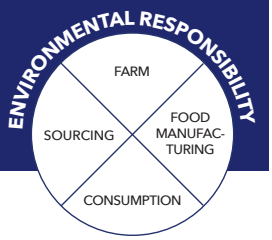
HKSCAN Corporate Responsibility Fact Sheet



Environmental responsibility: Production facilities and environment

HKScan systematically work to reduce its environmental impact and increase sustainable use of natural resources. HKScan takes environmental responsibility from "field to table" and sets environmental requirements also on its supply chain.

Our environmental actions focus on energy efficiency, greenhouse gas (GHG) emissions, water consumption, wastewater, material efficiency and waste management.

Environmental impact mitigation and circular economy

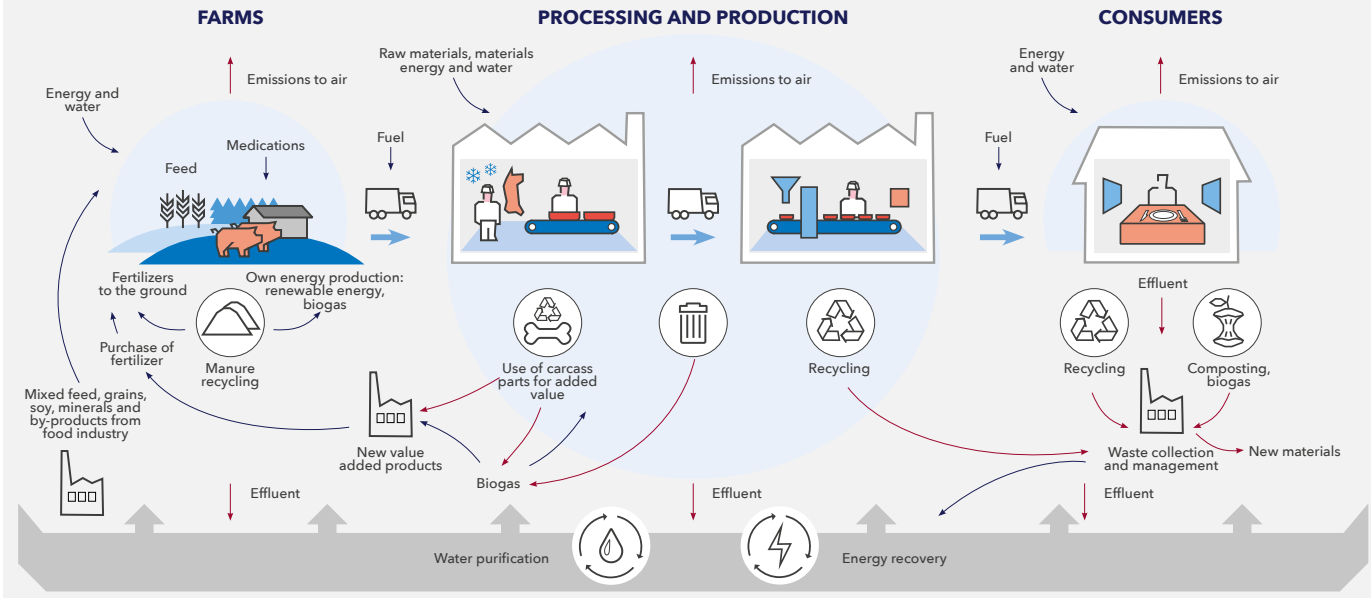
HKScan's direct environmental impacts are generated at local production facilities. The largest environmental impact from our production facilities come from the usual sources - use of water, energy, waste and greenhouse gas emissions. But HKScan also has indirect impacts on the environment, such as animal production and procurement of services, ingredients and products.

For us at HKScan, circular economy is an opportunity to develop food systems where resources are used in a more sustainable way. We aim to retain natural resources in the circulation wherever possible. To date, our operations contribute by recycling materials such as waste and re-utilizing the animal carcass and its parts. We also pay increased attention to water and energy efficiency. While contributing to resource efficiency, we at the same time invent new business and improve our profitability.

Environmental impacts in scope

- RAW MATERIALS AND INGREDIENTS, EQUIPMENT, SERVICES
- SLAUGHTER/ FOOD PRODUCTION
- PACKAGING
- DELIVERY

CIRCULAR ECONOMY: PROCESSING AND PRODUCTION



At HKScan we are committed to continual performance improvements in all environmental areas. One of our main efforts is to improve energy efficiency at our production sites and minimize the environmental footprint of our operations. Saving energy additionally reduces overall demand for fossil-based energy, and also contributes to increase the proportion of electricity from renewable energy sources.

Sami Sivuranta
EVP Operations, HKScan

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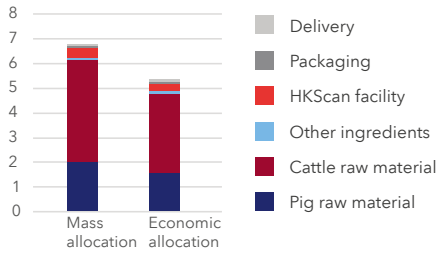
HKScan's achievement in mitigation of environmental impacts

Only about 10% of total greenhouse gas emissions from meat production come from HKScan's operations. The rest - 90% - are from the animal production chain. Despite this division the reduction of direct environmental impacts is an important goal for HKScan. HKScan believe that every action for mitigation of negative environmental impacts is necessary.

LCA OF MEATBALLS

kg CO_2-ekv/FE



HKScan environmental actions results

Water:

Constant monitoring of water consumption permit optimization of usage while mitigating all risks related to food safety.

HKScan has reduced its water consumption by 11% during the last five years.

Wastewater:

Wastewater management is continuously improved. Emissions from wastewater are aimed to remain clearly below environmental permit thresholds. In the meat processing industry, water is used extensively for washing the carcasses, for sanitizing and thorough cleaning of all equipment and facilities.

Landfill waste has been reduced by 94% over the last five years.

Energy:

Reduced energy use also improve long-term cost efficiency and mitigate greenhouse gas (GHG) emissions.

HKScan has decreased energy use by 3% from 2014 to 2017.

Of the total amount of electricity consumed in HKScan's operations, 67% was generated from renewable and 33% from non-renewable sources in 2017.

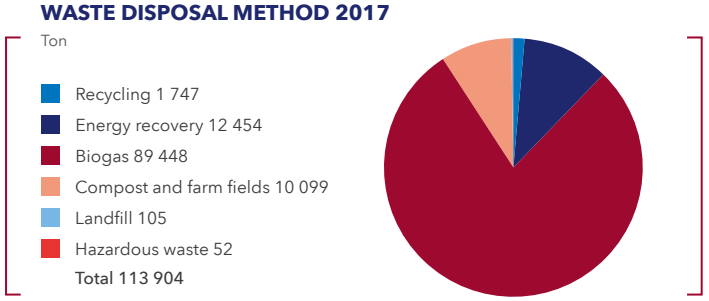
Material efficiency as part of circular economy big picture:

Material efficiency at HKScan means, among other things, making use of animal raw materials and all parts of the carcasses, and developing packaging by taking into account the eco-efficiency of the materials used and the minimisation of food waste.

HKScan is part of an extensive system of the circular economy. Our aim is to maintain the value of the resources used in the production and consumption chain for as long as possible.

WASTE DISPOSAL METHOD 2017

Ton



Waste:

Our top priority is to reduce waste, followed by reuse, recycling, energy recovery and landfill as the last option.

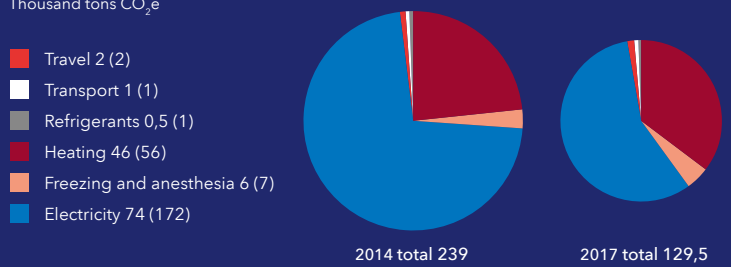
MITIGATE CLIMATE IMPACT

Greenhouse gas emissions contribute to global warming, sea level rise, desertification and increasing incidence of extreme weather conditions, such as storms and heavy rains. HKScan therefore recognizes the importance of contributing to GHG emission reductions and committing to global and national targets as defined under the Paris Agreement. In order to understand and quantify our emission sources and to monitor our carbon footprint, HKScan is disclosing its greenhouse gas emissions in compliance with scope 1 (direct) and 2 (indirect) emissions of the Greenhouse gas protocol.

HKSCAN'S GREENHOUSE GAS (GHG) EMISSIONS DECREASED BY 46% FROM 2014 TO 2017.

GREENHOUSE GAS EMISSIONS

Thousand tons CO_2e



Direct (Scope 1) and indirect (Scope 2) GHG emissions according to the Greenhouse Gas Protocol.