of ethics, even when the law does not set a framework. We expect

the same approach from our partners. We are also dedicated to the construction of a safe, responsible and equal community, both within and outside our organisation.



Reliability



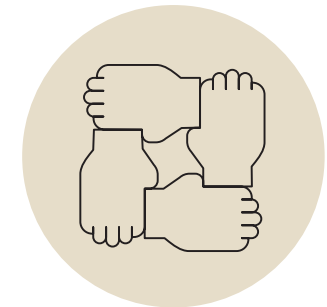
Environmental
friendliness



Desire to improve
and develop

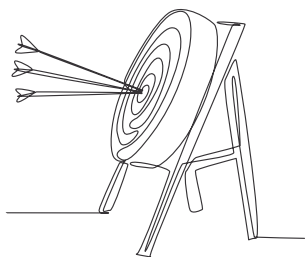


Economic
responsibility

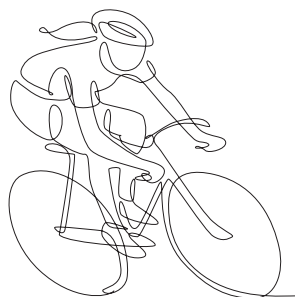


Occupational
wellbeing

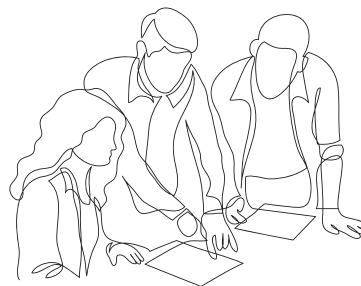
VISION



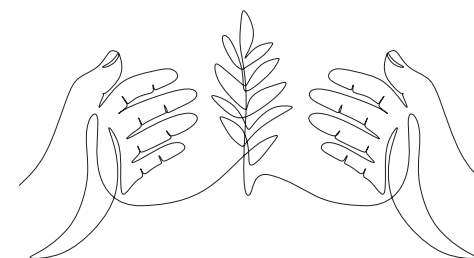
Becoming a leading
food industry side
stream processor



Investing in
innovative products
and solutions



Ensuring comprehensive
side stream solutions
for our partners



Ensuring a clean
and safe living
environment

PRODUCTS

Safety is ensured at all stages of production



Our products are always safe, high quality and environmentally friendly, and each batch is carefully inspected before delivery. We ensure the safety and quality of our products and services systematically, by conducting various quality assurance tests at all stages of production. All our employees comply with high food safety and hygiene standards.

We are committed to ensuring a safe working environment for all our employees at all stages of their work. We regularly carry out inspections and audits to develop our workplace safety. Safety briefings and safety monitoring are part of our staff members' daily routine. Each employee is responsible for complying with occupational safety instructions, for using appropriate personal protective equipment, and for reporting any deficiencies in safety instructions or procedures.

**HONKAJOKI OY'S OPERATIONS HAVE BEEN CERTIFIED
IN ACCORDANCE WITH THE FOLLOWING ISO AND
EU STANDARDS:**



ISO 9001:2015

**MANAGEMENT
SYSTEM**



ISO 14001:2015

**ENVIRONMENTAL
MANAGEMENT SYSTEM**



ISO 45001:2018

**OCCUPATIONAL
HEALTH AND SAFETY
MANAGEMENT SYSTEM**



ISCC EU

**INTERNATIONAL
SUSTAINABILITY AND
CARBON CERTIFICATION**

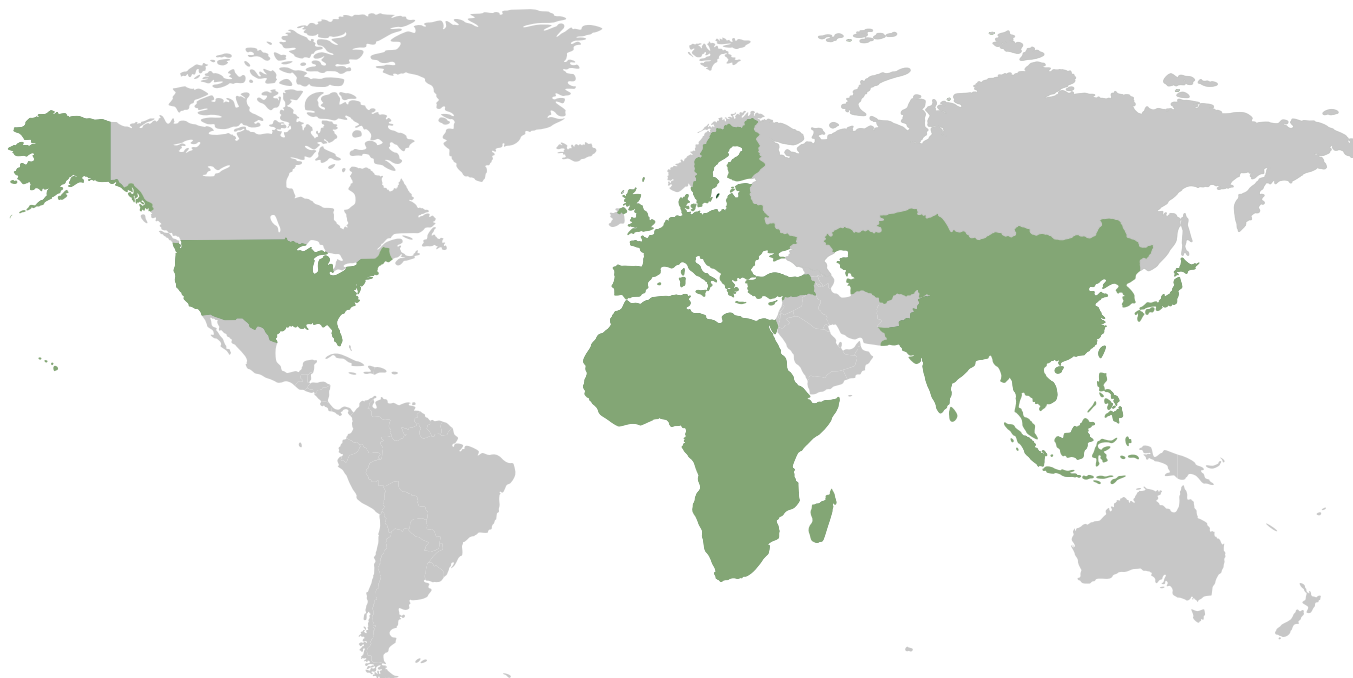
PRODUCTS

High-quality end-products

In 2020, the market share of Finland and its neighbouring regions increased, as did the demand for our products. This was largely due to an increase in local manufacturing. Increased transport costs and the limited availability of containers raised the overall price of products, especially those sold to developing countries.

During the reporting period, we did not have to make any product withdrawals or recalls. The Group's self-monitoring plan and critical control points have been carefully planned, which enables any deviations to be detected in good time before a product is packaged.

In 2020, one third of our poultry meal was sold to Finland. One third was delivered to our customers in Europe, and one third to third countries. 70% of our porcine protein was sold to third countries and one third was sold to our customers in Finland. Approximately 90% of fats were sold domestically, and 10% was sold abroad, for biofuel and feed fat.



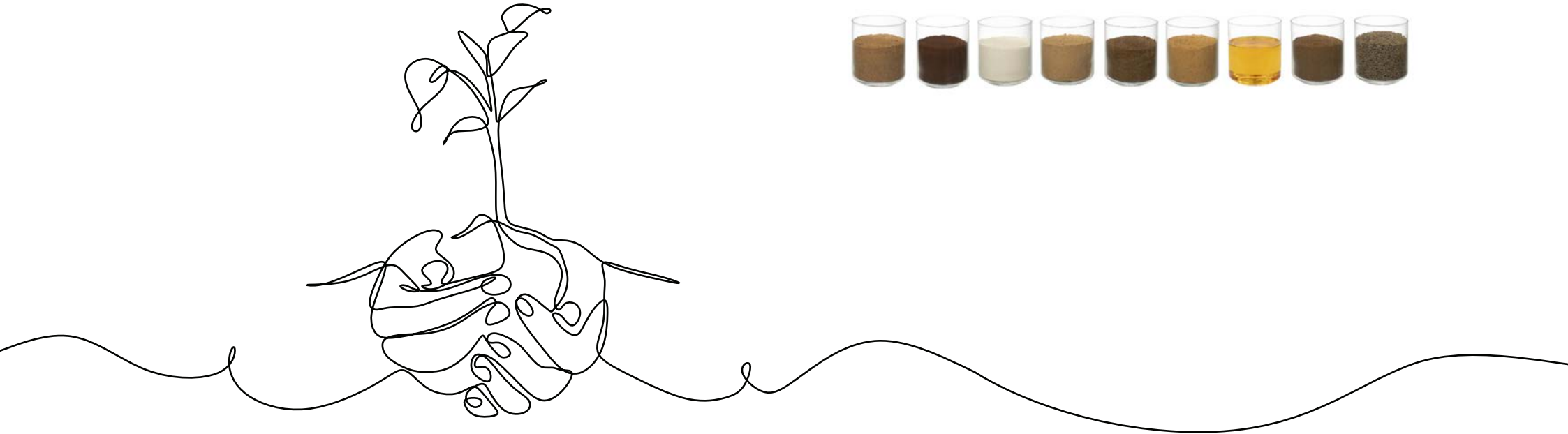
All category 3 animal fat produced at Findest Protein was sold to Finland as a raw material for biodiesel. Category 3 meal was sold as a raw material for pet food and animal feed to EU countries (e.g. Germany and Latvia), South Africa, and Finland.

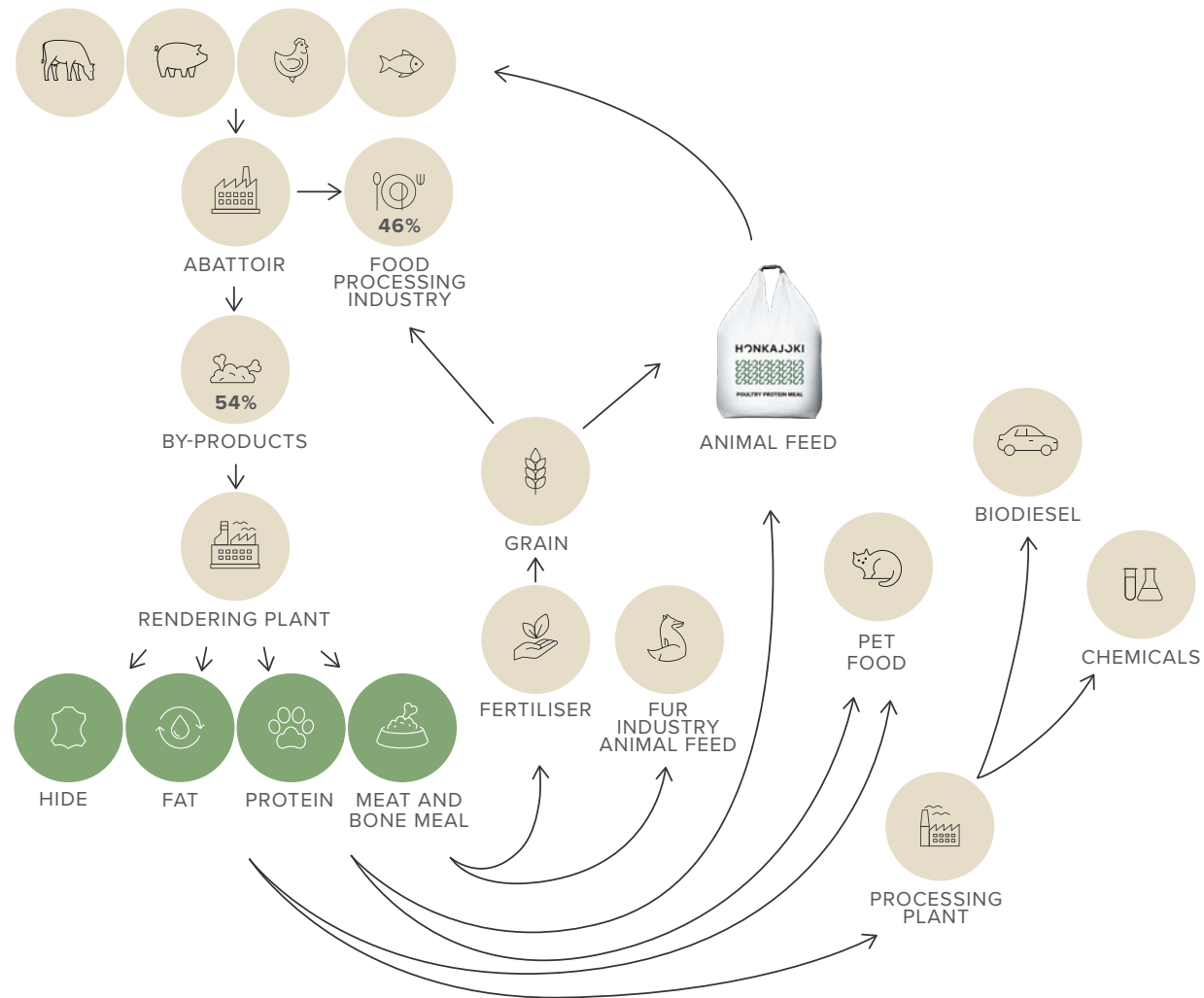
Table 3 shows the raw materials produced in the Honkajoki plant in 2020. The products are divided into categories in accordance with the Animal By-Product Act. Category 1 protein meal was delivered for disposal by incineration. Category 1 animal fat was sold abroad for biodiesel production. Category 2 and category 3 animal fats were sold as a raw material for biodiesel, and a small amount of category 2 fats was sold to Europe for biodiesel production. Category 2 protein meal was used

in Finland as a raw material for organic fertilisers and sold abroad as a fertiliser. In addition, category 2 protein meal was used in Finland as a raw material for feed for fur animals.

RAW MATERIALS PRODUCED AT HONKAJOKI IN 2020 (TONNES)				
Plant	Category 1	Category 2	Category 3	Poultry
Category 1 fat	2,311			
Category 1 protein	5,771			
Category 2 fat		7,980		
Category 2 protein		15,655		
Category 3 fat			485	6,629
Category 3 protein			1,177	11,033

Table 1. Raw materials produced in 2020 (sold process heat is not included)







Economic responsibility

So far, the COVID-19 epidemic has not had a significant impact on Honkajoki Oy's financial situation, although some additional costs have been incurred in implementing the necessary prevention and control measures.

HONKAJOKI GROUP

The figures represent Group figures:

YEAR 2020

Net sales	42,332,335
Operating profit	3,279,043

PAID TO OWNERS

Dividends	1,220,400
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STAFF EXPENSES

Salaries and wages	5,034,636
Pension costs	763,148
Other indirect staff expenses	241,710

SOCIAL CONTRIBUTIONS

VAT	1,339,236
Property tax	52,517
Direct taxes	614,170
Public charges for vehicles	4,030

DONATIONS PAID

22,933
EUROS

PURCHASES

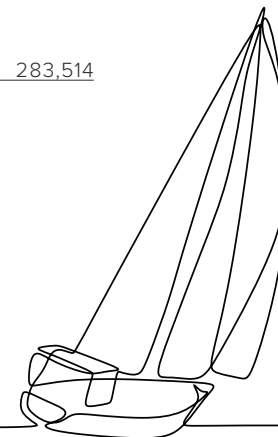
Materials, supplies, goods	17,108,004
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DONATIONS PAID

Total donations paid	22,933
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DONATIONS RECEIVED

State grants	283,514
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KEY FIGURES FOR 2020

EMPLOYEES IN THE GROUP

123

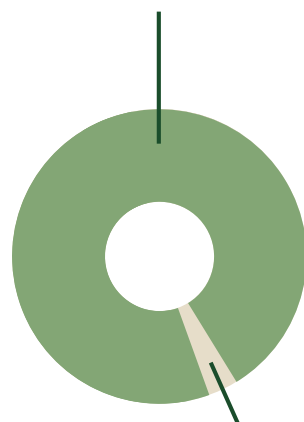
OF WHICH 20 WOMEN



NET SALES

42.3

MILLION EUROS



PROFIT MARGIN FOR THE
FINANCIAL PERIOD

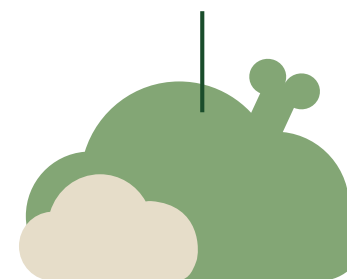
5,7

PER CENT

RAW MATERIAL VOLUME

173,322

TONNES



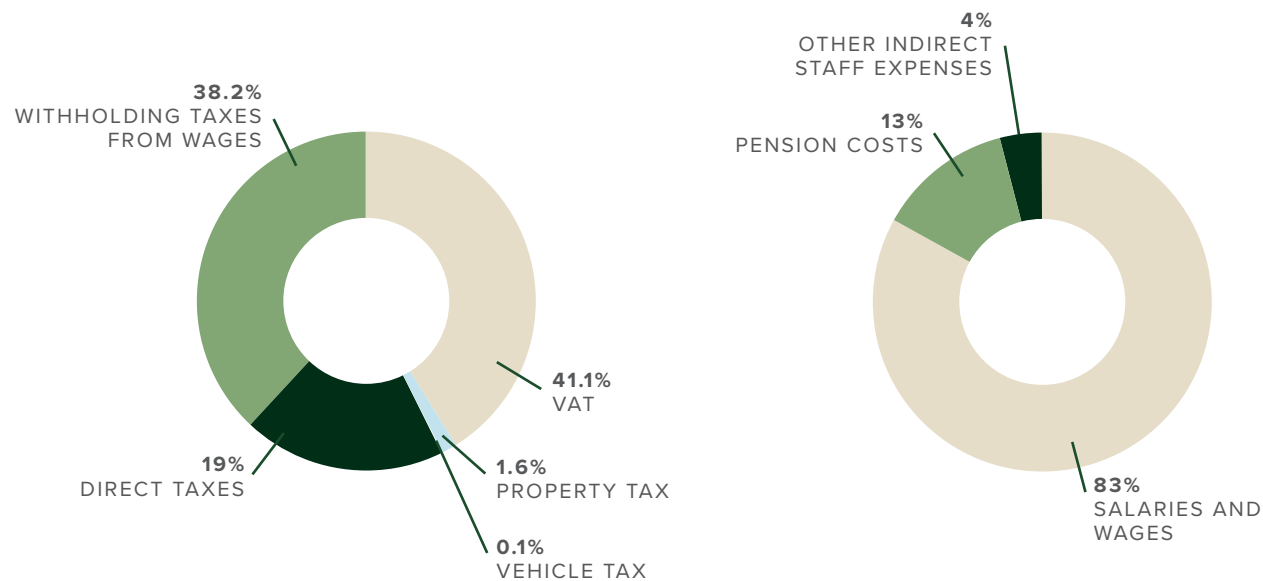
EQUITY RATIO

55.3

PER CENT

ECONOMIC RESPONSIBILITY

COST STRUCTURE FOR 2020



ASSOCIATIONS AND LOBBYING ORGANISATIONS IN WHICH THE HONKAJOKI GROUP IS INVOLVED

EUROPEAN FAT PROCESSORS AND RENDERERS ASSOCIATION EFRA
 FIBS RY (CORPORATE RESPONSIBILITY NETWORK OF FINLAND)
 THE TAXPAYERS ASSOCIATION OF FINLAND (TAF)
 THE FINNISH FOOD AND DRINK INDUSTRIES FEDERATION (ETL)
 REGISTERED ASSOCIATION FINNISH-RUSSIAN CHAMBER OF COMMERCE (FRCC)

SATAKUNTA CHAMBER OF COMMERCE
 THE FINNISH ASSOCIATION FOR BIOLOGICAL WASTE TREATMENT
 THE SCIENTIFIC AGRICULTURAL SOCIETY OF FINLAND
 WORLD ENERGY COUNCIL FINLAND RY
 THE FEDERATION OF FINNISH ENTERPRISES



Production facilities in Honkajoki in July 2020



Social responsibility

The Honkajoki Group adheres to the universal human rights as defined by the UN Declaration of Human Rights. In addition, we treat employees and applicants in accordance with the ILO Conventions, the national labour law, and collective agreements. We also expect our employees to treat everyone fairly and with respect.

We are committed to ensuring a safe working environment for all our employees at all stages of their work. We regularly carry out inspections and audits to develop our workplace safety. Safety briefings and safety monitoring are part of our staff members' daily routine. Each employee is responsible for complying with occupational safety instructions, for using appropriate personal protective equipment, and for reporting any deficiencies in safety instructions or procedures.

We are also committed to operating according to the Rules on Combating Corruption of the International Chamber of Commerce (ICC) and the guidelines of the Organisation for Economic Cooperation and Development (OECD). There are no identified cases of corruption or discrimination in our company.

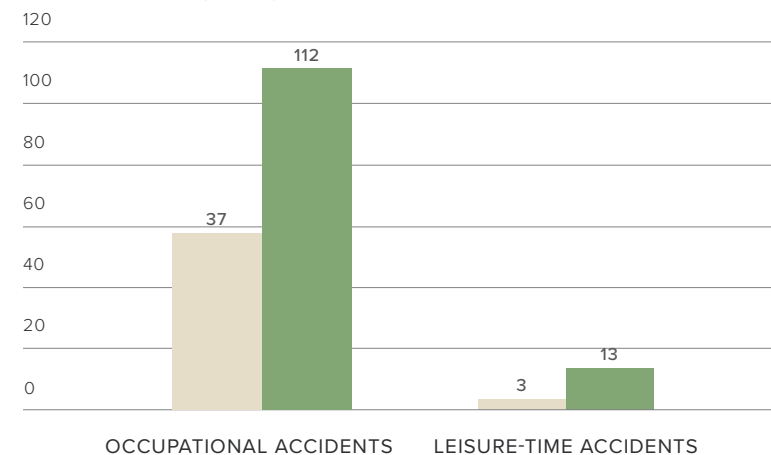
During the coronavirus epidemic, we have sought to reduce the risk of infection in factory areas, for example, by working remotely, where possible. Honkajoki Oy plays an important role in ensuring Finland's security of supply. In these exceptional circumstances, we have sought to secure Honkajoki Oy's core operations to guarantee the continuity and self-sufficiency of Finnish food production. In practice, all our operations have been decentralised. We started working from home and made special arrangements in factory areas to reduce the risk of infection and secure our operations.

In the spring of 2020, all visits to Honkajoki Oy premises were postponed. In addition, we advised everyone to avoid unnecessary travel, and staff meetings as well as meetings with external stakeholders were kept to a

minimum. Only meetings necessary for the execution of our operations, and that could not be carried out remotely, were held. We also made special arrangements for all outgoing and incoming deliveries.

ACCIDENTS DURING THE REPORTING PERIOD

ABSENCES DUE TO OCCUPATIONAL ACCIDENTS AND DISEASES (DAYS)



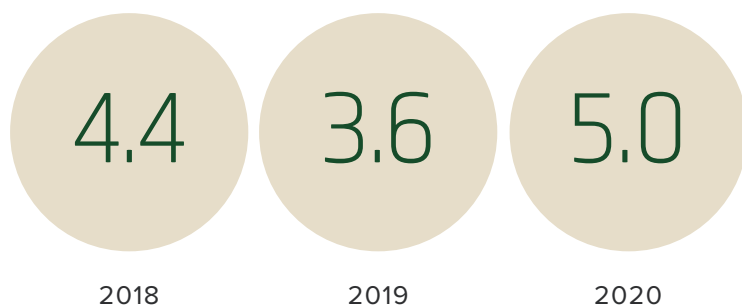
NUMBER OF CASES

	OCCUPATIONAL ACCIDENTS	LEISURE-TIME ACCIDENTS
● In 2020	4	1
● In the reference period 2019	13	1

In 2020, the number of occupational accidents at the Honkajoki Group decreased to five, and all the accidents were classified as minor. The low accident rate shows that we are moving in the right direction, but naturally, every accident is one too many.

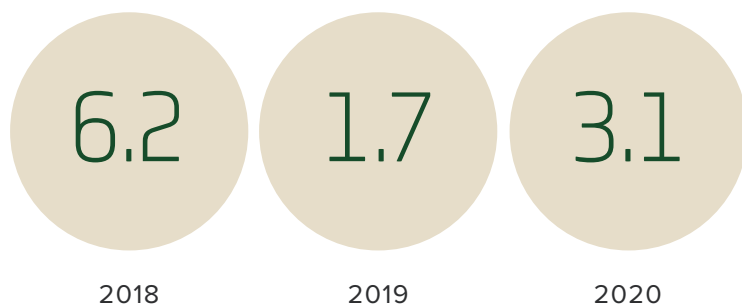
SICK LEAVE ABSENCES IN HONKAJOKI

ABSENCE RATE (%)



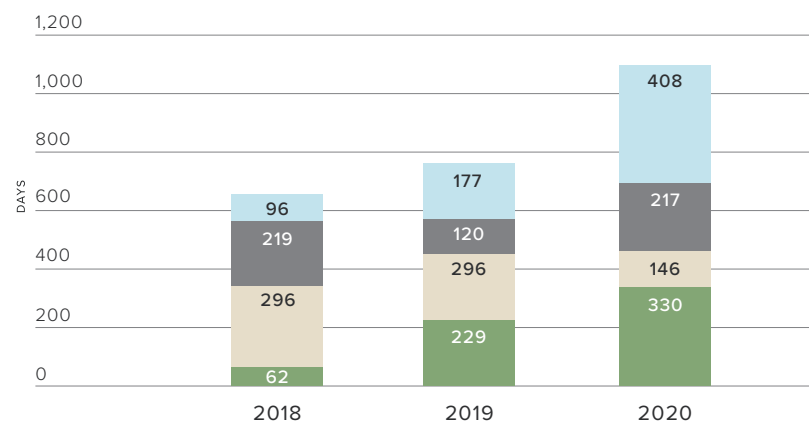
SICKNESS ABSENCES IN FINDEST PROTEIN

ABSENCE RATE (%)



SICK LEAVE DAYS

The effects of the coronavirus epidemic are clearly reflected in the number of staff absences due to sickness. Absence rates increased during the reporting period.



	2018	2019	2020
● Q1	16	37	32
● Q2	27	29	18
● Q3	23	23	25
● Q4	25	27	31

Stakeholder analysis

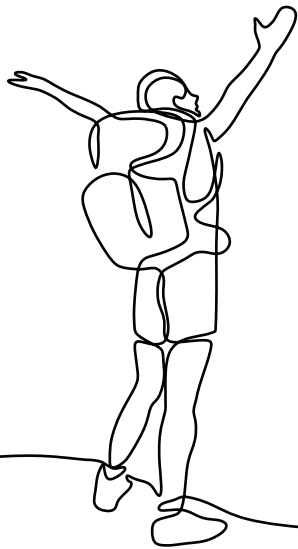
In 2020, we conducted an employee satisfaction survey and a customer satisfaction survey to collect data for our stakeholder analysis. We also conducted a materiality assessment to assess the significance of the impact the company's operations have on the surrounding society and environment.

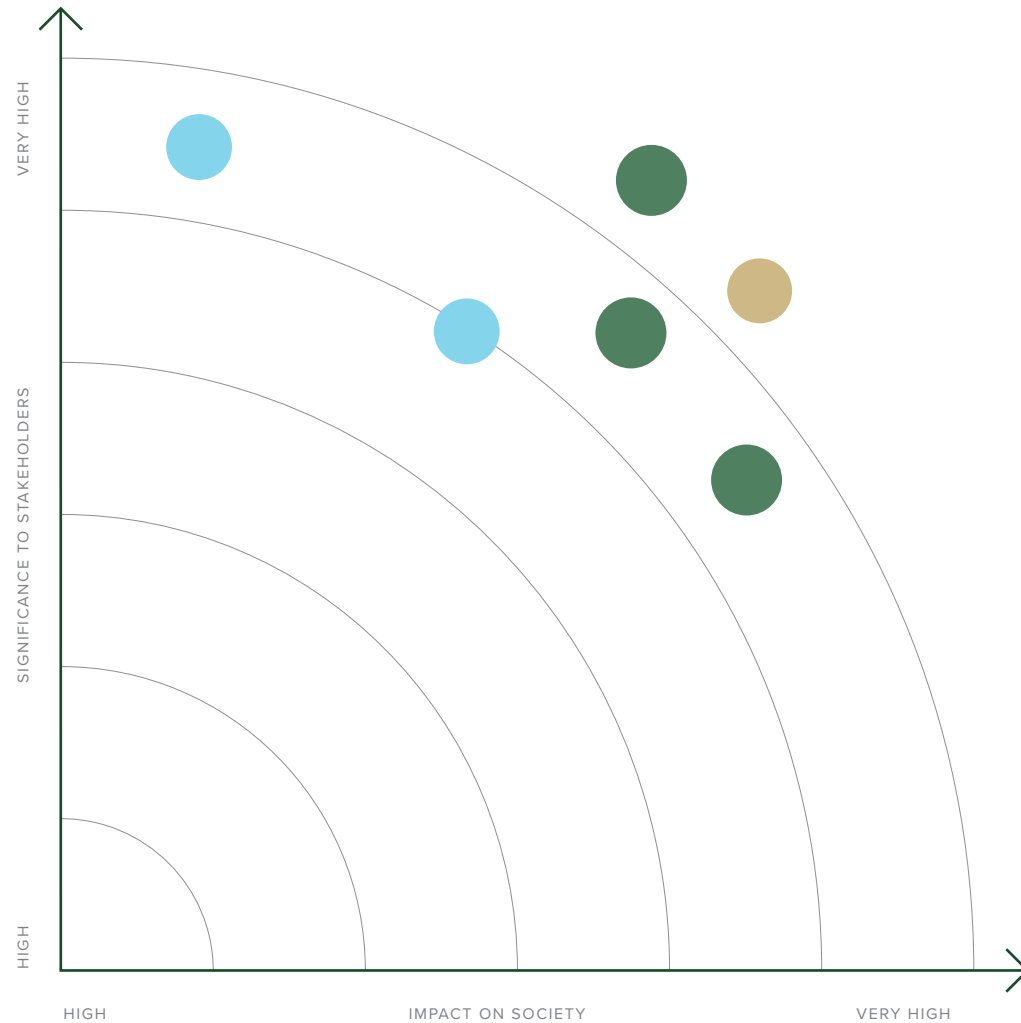
We strive to communicate with our stakeholders in an open, effective, clear and timely manner in every situation, and we choose the means of communication depending on the needs of the stakeholder and the nature of the information. As part of our internal development project, we constantly strive to improve our communications and, in particular, the Group's internal communications. We communicate responsibly to the public, and we focus on promoting the themes of the circular economy and resource efficiency.

The Honkajoki Group cooperates extensively with various parties, from authorities and research partners to the members of its extensive business cooperation network. Active cooperation with various parties in different sectors enables innovation and the development of our operations. In the coming years we will continue to invest in research and development, and in expanding our brand into international markets. The Honkajoki Group wants to contribute to solving the challenges of meat industry food chains in a globally sustainable way.

Topics raised by the stakeholder analysis:

- A positive working environment
- Communication requires further attention
- Domesticity and Finnish origin are considered a strength
- Honkajoki is a reliable partner
- Honkajoki is a circular economy pioneer



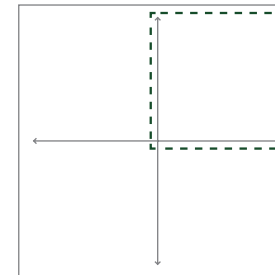


EXTERNAL STAKEHOLDERS

- Local/Finnish company
- A great partner
- A pioneer in the circular economy

INTERNAL STAKEHOLDERS

- A positive working environment (strength)
- Communication (room for improvement)
- A responsible processor of by-products



The topics presented in the materiality matrix are considered significant or very significant.





Employee satisfaction

In 2020, the Group's staff survey response rate was 66%. The response rate was one per cent higher compared to the previous year. Average employee satisfaction was 7.6 on a scale of 0-10. The Group's NPS (Net Promoter Score) increased to 43.5 from the previous year's score of 37.3.

AVERAGE EMPLOYEE
SATISFACTION

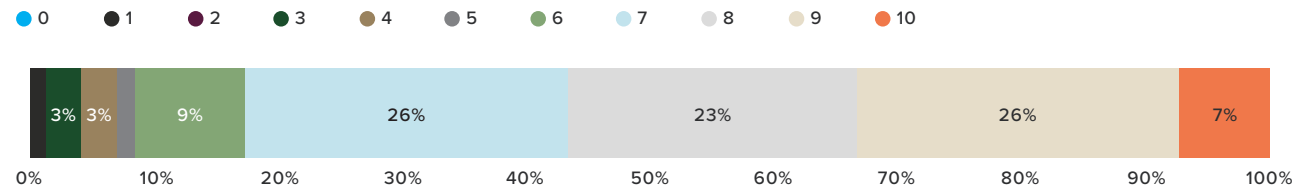
7,6

NPS

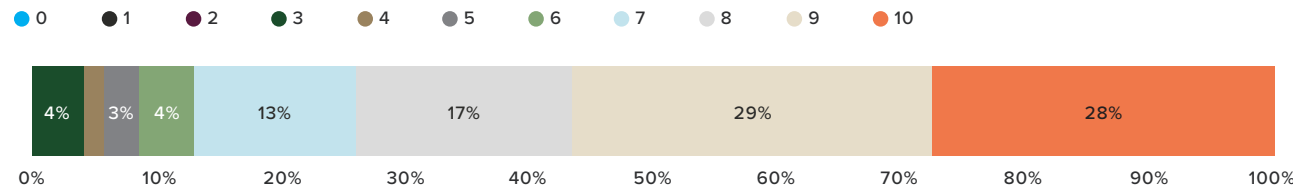
43,5

AVERAGE EMPLOYEE SATISFACTION AT THE HONKAJOKI GROUP: 7.6

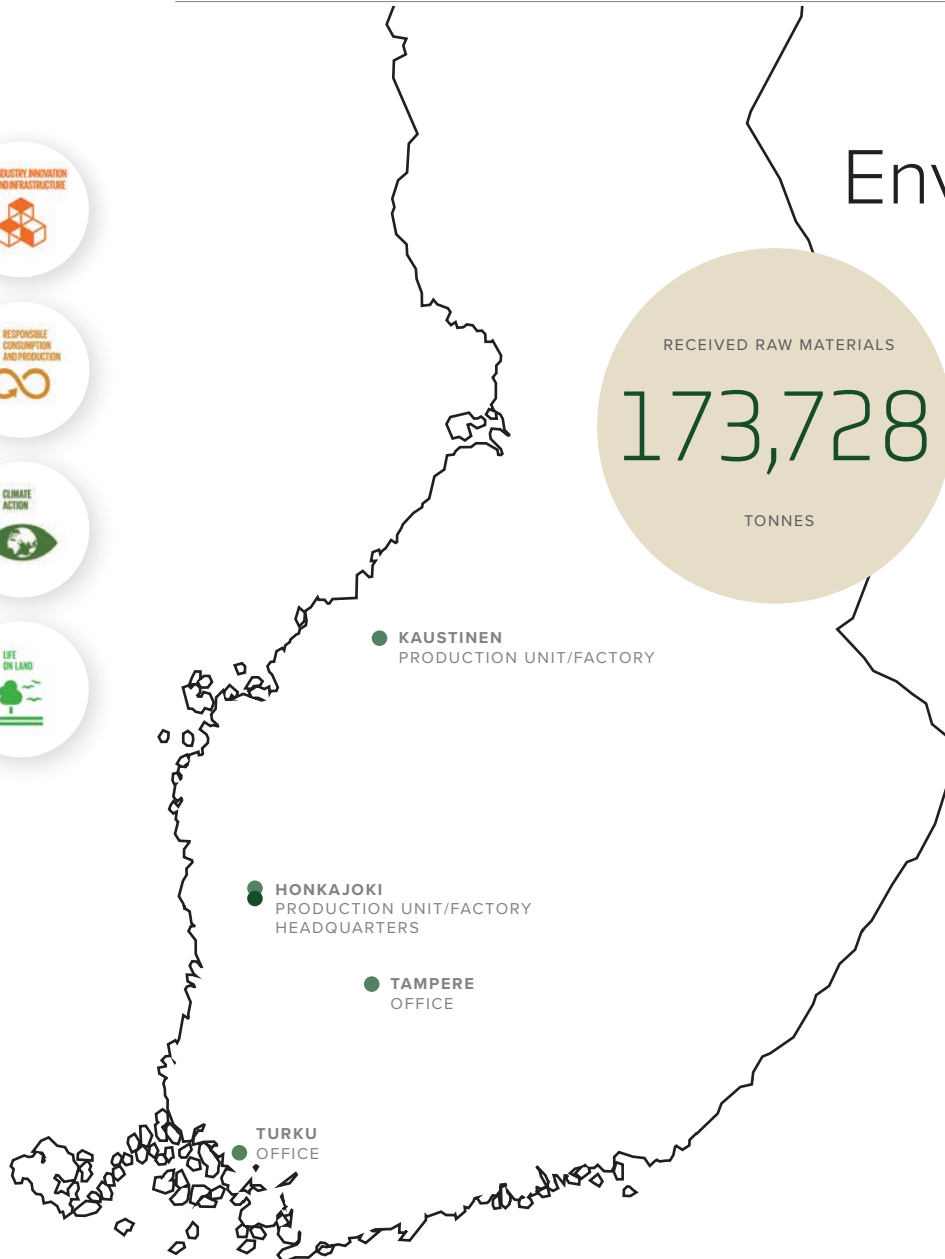
MY CURRENT JOB SATISFACTION LEVEL (ON A SCALE OF 0-10: 0=POOR, 10=GOOD)



HOW LIKELY WOULD YOU BE TO RECOMMEND US AS AN EMPLOYER? NPS - HONKAJOKI GROUP: 43,5







Environmental responsibility

We take environmental considerations into account in all our operations and decision-making, and we are committed to constantly improving our environmental expertise and minimising any adverse environmental impacts from our operations. The total amount of raw materials received at the Honkajoki Group was 173,728 tonnes.

FINDEST:

In 2020, the total amount of category 3 animal by-products received decreased by 20.2% compared to the previous year, amounting to 18,035 tonnes.

HONKAJOKI:

In 2020, the total amount of animal by-products received at the Honkajoki production unit increased by 3.4% compared to the previous year, amounting to 142,237 tonnes.

The processing volume of category 1 by-products increased by 1.6%. The processing volume of category 2 by-products decreased by 10.9%. The processing volume of category 3 by-products was 63,198 tonnes.

RAW MATERIALS RECEIVED IN HONKAJOKI IN 2020	
	Volume
Category 1 raw materials	21,294
Category 2 raw materials	52,903
Fat sales	4,842
Category 3 raw materials	63,198
Intermediated sales to fur feed kitchens	10,460

Table 2 shows category 1, category 2 and category 3 raw material quantities received at the processing plants in 2020.

MILEAGE

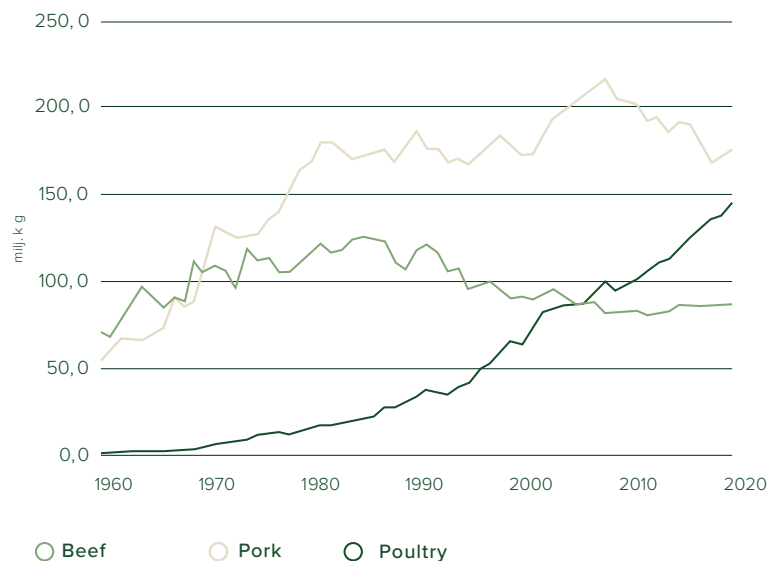
Container transfers from slaughterhouses	1,701,342 km
Carcass collection from farms	1,502,029 km

All businesses are directly or indirectly dependent on the resources provided by nature, such as clean water and raw materials. A circular economy allows us to reduce the consumption of natural resources, CO₂ emissions, and other environmental impacts.

A record amount of meat was produced in 2020. In 2020, a total of 409.1 million kilogrammes of pork, beef, poultry and lamb meat were produced in Finland, which indicates an increase of 2%. Pork production increased by 3% and poultry production increased by 4%, while beef production decreased by 1%. The production volume of lamb meat was 1.0 million kilogrammes. Domestic consumption accounted for 82.8% of total consumption. Kantar TNS Agri Oy*

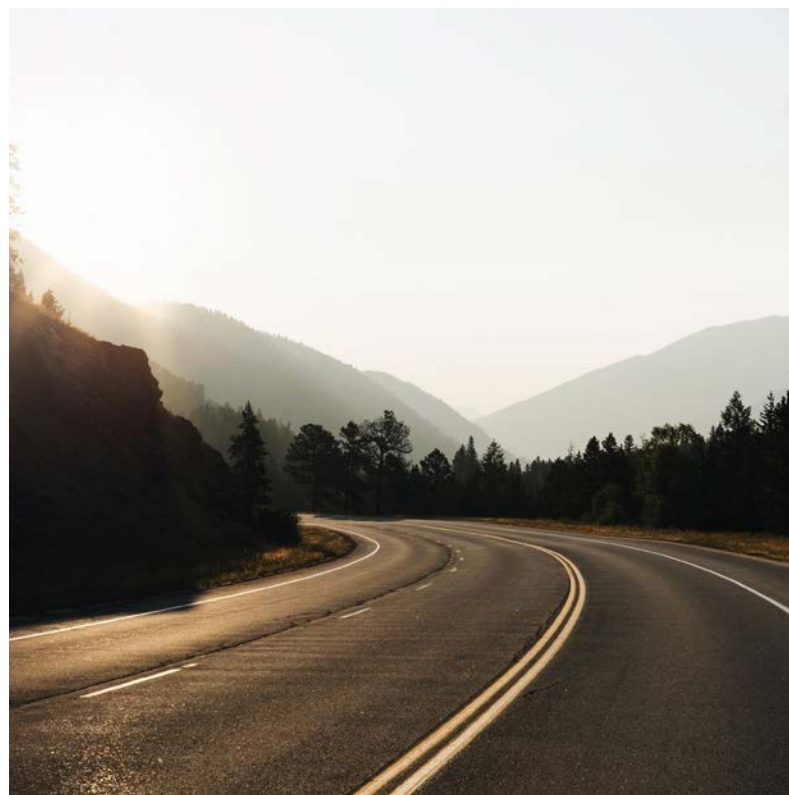
MEAT PRODUCTION IN 2020

BEEF, PORK AND POULTRY PRODUCTION



Source: SVT: Luonnonvarakeskus, Lihantuotanto

Information on the calculation method and data included: The calculations include at least all Kyoto Protocol gases (CO₂, CH₄, N₂O, HFC, PFC, SF₆ and NF₃) over a period of 100 years. Not all data sources disaggregate data by gas, and in such cases the calculation covers all greenhouse gases. Biogenic carbon data is automatically calculated when such data is available. Note, not all reported transport data includes biogenic carbon data.



ENVIRONMENTAL RESPONSIBILITY

Direct emissions

This section provides an overview of the Group's emissions. Emissions from our two production plants have been reported as separate figures. The red ↑ and green ↓ arrows indicate the change compared to the reference period (2019).

HONKAJOKI

In 2020, Honkajoki Oy purchased a total of 87,988 MWh of steam from the Vatajankoski power plant operating on the adjacent site. 5.1% of the purchased steam was produced with biogas.

The power plant uses milled peat as its main fuel. In addition, the plant also uses wood chips. During the annual maintenance of the Vatajankoski power plant (24 September–14 October), the amount of self-generated thermal energy at Honkajoki was 1,659 MWh, which required 65,333 Nm³ of liquefied gas. The operating hours amounted to 500 hours (3 boilers).

In 2020, Honkajoki Oy sold a total of 25,817 MWh of district heat produced with process heat to local greenhouse gardens. All in all, Honkajoki Oy's net heat consumption was 62,171 MWh. Energy consumption at the Honkajoki production plant decreased compared to the reference period, amounting to 733 kWh per tonne produced.

FINDEST PROTEIN

In 2020, Findest Protein Oy purchased a total of 16,867 MWh of steam from a power plant operating at an adjacent site. The main fuels used by the power plant were bark, wood chips, and peat. In June 2020, an energy audit was conducted at Findest Protein Oy, and the report was completed in August. Energy consumption at the Kaustinen production plant increased compared to the reference period.

HONKAJOKI OY

THERMAL ENERGY CONSUMPTION

Purchased steam, ↓ -13%

86,015 MWh

Of which:

Produced with peat	82,223 MWh
Produced with biogas	4,854 MWh
Liquefied gas	910 MWh

SOLD PROCESS HEAT

Total

25,817 MWh

FINDEST PROTEIN OY

THERMAL ENERGY CONSUMPTION

Total thermal energy consumption ↑ +8.5%

20,902 MWh

Of which:

Produced with sod peat	9,399 MWh
Produced with liquefied gas	1,150 MWh
Produced with wood chips	10,350 MWh
Produced with light fuel oil	3 MWh

The method quantifies Scope 2 greenhouse gas emissions based on the average emission factors for energy production, including geographical locations and local, regional or national boundaries.

Indirect emissions

HONKAJOKI ↓

WASTE *

Metal waste (recycled)	54 t
Mixed waste	107 t
Wood waste (recycled)	14 t
Hazardous waste	1.9 t
Sludge to biogas plant	12,817 t
Category 1 animal fat and bone meal	8,082 t

1.25 kg of waste was generated per tonne produced.
The decrease compared to the reference period was ↓ -15,5%

WATER CONSUMPTION AT HONKAJOKI

In 2020, Honkajoki's processing plants and wastewater treatment plant used 57,220 cubic metres of clean water. All water used in the factory area was groundwater. Most of the water was used for washing the plant facilities and equipment and transportation equipment. In September-October, some of the water was also used as boiler water in our plant's LPG boilers during annual maintenance of the Vatajankoski boiler plant. According to a report prepared by an external body, the results of organic matter and nitrogen removal achieved at the treatment plant are nationally outstanding. The achievement is emphasised by the exceptionally high nitrogen content and variable load of the incoming water.

HONKAJOKI OY ↓

CLEAN WATER CONSUMPTION

TOTAL

57,220 m³



FINDEST PROTEIN ↑

WASTE *

Wood waste (recycled)	18 t
Energy waste (incineration plant)	24 t
Sludge to biogas plant	3,775

The amount of waste processed by Findest Protein ↑ +2,33kg/t. In 2019, the amount was 1,88 kg.

WATER CONSUMPTION AT FINDEST PROTEIN

In 2020, Findest Protein's processing plants and wastewater treatment plant used 18,417 cubic metres of clean water. Most of the water was used for washing the plant facilities and equipment and transportation equipment. The construction of a new wastewater treatment plant began in autumn 2020.

FINDEST PROTEIN OY ↑

CLEAN WATER CONSUMPTION

Total

18,417 m³



ENVIRONMENTAL RESPONSIBILITY

Indirect emissions

HONKAJOKI

ELECTRICITY

In 2020, total electricity consumption at Honkajoki was 13,434 MWh, i.e. approximately 98 kWh per tonne of raw material processed. Electricity consumption increased with nitrogen removal and the commissioning of new production lines. Electricity consumption per tonne produced remained at around the same level as in the reference period.

TOTAL EMISSIONS RELEASED INTO THE ATMOSPHERE

Emission measurements were conducted on the boilers using liquefied petroleum gas on 7 October 2020. Total boiler emissions reported in the annual report are based on the results of the 2020 emission measurement report. Boiler-specific emissions and total annual emissions are presented in Table 3.

ELECTRICITY CONSUMPTION



Total electricity consumption

13,434 MWh

i.e.

per tonne of raw material processed 98 kWh

Odour emission measurements were performed at the production plant and wastewater treatment plant on 23–25 September 2020 in accordance with the requirements of the environmental permit. The measurements determined the amounts and concentrations of ammonia, volatile organic compounds and reduced sulphur compounds from different emission sources. In addition, olfactometric analyses were performed on the samples.

Biofilters 1 and 2 now use screened crushed material as a filter material, which reduces odour emissions based on the measurements.

BOILER EMISSIONS	
Boiler	mg/Nm ³ , red. 3% O ₂
K1	203
K2	219
K3	208

Table 3. Honkajoki Oy's boiler emissions in 2020.

EMISSIONS INTO AIR IN 2020	
	Total tn/a
Ammonia	0.154
NM VOC	11.385
TRS	3.766

Table 4. Production plant Emissions released into the atmosphere in 2020

FINDEST PROTEIN

ELECTRICITY

In 2020, total electricity consumption at Findest Protein was 1971 MWh, i.e. approximately 109 kWh per tonne of raw material processed.

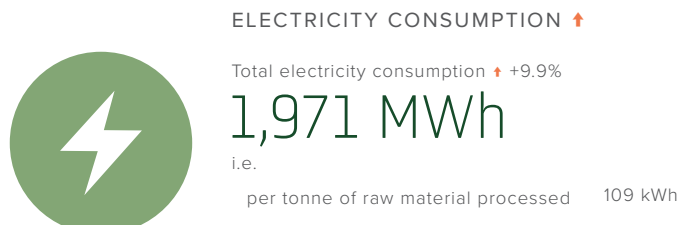
TOTAL EMISSIONS RELEASED INTO THE ATMOSPHERE

Odour emission measurements were performed at the production plant and wastewater treatment plant on 30 September 2020 in accordance with environmental permit requirements. The measurements determined the amounts and concentrations of ammonia, volatile organic compounds and reduced sulphur compounds from different emission sources. In addition, olfactometric analyses were performed on the samples.

The biofilter uses crushed chips as a filter material. Based on the results of the odour emission measurements, the plants' odour gas treatment systems work well and meet the conditions of the environmental permit.

EMISSIONS INTO AIR IN 2020	
	Total tn/a
Ammonia	0.006
NMVOC	9.203
TRS	0.202

Table 5. Production plant emissions released into the atmosphere in 2020



TOTAL EMISSIONS OF THE HONKAJOKI GROUP IN 2020Global warming, greenhouse gas emissions / kg CO₂e

	Scope 1		Scope 2		Scope 1-3
	Direct GHG emissions, kg CO ₂ e in total	Direct GHG emissions, kg CO ₂ e / kg CO ₂ e / quantity processed tn	Indirect GHG emissions, plant-specific - kg CO ₂ e	Indirect GHG emissions, kg CO ₂ e / kg CO ₂ e / quantity processed tn	Total emissions, kg CO ₂ e / kg CO ₂ e / quantity processed tn
Honkajoki production plant	32,427,772	228	2,245,176	16	244
Kaustinen production plant	4,206,067	233	329,471	18	253
TOTAL	36,633,839		2,574,647		

Disclosure 305-1, direct (Scope 1) greenhouse gas emissions. Direct emissions: heating and generator fuels, emissions from vehicles and greenhouse gas leaks into the atmosphere.

Disclosure 306-2 (G4-EN23), waste by type and disposal method. If no disposal method is provided, the most common treatment method for each waste fraction will be used instead.

Corporate responsibility reporting

The sustainability report has been prepared in compliance with the Global Reporting Initiative standards and UN Sustainable Development Goals. The Group's previous sustainability report was published on 15 June 2020 and implemented at Core level.

There are no significant changes in the scope of reporting compared to the 2019 report. The report has not been externally authenticated. The themes discussed in the sustainability report have frequently emerged in discussions with our stakeholders. In the report we address the issues of concern to our stakeholders and describe how we operate

with respect to these issues taking place in our environment. At the same time, we want to take part in the public debate on the state and environmental impact of meat production.

The data has been collected from companies belonging to the Honkajoki Group. We are committed to reporting on our Group's responsibility practices and to setting and monitoring targets for measures to promote responsibility annually.



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