

A woman with long brown hair, wearing a dark blue shirt, is smiling and reaching for a meatball in a blue bowl. In the background, another woman is seated at a table with various appetizers, including breadsticks, blueberries, and a bowl of meatballs. The setting is a bright, modern living room with a white sofa and large windows.

HKSCAN

Annual and Responsibility Report **2022**

*We make
life tastier*
- today and tomorrow

HKSCAN



Annual and Responsibility Report 2022

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Year 2022





CEO JUHA RUOHOLA'S REVIEW

HKScan's 2022 EBIT from continuing operations positive despite high cost inflation

In 2022, HKScan's net sales increased strongly as a result of sales price increases due to cost inflation. HKScan's net sales from continuing operations increased by 11.5 per cent to EUR 1,833.8 (1,645.3) million. Net sales from continuing operations increased in all home markets and in all sales channels. Growth was particularly strong in the food service channel, where sales increased by 25 per cent. In Denmark, retail sales of branded products increased by 36 per cent. Retail sales grew in Finland and Sweden as well.

The Group's EBIT from continuing operations, on the other hand, was EUR 10.1 (21.4) million and comparable EBIT was EUR 9.7 (17.9) million. The profitability of HKScan's continuing operations is not satisfactory and improving profitability will be one of our top priorities in 2023.

At the beginning of 2022, HKScan's own operations were still partially subject to restrictions related to the Covid-19 pandemic. The instability in Europe caused by Russia's invasion of Ukraine accelerated the sharp rise in production costs and interest rates.



Determined improvement in cost efficiency in 2022

Over the past year, we worked determinedly to improve the cost efficiency of our operations. We covered higher costs by increasing sales prices in all our home markets. Despite the net sales growth, the comparable EBIT for the company's continuing operations was well below the comparison period. The exceptionally high increase in energy and logistics costs could not be fully covered by sales price increases and cost savings. Rising housing and interest costs put the brakes on overall consumer spending and affected consumer demand for HKScan's products and our sales mix. HKScan has been able to respond to the change of consumer behaviour, as the company's position in basic foods is strong and its consumer brands are well-known. HKScan's wide product portfolio offers products at the right price to meet changing consumer needs.

The Business Unit Denmark continued its strong performance throughout the year and improved its comparable EBIT. In Finland and Sweden, the comparable EBIT was positive, but exceptionally high cost inflation, especially energy price increases, exceeded all forecasts and reduced the EBIT.

Change in reporting with the sale of the Baltic business

In December, we reported that HKScan had signed an agreement to sell its Baltic business to the Estonian AS Maag Grupp. The divestment of the Baltic business will improve HKScan's profitability and strengthen its balance sheet, and will contribute to the company's ability to improve production efficiency and implement

its long-term strategy. The transaction will change HKScan's structure and financial key figures.

The Baltic business is presented as a discontinued operation in HKScan's 2022 Financial Statements and reporting will focus on continuing operations in Finland, Sweden and Denmark.

Building a responsible food chain continues

Responsibility work and building responsibility into a value-creating basis for the business continues. Developing a responsible food chain is a long-term effort to which HKScan's management and employees are committed.

HKScan is committed to the UN Global Compact sustainability initiative. We also promote the UN's Sustainable Development Goals as part of our responsibility programme. HKScan is also committed to setting climate targets under the Science Based Targets (SBTi) initiative.

In 2022, we updated our responsibility programme and continued to build a carbon-neutral food chain in line with our Zero Carbon climate plan. The targets of our responsibility programme relate to the wellbeing of nature and people: to climate, packaging, biodiversity and the safety and wellbeing of employees. We achieved good results in work safety, with a 25 per cent reduction in the accident frequency rate in HKScan's continuing operations and an increase of up to 94 per cent in the number of safety observations made by our personnel, thanks to our goal-oriented Safety First programme. Our focus is on promoting a proactive safety culture.

Focusing on profitability improvement

The unstable geopolitical situation is increasing business challenges while at the same time shortening supply chains by strengthening demand for domestic raw materials and familiar products in all our home markets. Ensuring security of supply is important. Rapid response to cost changes will continue to be required from industry and trade to create continuity in the food production based on domestic raw materials and the availability of products made from them.

The effective use of the potential of our core business and the development of a sustainable, local food chain are crucial to HKScan's success. In an exceptional and rapidly changing operating environment, HKScan is focused on improving profitability. Our focus is on the core business and we aim to minimise any negative effects on the company's profit development and to ensure that it develops in line with our objective. Throughout the Group, the key issues are tight cost control, increasing productivity in production, optimising the product portfolio in response to changing consumer demand and our commercial activities.

HKScan turned 110 years at the beginning of January 2023. During these years, the company has faced a wide range of challenges, overcome them and moved forward stronger than ever.

I would like to thank our shareholders, personnel, customers, contract farmers, financiers and all other stakeholders for good collaboration in 2022.

Juha Ruohola

CEO, HKScan Corporation

HKSCAN IN BRIEF

We make life tastier

- today and tomorrow

Our purpose

We make food that does good.

We work for the sustainable wellbeing of people and nature.

We make food that is responsibly produced and naturally nutritious.

We promote food democracy by offering joyful moments with food for every taste - today and tomorrow.

Our values

Inspire

Lead

Care

Deliver

Net sales 2022*

1,834 M€

Comparable EBIT 2022*

9.7 M€

Home markets for continuing operations

Finland, Sweden and Denmark

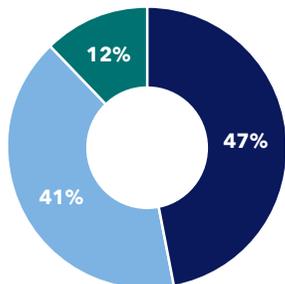
Our people*

5,400 skilled food professionals

Locations*

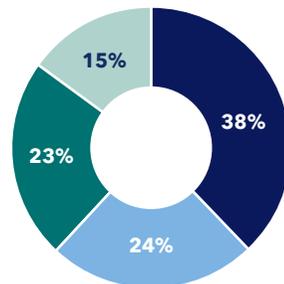
16 | 4 countries

Net sales by market area 2022*



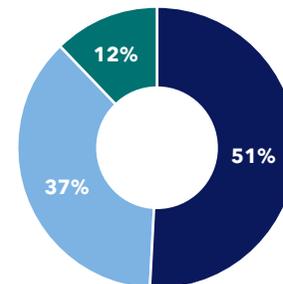
■ Finland ■ Sweden (incl. Poland) ■ Denmark

Net sales by product category 2022*



■ Beef and pork ■ Charcuterie, sausages and bacons ■ Poultry ■ Meals and components

Personnel by market area 2022*



■ Finland ■ Sweden (incl. Poland) ■ Denmark

*Continuing operations in Finland, Sweden and Denmark

Food that does good

- because we care

HKScan and responsibility

Zero Carbon

We do climate work across the food chain targeting **carbon neutrality by the end of 2040.**

Safety First

Lost time **accidents down by 25%** in 2022.

We are committed to set **Science Based Targets** for climate.

In 2022, we updated our responsibility programme targets: **contributing to the wellbeing of nature and people.**

Delicious food by our famous brands valued by consumers*



*Continuing operations in Finland, Sweden and Denmark

HKSCAN'S YEAR 2022

Focus on strengthening profitability

In 2022, the operations in all our home markets were affected by strong cost inflation. The focus was on strengthening our financial base and improving the profitability of our core business.

We made determined efforts to improve the cost efficiency of our operations. In addition, we increased sales of strategically important higher value-added products, such as meals and snacks. We also continued to expand our product range through partnerships into new product categories and raw materials. We promoted the responsibility throughout the food chain and built responsibility into a value-creating base for the business.

In December 2022, we communicated that we had signed an agreement to sell our Baltic businesses to the Estonian AS Maag Grupp. Sale of the Baltic businesses will improve HKScan's profitability and strengthen its balance sheet. It will also contribute to our ability to improve production efficiency and implement our long-term strategy.



KEY EVENTS AT HKSCAN IN 2022

Q1

Everyday life on Kariniemen farms opened up to consumers through a virtual farm

Export of Finnish poultry meat to South Korea started

Digital Zero Carbon tool for assessing the effectiveness of farm-level climate work in Finland

New sandwich concept: Leipäbaari (Sandwich bar) by HK Helsingin Kauppiat

Q2

Kasviskonttori Oy founded together with Vihannes-Laitila to increase the added value of vegetables and to renew the supply of fresh vegetable products

Scan brand expanded into vegetable products

HKScan awarded an Occupational Health prize for promoting safety in Denmark

HKScan continued to develop the responsibility and transparency of the food chain through digitalisation with its partners

The Group's updated responsibility programme with a new target of increasing biodiversity

Agreement on a new bank loan to repay a bond maturing in September 2022

HKScan started the High Five Rewards programme to recognise the work and achievements of teams in line with their targets

Q3

Decisions on measures to improve the profitability, competitiveness and cost efficiency of the Finnish poultry business

HKScan ranked in the top 8% of international food companies in the Sustainalytics ESG assessment. In the packaged food category, the company was in the top 4%.

In Denmark, the poultry brand ROSE 70 celebrating its 70th anniversary

Q4

Decisions on measures and investment to improve the cost efficiency and competitiveness of the Forssa unit and to strengthen business continuity

Kasviskonttori launched ready-to-use and ready-to-cook Via Kasvimaa products for retail vegetable departments

In Sweden, HKScan as a partner in Agronod, a company developing a digital platform for the use of climate and environmental data in agriculture

Tero Hemmilä left his position as HKScan's CEO, Juha Ruohola started as interim CEO

Operating model of the Group functions further streamlined in Finland during the year

HKScan signed an agreement to sell its Baltic business to AS Maag Grupp

Net sales*

1,834 M€

1,645 M€**

Comparable EBIT*

9.7 M€

17.9 M€**

Cash flow from operating activities

18.9 M€

54.6 M€**

Net gearing

124.4%

95.2%**

*Continuing operations in Finland, Sweden and Denmark
 ** Key figures of 2021

HKSCAN'S STRATEGY

On a journey into a versatile food company

HKScan's long-term strategic target is to grow into a versatile food company. In the current exceptional and rapidly changing operating environment, our focus in 2023 is on strengthening our financial base and improving the profitability of our core business. Our core business includes meat, meat products and ready-made foods, such as meals, meal components and snacks.

Increasing productivity in all our business processes is important. During 2022, we worked determinedly to improve the cost efficiency of our operations. We covered higher costs by increasing sales prices in all our home markets. In addition, we conducted statutory negotiations in the Group's operations in Finland, in the Rauma and Eura units of the Finnish poultry business, and in the Forssa unit of the meat business. In Forssa, we will carry out a significant investment in production development.

Advancing our long-term strategy will require HKScan to achieve a stronger balance sheet. To increase financial flexibility, we are constantly assessing the position of our businesses within the Group. In December 2022, we communicated that HKScan has signed an agreement to sell its Baltic businesses to the Estonian AS Maag Grupp. The divestment of the Baltic business will improve

HKScan's profitability and strengthen its balance sheet, and will contribute to the company's ability to improve production efficiency and implement its long-term strategy. The transaction is expected to close in the second half of 2023 and it is subject to approval by the competition authorities in Estonia and Latvia.

Creating customer-driven value

The key driver of value creation in HKScan's business is growth in the core business by increasing the added value of products and strengthening the value creation capabilities of the company's own brands. In Denmark, for example, we have implemented our strategy by increasing sales of fresh and ready-to-use products of higher added value.

We are growing in product categories that make consumer's everyday life easier, such as meals,



meal components and snacks. In 2022, our growth continued for meals and snacks in Finland. Meal sales clearly increased in the retail sector. We launched several new snack products, such as Via Pizzas and HK Paninis. The Scan brand meatballs and other meal components have a strong position in Sweden.

Building responsibility as a value-creating basis for business plays a key role in creating differentiating value in the market. Our responsibility work focuses on the business needs and the expectations and requirements of key stakeholders.

By working within the carrying capacity of the environment and nature, we enable good performance and responsible prosperity creation in the food chain of our home markets. We will continue our goal-oriented climate work through the Zero Carbon programme aiming at a carbon-neutral food chain by the end of 2040.

Expanding and diversifying our product categories

Our aim is to grow in poultry products, meals, snacks and new product categories and to strengthen in growing and new sales channels. We also aim to respond to changes in our operating environment, both at the customer and consumer interface. We want to renew commercially and strengthen our relationship with consumers through our trusted brands.

In 2022, we continued to expand into new raw materials in line with our strategy. In Finland, Kasviskonttori Oy, a joint venture founded by HKScan and Vihannes-Laitila in April 2022, launched Via Kasvimaa products in October. The ready-to-use and ready-to-cook vegetable products renew the supply of fresh vegetable products, add value to vegetables and complement HKScan's product range.

In Sweden, HKScan launched plant-based Scan products in the spring 2022. They gained a strong foothold in the market. Plant-based alternatives to the popular Scan classics respond to the growing consumer demand for local plant-based food.

Partnerships supporting our strategic change

Within our financial resources, we are seeking new growth and seizing business opportunities that drive our strategy. Partnerships offer HKScan the opportunity to move into new business areas quickly and flexibly. In Finland, our partners include Mäkitalon Maistuvat Oy and Boltsi Oy. In Sweden, we collaborate with Scandinavian Aquasystems AB on Gårdsfisk fish products.



OPERATING ENVIRONMENT

We make food with our consumers in mind

We want to provide consumers with the best possible food moments, both at the table and on to go. We can do this by understanding consumer behaviour and how it is changing.

We closely follow phenomena and trends in consumer behaviour. They provide key insights for developing our business. Industry-specific trends in the food industry, retail and food service sectors are also important to us. As an international food company, our operations are also affected by global phenomena and megatrends.

Changes in HKScan's business environment were clearly reflected in consumer behaviour in 2022. In the early part of the year, consumer behaviour was particularly affected by the Covid-19 pandemic and related restrictions. The impact of cost inflation strengthened towards the end of the year. We responded to the changes with our own product development and brand work in close cooperation with our retail and food service customers.



Examples of trends in food consumption

WHAT DO WE EAT?



Ease of cooking and saving time are driving consumption from raw materials to ready and semi-ready meals and meal components.



Thoughtful price- and environmentally-conscious consumption is growing. Promotions, waste food and “super food” from nature are put into use. Making your own food from scratch - the return of retro food.



Environmental and health aspects are guiding consumption between product categories. Poultry and vegetable product consumption growing while pork and beef consumption is expected to decrease. Interest in new sources of protein.



Eating habits and perceptions about meals are changing. Snacks are replacing traditional main meals. People living in the same household are having different meals based on diets and preferences.

WHERE DO WE BUY FOOD?



The desire for convenience is further reinforcing the role of ready meals. The grocerant trend is gaining ground in the retail sector. Food is picked up and ordered from restaurants, also to be enjoyed at home.



Online retail and restaurant shopping is expanding. New players without physical stores and restaurants are entering the market.



New, fast and flexible sales channels have become part of consumer patterns. Food is brought there where people are. Product ranges are expanding.



Locality and stories behind the products appeal to conscious consumers. Interest in direct sales from farms home-grown produce is growing.

WHERE AND HOW DO WE EAT?



Food service market continues to strongly. Casual café and bistro style concepts are challenging the classics. Recession may strengthen the role of international chain restaurants. Increased remote work is challenging the role of workplace restaurants.



The on-the-go trend continues. Food is enjoyed where people are. Snacks are expected to be tasty, convenient and healthy.



Street food is making a comeback. Old concepts are freshened up with a focus on quality, e.g. gourmet hot dogs and kebabs.



Services account for a growing share of consumer spending on food. New food concepts are launched more frequently.

HKSCAN

Responsibility



RESPONSIBILITY AND STRATEGY

Responsibility work throughout the food chain

We make food that does good. Through our corporate responsibility work, we build the basis for HKScan's strategy. At the core of this work are the needs of the business and the expectations and requirements of key stakeholders. We promote responsibility throughout our long value chain in collaboration with our contract farmers and partners.

Our corporate responsibility work is integrated into all our activities. On our journey to becoming a versatile food company, as defined in our long-term strategy, we promote the well-being of people and nature, and support the profitability of our business.

Our responsibility work aims to meet the expectations of key stakeholders and to create value for the business. Development of a responsible food chain is long-term work to which HKScan's management and employees are committed.

As one of the largest food companies in Northern Europe, HKScan's responsibility efforts can have a significant impact on our food chain.

Read more about HKScan's strategy on page 12.



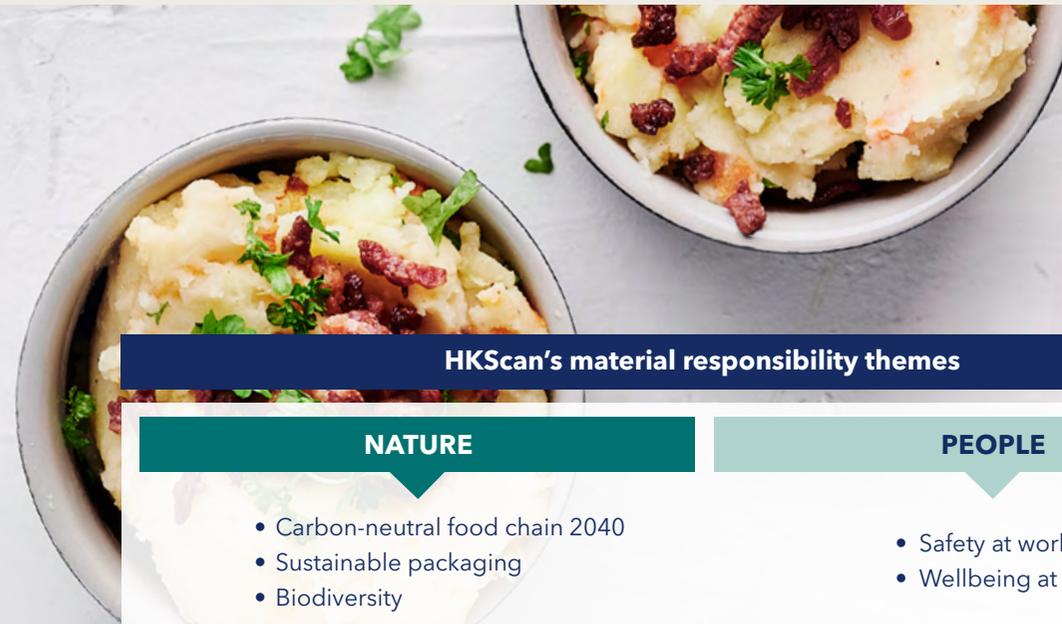


Materiality assessment guiding our priorities

We have defined HKScan's material responsibility themes in 2019 based on an extensive stakeholder analysis. We carry out an annual internal update of our materiality assessment, based on feedback from our stakeholders.

We operate locally in our home markets

All our home markets, Finland, Sweden and Denmark, have well-known local brands and our ingredients are mainly local. All players in our food chain, our contract farmers and other partners are involved in the responsibility work. Through our unique contract farmer network, we are close to the farmer's everyday life and together we are creating a more climate-friendly way of producing food.



Long value chain from farms to consumers



We updated the Group's responsibility programme

In June 2022, HKScan's Group Executive Team approved the company's updated responsibility programme, which outlines the company's most strategically important responsibility targets. The roles and responsibilities of the corporate responsibility work were clarified at the same time. At Group level, we set our key targets, lead the work to achieve them and ensure good governance. The Business Units prepare action plans to achieve the targets and are responsible for their implementation.

The targets of HKScan's responsibility programme relate to the wellbeing of nature and people: to climate, packaging, biodiversity and the safety and wellbeing of employees. In the update, a commitment to increasing biodiversity in the company's long food chain was added to the programme.

Other key responsibility themes for HKScan include farmer community, animal welfare and safe food. These themes are promoted within the Business Units as they are subject to local regulation and stakeholder expectations vary across markets.

Food that does good
- because we care

HKScan's responsibility programme targets & KPIs

NATURE

ZERO CARBON

- Carbon-neutral food chain by the end of 2040
- Carbon-neutral own production by the end of 2025
KPI: climate emissions CO₂e

SUSTAINABLE PACKAGING

- 100% recyclable packaging by the end of 2030
KPI: share of recyclable packaging
- 80% of packaging renewable or recycled materials by the end of 2030
KPI: share of renewable or recycled materials

BIODIVERSITY

- We are committed to increasing biodiversity in our food chain
KPI to be defined later

PEOPLE

SAFETY FIRST

- Systematic work towards zero accidents
KPI: lost-time accident rate (LTIR)

BETTER TOGETHER

- Continuous improvement in employee wellbeing
KPIs and targets by the end of 2025:
 - Sickness absences: %
 - Inappropriate behaviour: 0
 - eNPS: > 10



External recognition for our responsibility work

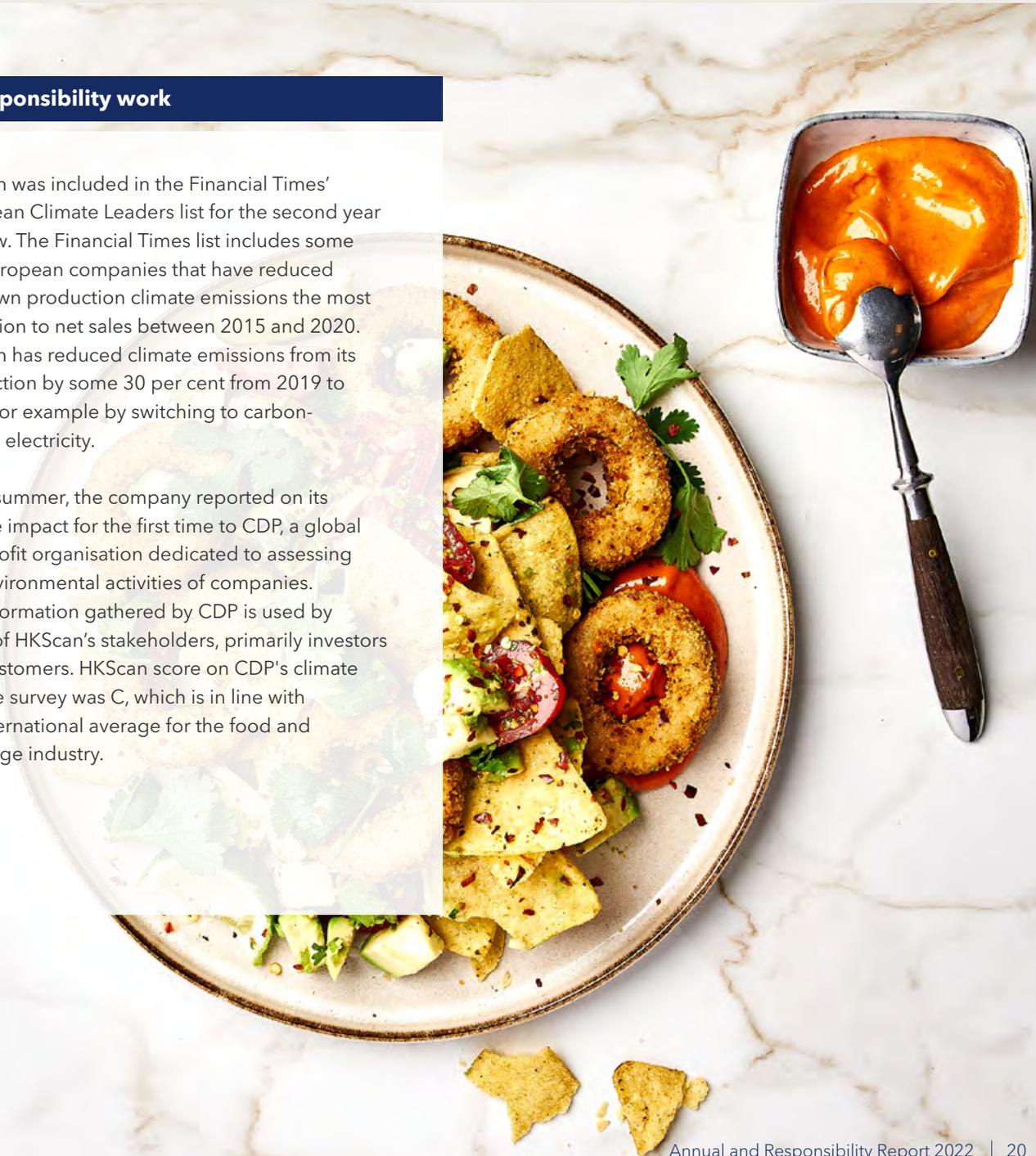
We received several recognitions for our work to promote responsibility during 2022. These recognitions show that HKScan is one of the most responsible food companies in Europe.

We improved our results in independent annual ESG ratings (Environment, Social, Governance). In the July ISS (Institutional Shareholder Services) ESG assessment, HKScan ranked in the top 20 per cent of international food companies. In September, Sustainalytics rated HKScan in the top 8 per cent of nearly 600 international food companies in terms of responsibility risk management. Among packaged food producers, HKScan was ranked in the top 4 per cent in the same assessment.

HKScan's listed A-shares were included in the Nasdaq OMX Sustainability Finland index, which includes a number of Finland's leading sustainability companies. HKScan was included in the index for the first time in 2021. In addition, we have been a Nasdaq Transparency Partner for several years in recognition of our open responsibility reporting.

HKScan was included in the Financial Times' European Climate Leaders list for the second year in a row. The Financial Times list includes some 400 European companies that have reduced their own production climate emissions the most in relation to net sales between 2015 and 2020. HKScan has reduced climate emissions from its production by some 30 per cent from 2019 to 2021, for example by switching to carbon-neutral electricity.

In the summer, the company reported on its climate impact for the first time to CDP, a global non-profit organisation dedicated to assessing the environmental activities of companies. The information gathered by CDP is used by many of HKScan's stakeholders, primarily investors and customers. HKScan score on CDP's climate change survey was C, which is in line with the international average for the food and beverage industry.



NATURE

Building a more climate-friendly way of producing food

We promote the targets of our responsibility programme in all our home markets, Finland, Sweden and Denmark. In 2022, we especially focused on researching more climate-friendly food production and testing new packaging materials.

Responsibility programme targets	Results for continuing operations 2022*
ZERO CARBON	
<ul style="list-style-type: none"> Carbon-neutral own production (scope 1 & 2) by the end of 2025 Carbon-neutral food chain (scope 1 - 3) by the end of 2040 	<ul style="list-style-type: none"> Climate impacts of own production (scope 1 and 2) 34,900 (34,800)* tCO₂e, carbon intensity 0.06 (0.06)* tCO₂e / sold product tonne Climate impact of the whole food chain (scope 1-3) 2.22 (2.20)* MtCO₂e, carbon intensity 4.00 (3.97)* tCO₂e / sold product tonne
SUSTAINABLE PACKAGING	
<ul style="list-style-type: none"> 100% recyclable packaging by the end of 2030 80% renewable or recycled packaging materials by the end of 2030 	<ul style="list-style-type: none"> 73 (72)% of packaging recyclable 59 (47)% renewable or recycled packaging materials
BIODIVERSITY	
<ul style="list-style-type: none"> We are committed to increasing biodiversity in our food chain 	Target added to the programme in 2022. Biodiversity promoted on farms as part of Zero Carbon climate work.

Our responsibility work related to nature's wellbeing contributes to the four UN Sustainable Development Goals (SDGs):



Food that does good
- because we care

* On 13 December 2022, HKScan announced that it had signed an agreement to sell its Baltic business to AS Maag Grupp. The transaction is expected to be completed in the second half of 2023. In this Annual and Responsibility Report, HKScan reports on its progress for continuing operations. The company's continuing operations are the businesses in Finland, Sweden and Denmark. The comparison figures for continuing operations for 2021 in parentheses.

ZERO CARBON

Climate work progressing throughout the food chain

We promoted our Zero Carbon climate plan in all our home markets. In our own production, we invested in energy efficiency and heat recovery. We examined ways to produce meat in a more climate-friendly way with our contract farmers and other partners, and shared best practices to be used on farms.

Our Zero Carbon target is a carbon-neutral food chain (GHG protocol scope 1-3) from farms to consumers by the end of 2040. For our own production (GHG protocol scope 1 and 2), the target is carbon-neutrality by the end of 2025.

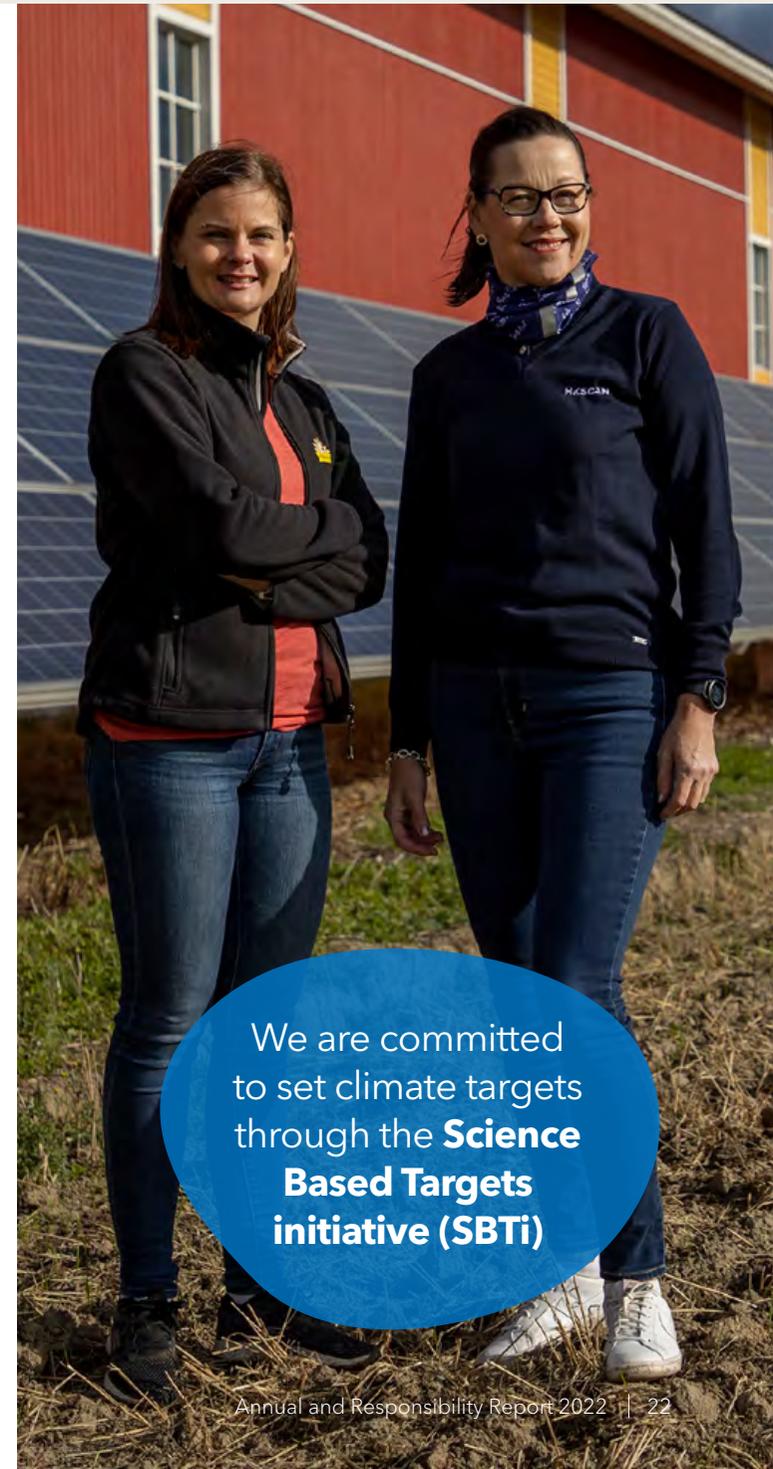
Securing the continuity of food production through energy investments

The Russian invasion of Ukraine led to an exceptional situation in the energy market in 2022. Energy prices rose and there was uncertainty about availability across our home markets. In energy investments, our key objective was to ensure uninterrupted continuity of food production. We also took the decision to move away from Russian energy quickly after the start of the war. These factors contributed to the promotion of

the Zero Carbon plan and the prioritisation of projects within HKScan's own production.

We promoted our Zero Carbon plan to the possible extent and replaced Russian fossil energy with renewable energy. For example, we started the process to partially replace natural gas with carbon-neutral electricity at our Vinderup production unit in Denmark and at Vantaa unit in Finland. It was not possible to switch to renewable energy in all production units within a short timeframe.

In our production units, we increased the flexibility of energy solutions, for example by allowing the use of multiple energy sources. In this way, we could ensure the energy supply at our units even in case of exceptional situations.



We are committed to set climate targets through the **Science Based Targets initiative (SBTi)**

Energy efficiency as a focus for climate work in our own production

In the climate work in our own production, we focused in particular on improving energy efficiency and saving energy. In August 2022, we launched a Group-wide energy saving programme, which led to an improvement in energy efficiency. We encouraged all our employees to pay attention to energy saving and communicated ways to reduce energy consumption in their daily work. Even small things like switching off unnecessary lights, closing doors and using hot water sparingly make a difference to overall energy consumption.

We analysed energy consumption data for each production unit and each piece of equipment and identified a number of measures that could reduce energy consumption. We also made investments to improve energy efficiency and continued the shift to LED lighting.

In Finland, we improved energy efficiency through a number of measures and changes in daily practices. In our Rauma unit, we optimised the compressed air and vacuum transfer system in production.

In Sweden, we reduced energy consumption in our production units by, for example, timing ventilation. At the Linköping unit, we introduced heating and cooling systems, enabling heat recovery. In Linköping and Kristianstad, we invested in new packaging technology that reduces the use of compressed air and energy, for example.

In Denmark, we reduced our electricity consumption by eight per cent at the end of the year through

HKSCAN

LET'S SAVE ENERGY!

<p style="text-align: center;">Close the doors. Don't let the cold or heat escape.</p>	<p style="text-align: center;">Adjust the room temperature to a suitable level. A building manager can help if needed.</p>	<p style="text-align: center;">Avoid unnecessary use of hot water.</p>
<p style="text-align: center;">Turn off machines and devices when not in use.</p>	<p style="text-align: center;">Switch off lights in an empty room. However, we never compromise on safety.</p>	<p style="text-align: center;">Tell us your ideas for saving energy!</p>

the energy-saving programme. We paid particular attention to optimising the use of equipment and continued the shift from frozen to fresh products in line with our strategy.

Climate work at farms has a big impact

Around 98% of HKScan's climate impacts are generated in primary production. We continued our work to reduce the climate impact of meat production together with our contract farmers and other partners on

80 pilot farms in Finland, Sweden and Denmark. We provided training for our contract farmers on more climate-friendly meat production practices.

In Sweden, 16 new pilot farms joined our Gårdsinitiativet project. We provided the farmers with concrete farm-specific advice on how to reduce their environmental footprint. We organised seminars and meetings to the contract farmers in the Gårdsinitiativet project to share the latest research and good practices.

Due to the geopolitical situation in Europe, energy costs increased significantly also on farms. At the same time, farmers' interest in renewable energy and energy efficiency improvements increased in all our home markets. In Sweden, for example, a record number of farms in 2022 applied for national support to use manure for biogas production. In Denmark, too, manure from poultry farms was increasingly used for biogas production. In addition, farm investments in solar energy and energy efficiency increased.

We continued to calculate the footprint of meat production in Finland, Sweden and Denmark. It is important to make these calculations over several years, because the carbon footprint is affected by variations in the harvest seasons.

Exploring practical climate solutions with our partners

We have been measuring carbon sequestration in fields on pilot farms since 2020 in collaboration with Datasense and Vaisala. The results show that good vegetation and high levels of chlorophyll increase the carbon sequestration capacity of the field. In Finland, carbon flux measurements made during the summer 2022 growing season showed that grassland was the best for carbon sequestration. It also was a carbon sink during the growing season. In barley and pea fields, a catch crop, such as clover, sown among the main crop, increased carbon sequestration, especially after harvest, even in September and October.

In Finland and Sweden, we worked together with Yara to optimise the use of plant nutrients and pesticides. We piloted methods to help contract farmers optimise the use of plant nutrients on a plot-by-plot basis and provided practical advice to the pilot farms.

In collaboration with Biolan, we studied the use of Arvo recycled manure of Finnish poultry farms in the fertilisation of fodder peas. In the study conducted in summer 2022, no significant difference in pea yields was found between recycled and mineral fertiliser. Arvo fertiliser is entirely Finnish, which also increases security of supply. In Denmark, we focused on working together with feed operators to reduce the climate impact of feed.



Digital tools for monitoring climate work on farms

We help our contract farmers in their climate work with digital tools that provide them with information on the emissions from the meat production on their farms. With farm-specific climate data, we can monitor the effectiveness of measures and emission reductions, and target climate actions to the most impactful areas.

In Finland, we introduced the Zero Carbon tool, which was available for contract farmers by the end of 2022.

In Sweden, we started a partnership with the Agronod platform to improve the quality of climate data on primary production and enable verification of the carbon footprint of meat production. Agronod aims to develop the responsibility and profitability of Swedish agriculture through digital data solutions.

In Denmark, we are working with Seges on emission calculation. The Seges collaboration allows us to monitor and develop emissions from local poultry production.

Climate risks and opportunities according to TCFD

We have analysed the risks and opportunities for HKScan’s business according to the TCFD (Task Force on Climate related Financial Disclosures). We have divided the risks into transition risks and physical risks caused by climate change. Transition risks are related to the transformation of

society to become low-carbon while physical risks arise from the physical impacts of climate change, such as weather conditions. HKScan’s key risks and opportunities related to climate change have been described below according to the TCFD classification.



Climate change related risks			
Category	Description	Potential negative financial impact	Time horizon
Transition risks			
Policy & Legal	Possible impact of national and EU legislative developments related to climate change on food production	Moderate / high	Medium- / long-term
	Increasing regulation of carbon emissions may increase their costs	Moderate	Medium-term
	Rise in energy costs	Moderate / high	Short-term
Technology	Growing demand for lower emission technologies may cause delays in the implementation of investments in renewable energy and energy efficiency	Moderate	Medium-term
Market	Impact of changes in consumer behaviour on meat demand	Moderate	Medium- / long-term
Reputation	Impact of the meat value chain carbon footprint on customer and consumer attitudes and potential impact on demand and sales	High	Medium-term
	Impact of the carbon footprint of the meat value chain on the company's attractiveness as an employer and investment. Impact of the carbon footprint on the price of financing.	Moderate / high	Short- / medium-term
Physical risks			
Acute and chronic	Impact of animal and plant diseases becoming more common in the home markets on the supply chain and exports	Moderate	Short- / medium-term
	Impact of extreme weather events on crop yields and the availability and prices of raw materials	Moderate / high	Short-term

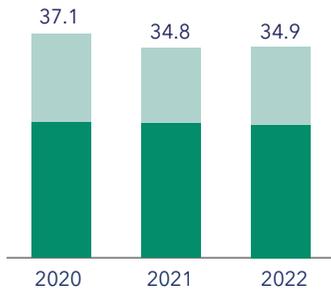
Climate change related opportunities			
Category	Description	Potential positive financial impact	Time horizon
Resilience	Strategic growth into a versatile food company to promote competitiveness and profitability	High	Medium-term
Markets	Consumer-driven value creation through the promotion and commercialisation of responsible food production	High	Short- / medium-term
Products and services	Commercialisation of responsibly produced meat	High	Medium-term
	Expansion into new raw materials and categories to diversify the product range	High	Medium-term
	Using data and digitalisation in responsible meat production and consumer engagement	Moderate	Medium-term
Resource efficiency	Goal-oriented work to achieve carbon neutrality in own production and throughout the food chain	High	Long-term
	More climate friendly feed production and promotion of carbon sequestration in fields to reduce climate impact of the entire food chain	High	Long-term
	Northern Europe's good conditions for food production in environmental terms	Moderate	Long-term
	More efficient use of production side streams as circular economy products and in energy production	Moderate	Short-term
Energy sources	Increasing the use of renewable energy to reduce the price risk of fossil fuels	Moderate	Short-term

Time horizons: Short-term = less than 5 years | Medium-term = 5-10 years | Long-term = more than 10 years

Environmental performance 2022

Continuing operations in Finland, Sweden and Denmark

Climate emissions from own production (Scope 1 & 2), thousand tonnes CO₂e



- Direct emissions* (Scope 1)
- Indirect emissions** (Scope 2)

* Direct emissions from production
 ** Emissions released from purchased energy

Climate emissions from the entire food chain (Scope 1 - 3)



- Meat raw material (Scope 3)
- Packaging (Scope 3)
- Logistics and business travel (Scope 3)
- Waste generated in operations (Scope 3)
- Emissions from own production (Scope 1 & 2)

Environmental data	2022	2021	2020
Energy consumption, GWh	409	418	411
Energy consumption MWh / sold product tonne	0.74	0.76	0.74
Carbon intensity of own production (Scope 1 & 2) tCO ₂ e / sold product tonne	0.06	0.06	0.07
Carbon intensity of the entire food chain (Scope 1 - 3) tCO ₂ e / sold product tonne	4.00	3.97	4.04
Water consumption, million m ³	3.04	3.15	3.21
Water consumption, m ³ / sold product tonne	5.47	5.69	5.77
Total waste, tonnes	95,223	96,241	101,638
- Recycling	1,906	1,820	4,122
- Energy recovery	16,526	15,080	17,669
- Biogas and biodiesel	65,706	69,260	69,797
- Compost and farm fields	10,963	10,001	9,957
- Landfill waste	33	3	0
- Hazardous waste	37	59	46
- Material recovery	52	18	47



100%
carbon-neutral
electricity

Reduced energy
consumption in our
own production

SUSTAINABLE PACKAGING

Targeting recyclable packaging

In the development of sustainable packaging, our focus is on recyclability and increasing the use of renewable and recycled materials. During 2022, we tested new packaging materials and increased our technical capabilities.

In 2022, we specified our packaging responsibility targets to align them with the goals of the EU Circular Economy Package and the EU's plastics strategy towards a carbon-neutral Europe. Responsible packaging ensures food safety and is made from recyclable materials, using renewable or recycled raw materials wherever possible.

Packaging materials are evolving rapidly and during the year, we tested several new materials and built up the technical capacity to introduce different packaging materials in our production units.



We continued to work closely with the packaging industry in our home markets to enable both the development of materials and their recyclability. An effective recycling system is a prerequisite for the profitability of the circular economy and the reuse of recycled materials.

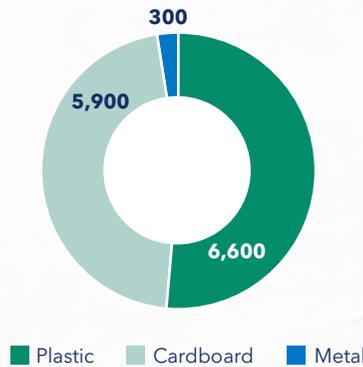
50 tonnes less plastics through packaging optimisation

We continued to optimise the structure of packaging and explore ways to reduce plastic. In Finland and Denmark, we reduced plastic by a total of 50 tonnes by optimising the use of packaging materials.

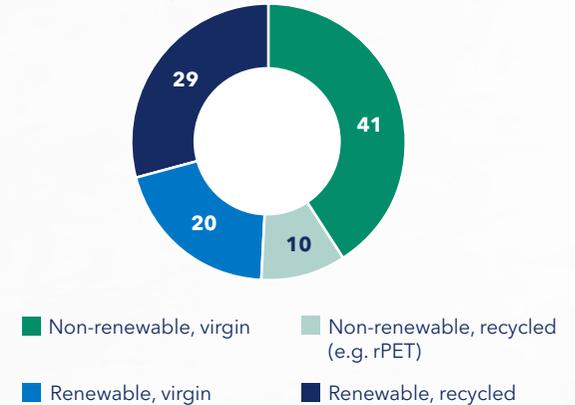
In all our packaging investments, we consider the potential for using more sustainable materials. In Kristianstad, Sweden, we renewed our product packaging technology, resulting in a reduction in the use of packaging materials.

Results from the packaging development 2022*

Packaging materials, tonnes



Origin of packaging materials, %



Recyclable packaging

73%

72%**

Packaging materials renewable or recyclable

59%

47%**



* Continuing operations in Finland, Sweden and Denmark
 ** Key figures of 2021

BIODIVERSITY

We are committed to increasing biodiversity in our food chain

We included the goal of increasing biodiversity in our food chain in our responsibility programme in 2022. We are well placed to promote biodiversity in our long food chain from farms to consumers.

Biodiversity and climate change are strongly linked together, so we decided to set a target to increase biodiversity. This is a very important target and we are still in the early stages of systematically promoting biodiversity.

Biodiversity is a very complex issue and there is not yet a common and consistent way of measuring its impact. At HKScan, we are actively following the development of indicators and will define more specific goals, measures and indicators for biodiversity enhancement at a later stage. It is important to understand the context and impacts before preparing a detailed action plan.

With the current measures related to our Zero Carbon climate plan, we also promote biodiversity on farms, in our own production and through responsible procurement.

In our own production, the focus is on reducing the environmental impact with respect for nature. For example, effective water use and careful waste water treatment support biodiversity in the environment around our production units.

Through our responsible procurement policies, we reduce the impact of the production of the raw materials we use on biodiversity loss. The use of certified soy and palm oil ensures that the raw material chain is responsible and the producer is audited. Our food chains in Finland and Sweden use only responsibly produced, certified soy. In Denmark, 40 per cent of the soy used in our food chain was certified in 2022. We are committed to the use of 100 per cent responsible soy by 2025.



Sustainable food production practices contributing to **biodiversity**

Climate work supporting biodiversity on farms

Our Zero Carbon climate work towards a carbon-neutral food chain supports biodiversity, especially on farms. Farming practices that reduce climate impact are also good for biodiversity. For example, increasing crop rotation, plant cover and optimising the use of nutrients and pesticides maintain soil health and underground biodiversity and improve

living conditions for pollinators. We encourage sustainable farming practices among our contract farmers, for example through our Zero Carbon trainings.

Cattle grazing creates good living conditions for the diversity of species and increases the number of insects. Grazing also maintains traditional biotopes. Grasslands and meadows used for grazing are particularly rich in biota.

In Sweden, we participated in the university-led Mistra BIOPATH project, which aims to assess the impact of biodiversity on economic decision-making and to find indicators to measure biodiversity. In addition, we also contributed to flower planting in fields in the Halland region of Sweden. Flowers provide good living conditions for pollinators.

Promoting biodiversity in our production, on farms and through responsible procurement practices

Reducing the environmental impact of our own production with respect for nature

- Zero Carbon climate work towards carbon neutrality in our production supports biodiversity
- Efficient water use and wastewater treatment
- Promoting material efficiency and the circular economy

Promoting responsible procurement

- Responsible procurement practices, e.g. Supplier Code of Conduct
- Raw material guidelines, e.g. responsible soy and palm oil
- Aiming for 100% recyclable packaging by the end of 2030



The potential of farms to maintain and enhance biodiversity

- Farming practices of the Zero Carbon climate plan support biodiversity on farms, e.g.
 - increasing crop rotation
 - optimising nutrient use
 - supporting soil health and water circulation
 - enriching species diversity, e.g. catch crops and pollinators
- Cattle grazing
- Reducing the eutrophication impact of agriculture

PEOPLE

Promoting the safety and wellbeing of our employees

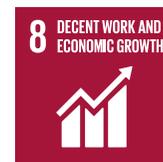
We promote the targets of our responsibility programme in all our home markets, Finland, Sweden and Denmark. In 2022, we focused on proactive occupational safety and mental wellbeing.

Responsibility programme targets	Results for continuing operations 2022*
SAFETY FIRST	
<ul style="list-style-type: none"> Determined work towards zero accidents 	<ul style="list-style-type: none"> Accidents at work resulting in at least one day's absence 15.6 (20.9) /million working hours
BETTER TOGETHER	
<ul style="list-style-type: none"> Continuous promotion of personnel wellbeing at work 	<ul style="list-style-type: none"> Absences 8.0 (6.8)% of working hours



Food that does good
- because we care

Our responsibility work on people's wellbeing contributes to the three UN Sustainable Development Goals (SDGs):



* On 13 December 2022, HKScan announced that it had signed an agreement to sell its Baltic business to AS Maag Grupp. The transaction is expected to be completed in the second half of 2023. In this Annual and Responsibility Report, HKScan reports on its progress for continuing operations. The company's continuing operations are the businesses in Finland, Sweden and Denmark. The comparison figures for continuing operations for 2021 in parentheses.

SAFETY AT WORK

Good results with proactive safety work

HKScan’s long-term commitment to a proactive safety culture was seen in a clear reduction in accidents. In 2022, we focused on the importance of observation and we increased safety awareness.

HKScan’s key target is to be a safe workplace for our own employees and for partners working in our units. We work in a goal-oriented way towards zero accidents at work and promote our safety culture with the Safety First principle.

In October, European Health and Safety Week was celebrated across the Group, with the theme of psychological safety and proactive occupational safety.



Record number of safety observations

Safety observations are important in promoting proactive safety at work. HKScan’s target is that every employee makes two safety observations per year. We actively communicated the importance of observations and made it as easy as possible for everyone to make them. In 2022, our employees made on average 1.89 safety observations, which is 94 per cent more than in the comparison year.

We systematically processed all safety observations, near misses and accidents, and used them to develop safer practices, processes and working environments.

Proactive safety work had a direct impact on the number of accidents. The frequency of lost time accidents fell by 25 per cent and absences due to accidents decreased by 4 per cent from the comparison year. Key factors in this positive development were increased safety awareness and observations, and the efforts of superiors and each employee to promote safe working practices and a safe working environment.

Safe working guidelines implemented

In 2021, we published Blue Rules guidelines for safe working to avoid life-threatening accidents. We rolled out the Blue Rules to all production units in 2022. We regularly monitor the compliance with the guidelines and the progress of safety in all our units.

We also prepared an online training on the Blue Rules, which 77 per cent of our white-collar employees completed during the rest of 2022. Production employees will complete the Blue Rules training in early 2023.

Accidents down **25%**

The number of safety observations **doubled**

HKScan Blue Rules

Blue Rules guidelines for avoiding life-threatening accidents have six themes, all of which contain concrete operating instructions. All our units follow these guidelines.

Safety First



1. Personal Protective Equipment



2. Machine Safety



3. LockOut/TagOut (LOTO)



4. Handling of Hazardous Substances and Materials



5. Working at Heights



6. Traffic Safety



HKScan awarded in Denmark for promoting work safety

HKScan won the Danish Occupational Health Award in 2022. We were awarded in the category focusing on reducing accidents at work. At our Vinderup unit in Denmark, accidents have decreased by over 95 per cent in five years. We achieved these great results through systematic work and innovative mini-campaigns created by our employees.

The jury of the competition commended HKScan for the clear improvement in safety awareness and knowledge among personnel and management. The competition was organised by Arbejdsmiljørådet in cooperation with the Danish Ministries of Employment and Health.

Safety First in figures*

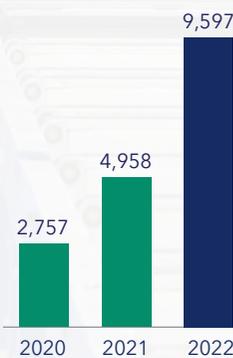
Lost time accidents /million working hours (LTIR)



Days of absence due to accidents



Number of safety observations



No fatal accidents in 2018-2022.

* Continuing operations in Finland, Sweden and Denmark

WELLBEING AT WORK

Mental wellbeing at the heart of workplace wellbeing

Some 5,400 employees in Finland, Sweden, Denmark and Poland ensure that HKScan's products are tasty and responsible*. In 2022, the themes of developing wellbeing at work focused on mental wellbeing, psychological safety and competence development.

We continued our Better Together programme to promote wellbeing at work across the Group. In 2022, the quarterly themes of the programme were diversity and inclusion, healthy lifestyles, work-life balance and psychological safety. The themes were promoted through Group-wide guidelines and materials and through local measures, such as discussion sessions, webinars and theme days.

All our business and production units prepared their own action plans for the Better Together programme to allow them to target their measures according to local needs. For example, in Finland managers were supported in early interventions and performance discussions, while in Sweden, a campaign to stop smoking was launched and in Denmark, the use of company health insurance was encouraged. We regularly monitor the implementation and results of these measures.

* Continuing operations in Finland, Sweden and Denmark



We launched a new High Five Rewards programme, which aims to recognise teams for their performance and achievements against targets. Among a large number of candidates, ten teams from different units of the Group were selected to receive this recognition. These teams shared a strong commitment to achieving objectives and collaboration across functions.

Actions to support diversity

HKScan employs a wide range of people with different backgrounds, and during 2022, we highlighted diversity and inclusion as our wellbeing themes. We particularly raised management awareness of diversity and inclusion.

As an employer and as colleagues, we treat each other with respect, regardless of age, gender, ethnicity, language, culture, religion, opinion, health status, sexual orientation or position. We do not tolerate bullying, harassment or discrimination of any kind, but value the contribution that diversity brings to our working community. We have promoted equal pay in our annual salary reviews since 2020.

In 2022, we revised our policies to address inappropriate behaviour. In the future, we will record all reports of inappropriate behaviour in a data management system, which will ensure that cases are dealt with in a consistent and high-quality manner. The data from the system will help us to target corrective measures, such as training and campaigns, to the needs of our different units.

New platform for competence development

We continuously develop our employees' skills to meet changing business needs. We draw up a personal development plan for each of our employees and set targets in performance discussions. In addition, we make training plans at business and production unit levels, for example on safety at work.

In 2022, we introduced the Learning Point learning and training platform, where we compiled all training courses we offer to our employees. Learning Point is available for all HKScan's white-collar employees and part of the production staff. In 2023, we will expand its use by production units. In Denmark, we piloted the mobile version of Learning Point for production personnel.

We operate in accordance with HKScan's Code of Conduct. Our employees take a Code of Conduct training every two years. The training is mainly conducted online and is available in the local languages of the company's operating countries. In 2022, we renewed our Code of Conduct training and 95 per cent of white-collar employees completed the updated training by the end of the year. 78 (2021: 70) percent of the entire personnel have completed the Code of Conduct training. The training strengthens employees' skills in areas such as the company values, employees' rights and responsibilities, environmental matters, human rights and principles against corruption and bribery.

Leadership principles describe what good leadership is at HKScan

We defined HKScan's leadership principles with the aim of promoting a good employee experience, strengthening value-based culture and developing managers' work throughout the organisation. We established the leadership principles based on discussions in the management teams of the Group and Business Units. The discussions reflected on what kind of leadership is required to implement the company's strategy and strengthen a value-based culture.

During 2023, we will roll out the leadership principles more widely to all employees and provide related training for managers. We will also use the leadership principles to assess our superiors and recruit new managers.





CASE

Getting to know human rights impacts

In 2022, we started HKScan's human rights impact assessment, starting with an assessment of the human rights impacts on our own personnel and employees of external service providers working in our production units in all our home markets.

For the human rights impact assessment, we used an external specialist to interview our personnel, review the current situation and help analyse the likelihood and severity of impacts. We also defined the next steps to manage human rights impacts. In 2023, we will continue to

promote the areas of development identified in the process.

HKScan respects and supports international human rights agreements, the UN Convention on the Rights of the Child, and the International Labour Organization's core conventions. Additionally, HKScan takes into consideration in its operations the UN Guiding Principles on Business and Human Rights, and the OECD Guidelines for Multinational Enterprises.



CASE

An exceptional year on farms

The operating environment for agriculture in 2022 was very exceptional in all our home markets. Prices for production inputs, such as feed, fertilisers and energy, rose sharply from the spring as a result of the Russia's aggressive war in Ukraine. In addition, a poor harvest in 2021 had already pushed up feed prices and reduced farm profitability.

HKScan and our 6,400 contract farmers share the goal of securing the continuity and security of supply of domestic meat production. We increased producer prices for

meat raw material faster than sales prices due to structural pricing delays. We passed the higher costs of high inflation to the sales prices of our products, especially in April-September.

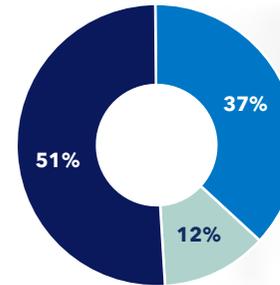
In Finland and Sweden, we continued our Next Generation training programme for young farmers. The programme aims to promote the competitiveness and continuity of meat production and support networking. Some 45 young farmers participated in the programme in Finland and some 50 in Sweden.

Personnel data, continuing operations

	2022	2021	2020
Personnel on average*	5,390	5,354	5,212
Finland	2,749	2,755	2,684
Sweden (incl. Poland)	1,978	1,945	1,899
Denmark	664	655	629
Blue-collars / white collars %	82 / 18	82 / 18	83 / 17
Permanent / fixed-term %	87 / 13	86 / 14	87 / 13
Finland	85 / 15	84 / 16	83 / 17
Sweden	89 / 11	89 / 11	89 / 11
Denmark	97 / 3	96 / 4	96 / 4
Poland	62 / 38	61 / 39	66 / 34
Full-time / part-time %	94 / 6	94 / 6	94 / 6
Finland	92 / 8	91 / 9	93 / 7
Sweden	95 / 5	95 / 5	95 / 5
Denmark	98 / 2	99 / 1	99 / 1
Poland	99 / 1	99.5 / 0.5	99.5 / 0.5
Supervisors of personnel %	6	6	5
Women / men %	35 / 65	36 / 64	36 / 64
Female / male supervisors %	26 / 74	27 / 73	28 / 72
Women / men in the Group Executive Team %	0 / 100	0 / 100	11 / 89
Women / men in the Board of Directors %	25 / 75	25 / 75	25 / 75
Absences % of working hours	8.0	6.8	6.6
Finland	8.3	6.5	6.1
Sweden	7.9	7.4	7.9
Denmark	7.9	6.2	5.6
Poland	6.6	5.8	5.7
Average length of employment, years	11	11	11
Collective agreement coverage of personnel, %			
Finland	88	89	89
Sweden	100	100	100
Denmark	97	89	89
Poland	23	27	23
Personnel by age, %			
<30	18	19	19
30-55	60	61	61
55<	22	21	20
Seasonal workers	918	1,048	1,039
Finland	497	611	570
Sweden	359	368	396
Denmark	62	69	73
Poland	0	0	0
Willingness to promote HKScan as an employer, eNPS			
Finland	Data not available for 2022	3	10
Sweden		-3	1
Denmark		-5	8
Poland		-34	-27

* HKScan's employees converted into full-time employees (FTE).

Personnel by market area 2022



■ Finland ■ Sweden (incl. Poland)
■ Denmark

Permanent employees

87%

Food industry professionals

5,390

Seasonal workers, more than

900

Covid-19 pandemic increased absences



FOOD SAFETY

Ensuring product safety and quality

In the long food value chain, product safety is of primary importance. We ensure the safety and quality of our products throughout the supply chain from raw material procurement to the customer, using systematic risk assessment and management tools.

To ensure a high level of food safety and quality, we have put in place a Quality always - Food Safety & Quality Culture plan, based on the commitment of management and all employees. The five main themes are commitment, communication, doing it right the first time, sharing of best practices, and measurement. We engage and involve staff, for example by encouraging product safety and quality observations. In 2022, our employees made more than 4,300 quality and product safety observations, which help us to anticipate product safety risks and improve product safety.

All of HKScan's production units are certified in accordance with the Global Food Safety Initiative (GFSI)

standards (FSSC 22000, IFS or BRC). For more information on certifications, visit our website www.hkscan.com. Food safety risk assessment in our production units is based on the Hazard Analysis Critical Control Point (HACCP) process.

We also require a commitment to food safety from our raw material suppliers and subcontractors and work systematically to prevent food safety and counterfeiting risks in our supply chain.

In 2022, there were 5 (2021: 3) product recalls across the Group. We carefully analysed all the situations that led to a recall and took the necessary corrective actions.



PROCUREMENT RESPONSIBILITY

Transparency in the supply chain

HKScan operates locally throughout the food chain in all its home markets in Finland, Sweden and Denmark. We work closely with our contract farmers and use local meat.

Through close cooperation with farmers, we know the origin of meat and the growing conditions of animals. In our HK, Kariniemen, Via, Scan and Rose branded products, we use only local meat produced in the country where the products are made.

Most of the feed used in animal farming is locally produced grain and the use of soy in our food chain is low when compared internationally. Our food chains in Finland and Sweden use only responsibly produced, certified soy. In Denmark, 40 per cent of the soy used in our food chain was certified in 2022. We are committed to the use of 100 per cent responsible soy by 2025.

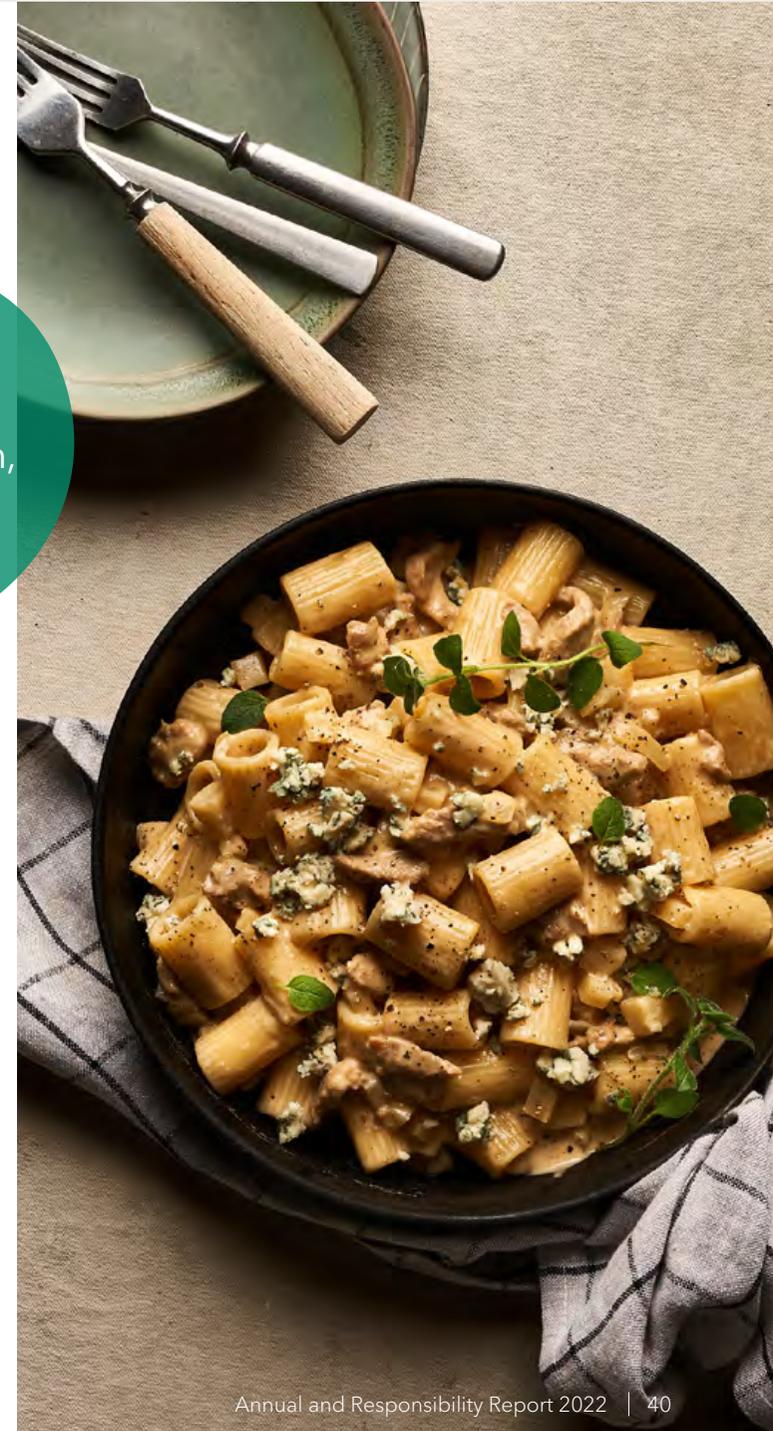
We require suppliers of goods and services to commit to the Group's Supplier Guidelines, which at the end of 2022 covered 100 per cent of our raw

100% local meat raw materials
in our HK, Kariniemen, Via, Scan and Rose branded products

material suppliers, excluding animal procurement, where we promote responsibility through our farmer collaboration.

In 2022, we promoted the transparency and digital management of HKScan's supply chains. We continued to assess the risk of our supply chains, using assessment frameworks derived from the international WGI (The Worldwide Governance Indicators) and our supplier questionnaires. We also continued to engage our suppliers in our responsibility work through supplier questionnaires. In developing procurement responsibility, we focus on traceability, impact assessment and verifiable data and practices.

You can read more about our responsible procurement principles on our website www.hkscan.com.



ANIMAL WELFARE

Work for animal health and welfare

We procure animals directly from our contract farmers, so we know the origin of meat and the growing conditions of animals. Animal welfare and health is the basis for safe food production.

We are committed to promoting animal welfare with our contract farmers in Finland, Sweden and Denmark. Animal health and welfare is based on compliance with EU and local legislation as well as HKScan's own guidelines and recommendations. The laws and guidelines strictly define practices and conditions for animal farming, for example in terms of housing conditions and stocking density. Finland and Sweden have the strictest animal welfare laws in the world.

We systematically monitor animal welfare and address any deviations. We work closely with the authorities, advisory organisations and veterinarians. Both HKScan's own and authorities' veterinarians carry out farm visits focusing on issues such as animal welfare. Our slaughterhouses have a number of authorities' veterinarians constantly monitoring operations.

Promoting animal welfare on our market areas

Animal welfare legislation and stakeholder expectations vary somewhat in our home markets. Our business units in Finland, Sweden and Denmark define their own animal welfare development projects and monitor their implementation.



In the Business Unit Finland, animal welfare was promoted through a number of measures. We published real-time production monitoring tools for our contract farmers of all animal species, allowing farmers to easily access information on the current state of farming, successes and development needs.

We launched a digital Karinetti diary for Finnish poultry farmers, which allows them to easily record their daily animal welfare observations. On cattle farms, we increased padded lying areas in the rearing facilities.

We also started collaborating with the Yli-Simola farm, our contract farmer, Topigs Norsvin and Royal Agrifarm Group on research and experimental activities in pig production. The Yli-Simola farm now has a modern piggery that meets known animal welfare requirements. The farm invested in a number of animal welfare solutions, such as free farrowing and individual feeding of sows. HKScan's stakeholders have the opportunity to see how pigs are reared on the farm, thanks to a viewing room built for visitors. The focus of the long-term collaboration is on improving the welfare of the pigs, reducing the environmental impact of the rearing chain and improving the profitability of production and quality.

In Sweden, we further developed our own animal welfare managing model. In addition, we trained our own personnel, animal transporters and contract farmers in animal welfare issues.

We participated in several university-led research projects on animal welfare in Sweden. For example, we were involved in a study by the Sveriges Lantbruksuniversitet university, which found that investments in animal welfare

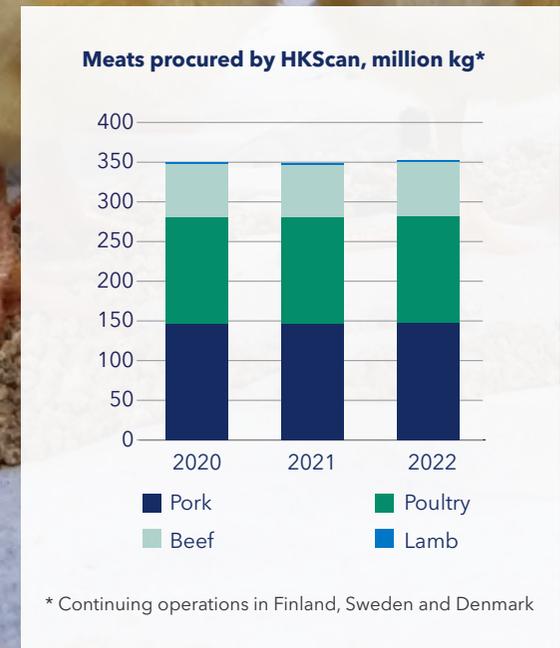
most often improve financial performance as well. Investments in our slaughterhouses have made them calmer and safer, which has speeded up the process and increased cost-efficiency. The investments are based on knowledge of how different animal species experience sounds, lights, colours and different materials.

In Denmark, we continued to develop chicken welfare concepts in cooperation with our contract farmers and customers. For our food service customers, we launched Rose Godhjertet products, which are produced with special attention to animal welfare.

Healthy animals need no antibiotics

The focus on animal health and welfare is shown, for example, in the very low use of antibiotics. We require that antibiotics are not used as a preventive measure or to promote growth, but only when an animal becomes ill, on the prescription and under the supervision of a veterinarian and in compliance with precautionary periods. The use of hormones for growth promotion is also forbidden.

We invest in disease prevention in many ways together with the authorities, veterinarians and contract farmers. At the farm-level, guidelines for animal disease control and high hygiene standards are followed.



RESPONSIBLE PROSPERITY

Local food production creates prosperity for society

As one of the large food companies in Northern Europe, HKScan plays an important role in society – as a corporate citizen, an employer, a food producer and a tax payer. The geopolitical situation in 2022 underlined our importance in ensuring security of supply and continuity of local food production.

Our operations and our long value chain have a major financial impact on several stakeholders. At the societal level, we have a responsibility to ensure food security in our home market.

Our employment impact is significant: we employ around 5,400 people in our continuing operations in Finland, Sweden and Denmark and some 1,400 people in our Baltic Business Unit, which is reported as a discontinued operation. Our value chain of continuing operations is also closely linked to around 6,400 contract farmers, with whom we work closely to further develop production, responsibility and competitiveness, and to ensure security of supply for local meat production. In addition, we have a significant indirect employment impact through the cleaning, maintenance, logistics, property management and healthcare services we buy.



Involvement in the local community activities

HKScan is a significant employer in its production locations, thus contributing to the wellbeing of local communities. In addition, we support the activities of selected organisations through product donations and financial support, mainly based on long-term partnerships. We have focused our support in particular on promoting low-income families with children, food culture and safe living environments.

In 2022, we supported local communities by, for example, donating Christmas food for low-income

families, supporting breast cancer research and participating in a tree planting event with school children. HKScan does not support political parties or election candidates with donations.

We systematically ensure data privacy and information security

HKScan's management models for data privacy and information security are comprehensive and are guided by the company's policies and management models. The models define operational and monitoring practices, including roles and responsibilities, for each function.

We also take data privacy and information security requirements into account when using external IT services. Our data privacy management model is based on the Nymity Privacy Management Accountability Framework and our information security management model on the ISO 27001 standard. HKScan's Board of Directors and Group Executive Team review the company's data privacy and information security report once a year.

We continuously train our personnel on data privacy and information security issues. Data privacy and information security training is part of the induction of all white-collar employees. We regularly organise mandatory update training for white-collar employees and thematic training for different functions. In 2022, we continued our extensive information security training for white-collar employees. We also offer our personnel a variety of training sessions on a monthly changing theme to raise awareness of information security issues.

We analyse data privacy and information security risks annually as part of the company's risk management process. In addition, we carry out targeted risk analyses of information systems, other IT environments and production environments.

HKScan's key information systems are audited by external specialists as part of the annual audit. In addition, we carry our various external audits in accordance with our risk management action plan.

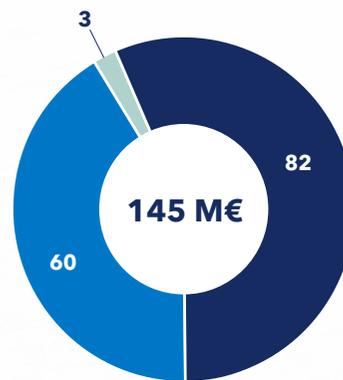
In 2022, there were no serious breaches of data security involving personal data at HKScan. We carefully assess potential data security breaches and take the necessary corrective action without delay.

Distribution of economic value by stakeholders 2022, M€



- Suppliers and production: purchases of raw materials and services
- Personnel: net salaries
- Society: taxes and social costs
- Investments
- Financiers: net financial expenses
- Shareholders: dividend

Tax footprint 2022, M€



- Social costs
- Withholding tax on salaries
- Other taxes, e.g. income tax

The VAT deducted on HKScan's purchases exceeds the VAT invoiced on sales, because foodstuffs are subject to a reduced VAT rate.



Stakeholder dialogue		
Stakeholder	Interaction channels	Key discussion topics in 2022
Customers	Continuous interaction with customers, meetings, customer satisfaction surveys and questionnaires, social media, trade fairs, brand websites, www.hkscan.com	Product prices, changes in the operating environment, environmental impact, social responsibility, animal welfare, security of supply, new products and campaigns, consumer trends, joint projects
Consumers	Consumer service, social media, brand websites and www.hkscan.com	Animal welfare, packaging, product quality and safety, sustainability, healthy diet
Personnel and potential employees	Continuous interaction with personnel, performance dialogues, personnel survey, information and cooperation meetings, intranet, info-tv, newsletters, career fairs, recruiting process, social media, cooperation with universities, brand websites, www.hkscan.com	Safety at work, personnel survey observations, strategy, Covid-19 pandemic, financial result, changes in the operating environment, job opportunities, career development, wellbeing at work, novelties, product safety
Contract farmers	Continuous interaction with contract farmers, meetings, cooperation groups, seminars and other events, newsletters, magazine for farmers, climate training, social media, blog, www.hkscan.com	Prices of meat raw material, development of cooperation and productivity, changes in the operating environment, reducing environmental impact, promoting animal welfare
Partners (e.g. subcontractors, suppliers, research institutes)	Continuous interaction with key partners, meetings, cooperation projects, joint forums, www.hkscan.com	Changes in the operating environment, development of operations and cooperation in line with stakeholder expectations, environmental matters and animal welfare
Shareholders, investors, financiers	Releases, financial publications, www.hkscan.com, social media, dialogue with shareholders, investors, analysts and financiers, Annual General Meeting and management meetings	Profitability development, financing, strategy, changes in the operating environment
Authorities and decision-makers	Continuous collaboration with authorities and industry associations, meetings, interaction between legislators, www.hkscan.com	Reforms in industry-related legislation and interpretation of legislation from the perspective of companies and industry, product safety, animal welfare, biosecurity, nutrition recommendations, promotion of exports, changes in the operating environment
Media	Media service desk telephone, media contacts, meetings, interviews, webcasts, media conferences, releases, social media, www.hkscan.com	Strategy implementation, profitability development, changes in the operating environment, corporate responsibility, domestic food production, consumer trends, company news, product novelties, Covid-19 pandemic
NGOs	Discussions, NGO surveys, www.hkscan.com	Sustainability and environmental impact of food production, employees' freedom of association
Associations	Activity in an association or on the board of an association	Comprehensive responsibility

Memberships of responsibility-related associations

- UN Global Compact
- Round Table on Responsible Soy (RTRS)
- Round Table on Sustainable Palm Oil (RSPO)
- Animal Health ETT ry, Finland
- Association for Finnish Work, Finland
- FIBS, Finland
- Finnish Cereal Committee VYR ry, Finland
- Finnish Food and Drink Industries' Federation (ETL), Finland
- Finnish Food Information, Finland
- Finnish Society for Nutrition Research, Finland
- Finnish Society of Food Science and Technology, Finland
- Finnish Packaging Association, Finland
- Lihatie-dotusyhdistys ry (association for meat information), Finland
- Suomen Broileryhdistys (the Finnish poultry association), Finland
- Dagligvaruleverantörers Förbund (trade association), Sweden
- Från Sverige-märkningen (Swedish origin labelling for foods, ingredients and plants), Sweden
- Haga Initiative, Sweden
- Hållbar Livsmedelskedja (sustainable food chain), Sweden
- Krav (label for sustainably produced food), Sweden
- Svensk Plattform för riskgrödor, Sweden
- Swedish Food Federation, Sweden
- Swedish Meat Industry Association, Sweden
- Confederation of Danish Industry, Denmark
- Danish Agriculture and Food Council, Denmark
- Dansk Alliance for Ansvarlig Soja, Denmark
- Fjerkræafgiftsfonden (FAF, Poultry Production Levy Fund), Denmark





Description of the management approach for material responsibility themes

	MATERIAL THEMES PROMOTED IN THE RESPONSIBILITY PROGRAMME			OTHER MATERIAL RESPONSIBILITY THEMES		
Material themes	Carbon-neutral food chain and biodiversity	Sustainable packaging	Safety and wellbeing at work	Farmer community	Safe food	Animal welfare
Target of management approach	<p>HKScan's responsibility approach covers the entire food chain, from farms to consumers. Responsible activities are supported by HKScan's values: Inspire, Lead, Care and Deliver. Responsibility work is the basis of HKScan's strategy.</p>					
	Carbon-neutrality of own value chain, reduction of environmental impacts and promotion of the sustainable use of natural resources.	Promoting packaging recyclability and increasing the use of renewable and recyclable packaging materials.	Promoting personnel wellbeing and safety at work.	Ensuring the continuity of local food production and promoting competitiveness.	Ensuring product safety.	Promoting key aspects of animal health and welfare on farms, during transport and in slaughterhouses.
Policies and commitments	<p>HKScan's activities are guided by the Group's Code of Conduct and Supplier Guidelines. HKScan is a member of the UN Global Compact sustainability initiative and has integrated its sustainable business principles into the company's Code of Conduct.</p>					
	<p>HKScan's environmental work is guided by the company's environmental policy, the Group's Zero Carbon targets for a carbon-neutral food chain by the end of 2040 and for increasing biodiversity in the food chain, as defined in the Group's responsibility programme. The company is committed to setting climate targets under the Science Based Targets initiative. In Finland, HKScan has signed the Food Industry Energy Efficiency Agreement for 2017-2025 and committed to the Food Industry Material Efficiency Commitment. In Sweden, HKScan participates in the Hagainitiativet project.</p>	<p>The targets defined in the Group's responsibility programme guide the development of packaging responsibility.</p>	<p>HR management, safety and wellbeing at work are based on health and safety policies and on internal policies and principles, including those related to recruitment, management and remuneration.</p>	<p>Agreements between HKScan and producers guide meat production.</p>	<p>The implementation of product safety and quality is guided by the Food Safety and Quality policy.</p>	<p>At HKScan, activities related to animal health and welfare are guided by the Group's Animal Welfare policy. Animal welfare is based on compliance with EU and local legislation and on common company and industry guidelines and practices.</p>
Targets	<p>Key targets are defined in HKScan's responsibility programme and reported in the Annual and Responsibility Report.</p>			<p>Targets and measures related to the farmer community, safe food and animal welfare are defined in the Business Units.</p>		



	MATERIAL THEMES PROMOTED IN THE RESPONSIBILITY PROGRAMME			OTHER MATERIAL RESPONSIBILITY THEMES		
Material themes	Carbon-neutral food chain and biodiversity	Sustainable packaging	Safety and wellbeing at work	Farmer community	Safe food	Animal welfare
Assessment of management approach	HKScan's Board of Directors approves the Group's strategy. The Board is informed about the progress of the implementation of the Group's responsibility work, material corporate responsibility events and potential challenges. The Board approves HKScan's report on non-financial information. HKScan Group's Executive Team approves the targets of responsibility programme, and guides and monitors the implementation of the programme. The VP, Corporate Responsibility leads the Group's responsibility work and is responsible for the progress of the responsibility programme targets and monitoring of the indicators. The Group's corporate responsibility function develops Group-wide policies, guidelines, programmes and action plans related to corporate responsibility. Targets and measures for other responsibility themes relevant to the company, such as farmer community, safe food and animal welfare, are defined by Business Units. These themes are subject to local regulation and stakeholder expectations vary across markets.					
Impacts on the economy, environment, people	HKScan's operations generate climate emissions, which the company reduces systematically. 98% of the emissions in the value chain are generated outside HKScan's own operations. HKScan has begun to define the impacts on biodiversity.	Packaging contributes to food safety and enables the functioning of the logistics chain of products. The materials and structure of packaging are optimised to minimise waste and make the materials suitable for recycling. HKScan pays the annual producer responsibility costs for packaging in line with local practices.	HKScan has a significant employment impact. Occupational accidents are prevented through proactive safety work, which increases wellbeing and reduces the costs for the company and the employee. Promoting wellbeing at work improves employee experience and engagement and reduces company costs.	Employment impact: around 6,400 meat producers as contract farmers, promoting security of supply for local food production. HKScan promotes the competitiveness of producers and local food production through training and more climate-friendly food production practices. HKScan develops and provides digital tools for contract farmers to monitor climate impacts and animal welfare.	Food safety is a prerequisite for HKScan's production, ensuring the functionality of the local food chain. Food safety policies ensure that products are safe and of high quality.	Animal health and welfare provides the basis for safe food production. Investing in animal welfare reduces animal diseases and the need for antibiotics, for example.
	HKScan will carry out a double materiality analysis of the company's material responsibility themes at a later stage.					
Human rights impacts	HKScan respects and supports international human rights agreements, the UN Convention on the Rights of the Child, and the International Labour Organization's core conventions. Additionally, HKScan takes into consideration in its operations the UN Guiding Principles on Business and Human Rights, and the OECD Guidelines for Multinational Enterprises. HKScan's Code of Conduct contains the key human rights principles for the company's own employees. The human rights principles for suppliers of goods and services are defined in HKScan's Supplier Guidelines. HKScan started human rights impact assessment in 2022, and initiated the project by examining the human rights impacts on its own personnel and employees of external service providers working in its production units in all of its home markets.					



MATERIAL THEMES PROMOTED IN THE RESPONSIBILITY PROGRAMME				OTHER MATERIAL RESPONSIBILITY THEMES		
Material themes	Carbon-neutral food chain and biodiversity	Sustainable packaging	Safety and wellbeing at work	Farmer community	Safe food	Animal welfare
Responsibilities and resources	The strategic development of climate work in own production is the responsibility of the Group's Corporate Responsibility function in cooperation with the Group's production development function and Business Units. For primary production, the development of climate work is the responsibility of the Group's Corporate Responsibility function in cooperation with the primary production functions of the Business Units. Business Units have the operational responsibility for climate and environmental work. Responsibilities for promoting biodiversity will be defined at a later stage.	Corporate Responsibility team leads the Group-level promotion of the targets defined in the responsibility programme. Packaging development is led operationally by the Business Units.	Personnel management is handled by the Group's HR function. The Group's Safety Director is responsible for the strategic management of safety at work. Business Units are in charge of the operational promotion of safety and wellbeing at work.	Farmer cooperation is led by the Business Units in primary production functions.	Strategic management of product safety is the responsibility of the Quality and Environment function in the Business Units.	Animal procurement and welfare promotion are managed by the Business Units' primary production functions.
Feedback mechanisms	HKScan has a Fair Way whistleblowing channel through which stakeholders can anonymously report suspected unethical behaviour in HKScan's activities. HKScan has well-established and effective practices to engage in dialogue with its stakeholders.					
Projects and initiatives	The 2022 key responsibility work projects and initiatives are presented in the Annual and Responsibility Report.					
Assessment of management approach	The Board of Directors assesses primary responsibilities and commitments related to corporate responsibility. The Group Executive Team manages and monitors the progress of the responsibility programme. Material responsibility themes were assessed through an extensive stakeholder analysis in 2019 and the company updates materiality assessments internally on an annual basis using feedback from its stakeholders.					
	Climate and environmental impacts are regularly measured and reported annually. Indicators to promote biodiversity will be defined at a later stage.	The recyclability of packaging and the use of renewable and recycled materials are monitored and reported annually.	Personnel safety and wellbeing at work is annually monitored through a number of indicators and staff surveys. Personal performance and development dialogues are held twice a year.	Cooperation with farmers is assessed by, for example, surveys and assessments made by farmer working groups.	Product safety management is based on certified systems, risk assessments of products and their manufacturing processes, and a risk management system. Internal and external audits are carried out to verify the effectiveness of the systems.	Both HKScan's own and authorities' veterinarians on-farm visits focusing on issues such as animal welfare. The company's slaughterhouses have a number of authorities' veterinarians constantly monitoring activities. In addition, animal welfare is assessed through internal indicators.



GRI Content Index

Statement of use	HKScan Corporation has reported the information cited in this GRI content index for the period 1 January - 31 December 2022 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021
Sector-specific standards	G4 Food processing

GRI standard	Disclosure	Location	Comments and/or SDG
GRI 2: General disclosures			
2-1	Organizational details		HKScan Corporation is a stock-listed company, headquartered in Turku, Finland. The company's home markets in continuing operations include Finland, Sweden and Denmark.
2-2	Entities included in the organization's sustainability reporting	HKScan in brief	HKScan's sustainability reporting includes the company's continuing operations in Finland, Sweden and in Denmark.
2-3	Entities included in the organization's sustainability reporting		This responsibility report covers the financial period 1 January - 31 December 2022. HKScan publishes responsibility report once a year. Further information: communications@hkscan.com .
2-4	Restatements of information	HKScan in brief	On 13 December 2022, HKScan announced that it had signed an agreement to sell its Baltic business to AS Maag Grupp. The transaction is expected to be completed in the second half of 2023. In its financial reporting, HKScan discloses Baltic businesses as discontinued operations and therefore the company's sustainability reporting also focuses on continuing operations, which include the businesses in Finland, Sweden and Denmark. In this responsibility report, results and comparison information from the previous years include only the continuing operations.
2-5	External assurance		No external assurance.
2-6	Activities, value chain and other business relationships	HKScan in brief , Responsibility and strategy	On 13 December 2022, HKScan announced that it had signed an agreement to sell its Baltic business to AS Maag Grupp. The transaction is expected to be completed in the second half of 2023.
2-7	Employees	Personnel data	
2-9	Governance structure and composition	Corporate Governance Statement	
2-10	Nomination and selection of the highest governance body	Corporate Governance Statement	
2-11	Chair of the highest governance body	Corporate Governance Statement	
2-12	Role of the highest governance body in overseeing the management of impacts	Description of the management approach for material responsibility themes	
2-13	Delegation of responsibility for managing impacts	Description of the management approach for material responsibility themes	
2-14	Role of the highest governance body in sustainability reporting	Description of the management approach for material responsibility themes	



GRI standard	Disclosure	Location	Comments and/or SDG
2-19	Remuneration policies	Remuneration Report	
2-20	Process to determine remuneration	Remuneration Report	
2-22	Statement on sustainable development strategy	CEO's review, Responsibility and strategy	
2-23	Policy commitments	Description of the management approach for material responsibility themes	
2-26	Mechanisms for seeking advice and raising concerns	Description of the management approach for material responsibility themes, Report of the Board of Directors: Report on non-financial information	
2-27	Compliance with laws and regulations		No significant deviations or fines related to the material responsibility themes.
2-28	Membership of associations	Memberships of responsibility-related organisations	
2-29	Approach to stakeholder engagement	Stakeholder dialogue	
2-30	Collective bargaining agreements	Personnel data	
GRI 3: Material Topics			
3-1	Process to determine material topics	Responsibility and strategy	
3-2	List of material topics	Responsibility and strategy	
3-3	Management of material topics	Description of the management approach for material responsibility themes	
Economic impacts			
GRI 201: Economic Performance			
201-1	Direct economic value generated and distributed	Responsible prosperity, Financial Statements	Payments to government not listed by country in the financial statement. No material community investments.
201-2	Financial implications and other risks and opportunities due to climate change	Zero Carbon	Risks and opportunities related to the climate change in line with the TCFD classification.
201-3	Defined benefit plan obligations and other retirement plans	Financial Statement: Note 22. Pension obligations	Percentage of salary contributed by employee or employer: Not presented but employer's contribution is visible in the income statement and related notes
201-4	Financial assistance received from government	Financial Statement: Note 2	
GRI 204: Procurement Practices			SDG 8: Decent work and economic growth SDG 15: Life on land
204-1	Proportion of spending on local suppliers	Procurement responsibility	Raportoitu liharaaka-aineen osalta
G4 - Food processing - 1	Percentage of purchased volume from suppliers compliant with company's sourcing policy	Procurement responsibility	Raw material suppliers' commitment to the Supplier Guidelines



GRI standard	Disclosure	Location	Comments and/or SDG
G4 - Food processing - 2	Percentage of purchased volume which is verified as being in accordance with credible, internationally recognized responsible production standards, broken down by standard	Procurement responsibility	Use of certified soy reported
GRI 205: Anti-corruption			
205-2	Communication and training about anti-corruption policies and procedures	Report of the Board of Directors: Report on non-financial information	
205-3	Confirmed incidents of corruption and actions taken	Report of the Board of Directors: Report on non-financial information	No confirmed corruption cases in 2022.
Environmental impacts			SDG 12: Responsible consumption and production SDG 13: Climate action SDG 15: Life on land
GRI 301: Materials			
301-1	Materials used by weight or volume	Sustainable packaging	Packaging materials reported
301-2	Recycled input materials used	Sustainable packaging	Packaging materials reported
GRI 302: Energy			
302-1	Energy consumption within the organization	Environmental performance 2022	Used calculation unit MWh
302-3	Energy intensity	Environmental performance 2022	MWh / sold product tonne
302-4	Reduction of energy consumption	Environmental performance 2022	
GRI 303: Water and Effluents			
303-5	Water consumption	Environmental performance 2022	Reported water from municipal water supplies or from own dwell.
GRI 304: Biodiversity			
304-2	Significant impacts of activities, products and services on biodiversity	Biodiversity	
GRI 305: Emissions			
305-1	Direct (Scope 1) GHG emissions	Environmental performance 2022	<p>HKScan reports greenhouse gas emissions in line with the GHG protocol. HKScan discloses its Scope 1 (direct) and Scope 2 (indirect) GHG emissions, whereby the control approach is the operational control approach. For calculating Scope 2 emissions, HKScan has chosen the Market-based method. The following emission sources are included:</p> <ul style="list-style-type: none"> • Energy for processes, heat production (Scope 1) • Purchased electricity (Scope 2) • Purchased district heating, cooling, steam (Scope 2) • Leakage of refrigerants (Scope 1) • CO2 for packaging gases, freezing, stunning (Scope 1) • Car travel (Scope 1)



GRI standard	Disclosure	Location	Comments and/or SDG
305-2	Energy indirect (Scope 2) GHG emissions	Environmental performance 2022	<ul style="list-style-type: none"> In-house transport: Trucks, site cars, tractors (Scope 1)
305-3	Other indirect (Scope 3) GHG emissions	Environmental performance 2022	HKScan reports greenhouse gas emissions in line with the GHG protocol including material emission sources: <ul style="list-style-type: none"> Purchased raw materials and goods: local and imported meat, packaging materials Waste generated in operations Business travel: flights Transportation and distribution
305-4	GHG emissions intensity	Environmental performance 2022	Reported: tCO ₂ e / sold product tonne for own production (scope 1 and 2) and for entire food chain (scope 1-3).
305-5	Reduction of GHG emissions	Zero Carbon	
GRI 306: Waste			
306-3	Waste generation and significant waste-related impacts	Environmental performance 2022	
Social impacts			
GRI 403: Occupational Health and Safety			SDG 3: Good health and well-being SDG 5: Gender equality SDG 8: Decent work and economic growth
403-1	Occupational health and safety management system	Safety at work, www.hkscan.com: Health and safety policy	
403-2	Hazard identification, risk assessment, and incident investigation	Safety at work	
403-5	Worker training on occupational health and safety	Safety at work	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Safety at work	
403-9	Work-related injuries	Safety at work	Reported lost-time accidents and fatal accidents.
GRI 405: Diversity and Equal Opportunity			SDG 5: Gender equality
405-1	Diversity of governance bodies and employees	Personnel data	
GRI 413: Local Communities			
413-1	Operations with local community engagement, impact assessments, and development programs	Responsible prosperity	
GRI 415: Public Policy			
415-1	Political contributions	Responsible prosperity	HKScan does not support political parties or election candidates with donations.
GRI 416: Customer Health and Safety			SDG 3: Good health and well-being
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Food safety	Product recalls reported.



GRI standard	Disclosure	Location	Comments and/or SDG
G4 - Food processing 5	Percentage of production volume manufactured in sites certified by an independent third party according to internationally recognised food safety management system standards	Food safety	
Animal health and welfare			SDG 3: Good health and well-being
G4 - Food processing 9	Percentage and total of animals raised and/or processed, by species and breed type	Animal welfare	Reported: meat procured by HKScan by animal species
G4 - Food processing 10	Policies and practices, by species and breed type, related to physical alterations and the use of anaesthetic	www.hkscan.com: Animal welfare , www.hkscan.com: Animal welfare policy	
G4 - Food processing 11	Percentage and total of animals raised and/or processed, by species and breed type, per housing type	Animal welfare	Reported: meat procured by HKScan by animal species
G4 - Food processing 12	Policies and practices on antibiotic, anti-inflammatory, hormone, and/or growth promotion treatments, by species and breed type	Animal welfare	Group-level policies reported
G4 - Food processing 13	Total number of incidents of significant non-compliance with laws and regulations, and adherence with voluntary standards related to transportation, handling, and slaughter practices		No breaches

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