

- Cover
- Preface
- Responsibility at Atria Group
- Stakeholders
- Safe & healthy food
- Sustainable primary production
- Personnel welfare
- Shared environment
- Value-creating business operations
- GRI content table



ATRIA

Good food – better mood.

Atria's Responsibility Report

18

- Cover
- Preface
- Responsibility at Atria Group
- Stakeholders
- Safe & healthy food
- Sustainable primary production
- Personnel welfare
- Shared environment
- Value-creating business operations
- GRI content table

Atria produces sustainable value

Atria is one of the leading meat and food companies in the Nordic countries, Russia and Estonia. We are a company established in 1903 and valued by our customers, personnel and owners. Our company's development and growth are based on excellent commercial expertise, efficient operations and an operating method that respects consistent, sustainable success.

Our main product, good food, creates a better mood and sustainable value for all of our stakeholders. Our good food is responsibly and ethically produced, nutritious and safe. In 2018, our net sales were approximately EUR 1.44 billion and we employed approximately 4,460 meat and food experts in Finland, Sweden, Denmark, Estonia and Russia. Atria Plc's shares have been listed on the Nasdaq Helsinki since 1991.

Responsible work every day

Responsibility is an integral part of Atria's corporate culture. It is integrated into all levels of Atria's operations: goals, values, operating strategies, management and day-to-day work. Responsible operations are one of Atria's cornerstones, as they ensure favourable conditions for its current and future operations.

Atria acknowledges its responsibility towards all of its stakeholders. However, consumer and customer satisfaction and trust are the key prerequisites for successful operations. Other preconditions for sustainable operations include profitability and competitiveness, responsible management and highly competent and committed employees, as well as continuous improvement in all areas of operation.

Atria in 2018

Atria's reporting for 2018 consists of two mutually complementary reports, the Annual Report and the Corporate Responsibility Report. Both of the reports are published in Finnish and English.

Corporate Responsibility Report 2018

The report describes the material themes, objectives and results of Atria's corporate responsibility in 2018. The results are also presented in Report by the Board of Directors.

Annual Report 2018

The Annual Report describes the financial performance of Atria Group and its four business units (segments) in 2018. In addition to the CEO's Review, it contains a strategy review, the financial statements and report by the Board of Directors, as well as the Corporate Governance Statement.

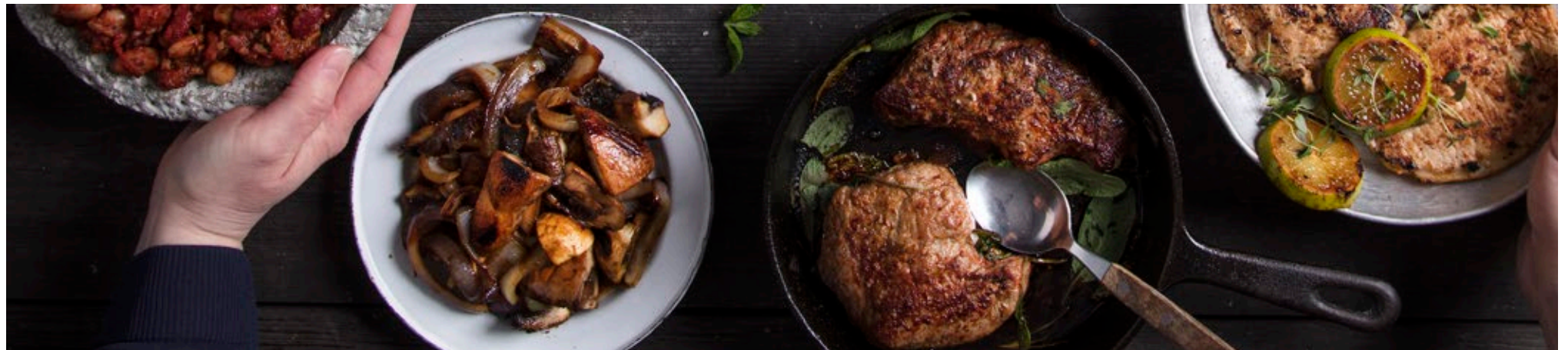
Read Annual Report www.atria.fi/en/group/investors/financial-information/annual-reports/



Responsibility at all levels

Atria's focus areas in corporate responsibility vary from one business area to the next, depending on the operating environment and stakeholder demands. The table illustrates the responsibility focus areas in various business areas.

Group-level commitments	Economic responsibility	Environmental responsibility	Social responsibility	Focus points in business areas			
	<ul style="list-style-type: none"> Meeting financial targets in a manner that enables the company to generate long-term added value for its shareholders and other stakeholders and increase well-being in its local communities and in society. Operational risk management and healthy business principles. 	<ul style="list-style-type: none"> An environmentally sound food chain based on the sustainable use of natural resources and the fulfilment of statutory obligations. 	<ul style="list-style-type: none"> An open, transparent production chain. Safe, healthy, nutritious food for various consumer needs. Inspired and skilled people build success. 	Finland	Sweden	Denmark & Estonia	Russia
Focus areas							
Profitability	●			●	●	●	●
Risk management	●			●	●	●	●
Environmental protection	●	●		●	●	●	●
Energy efficiency	●		●	●	●	●	●
Sustainable use of natural resources	●		●	●	●	●	●
Safe, healthy products	●		●	●	●	●	●
Responsible primary production	●		●	●	●	●	
Employee well-being	●			●	●	●	●
Social impact	●		●	●	●		



- Cover
- Preface
- Responsibility at Atria Group
- Stakeholders
- Safe & healthy food
- Sustainable primary production
- Personnel welfare
- Shared environment
- Value-creating business operations
- GRI content table

- Cover
- Preface
- Responsibility at Atria Group
- Stakeholders
- Safe & healthy food
- Sustainable primary production
- Personnel welfare
- Shared environment
- Value-creating business operations
- GRI content table



Atria's responsible operations are guided by interaction with its stakeholders

Atria's chain of good food consists of primary production, industrial production, customers and consumers. Stakeholders are strongly present in the food chain, all the way from raw material procurement to the finished products and their use. Listening to stakeholders is one of the main pillars of corporate responsibility for Atria.

Atria meets its stakeholders' expectations

Atria is continuously developing its operations in close cooperation with stakeholders. Atria's strategic partners consist of its customers, personnel, meat producers and shareholders, as well as its partners in the supply chain. Dialogue with these stakeholders constitutes the regular and systematic management of business. Strategically influential stakeholders are composed of consumers, the authorities, funders, as well as influencers and the media. The activities of these stakeholders have a significant impact on Atria's business, which is why Atria monitors their expectations and also actively aims to respond to them. Other stakeholders to be monitored include educational institutions, municipal decision-makers and trade associations.

The smooth cooperation of Atria and the retail sector ensures the consideration of consumers' needs. Markku Hautala, the shopkeeper of K-Citymarket Järvenpää in Finland, responds to his customers' expectations in an anticipatory manner.

- Cover
- Preface
- Responsibility at Atria Group
- Stakeholders
- Safe & healthy food
- Sustainable primary production
- Personnel welfare
- Shared environment
- Value-creating business operations
- GRI content table

Stakeholder	Stakeholder's expectations	Atria's expectations	Level of dialogue	Interaction in 2018
Customers, including export customers	<ul style="list-style-type: none"> • competitive prices • safety and quality • customer-oriented service • reliability in deliveries and in other activities 	<ul style="list-style-type: none"> • common operating models • implementation of the agreed actions • forecasts 	***	<ul style="list-style-type: none"> • business negotiations • audits • customer magazine • newsletter • visits
Consumers	<ul style="list-style-type: none"> • products for consumer needs • affordable prices • safety and quality 	<ul style="list-style-type: none"> • reliability • ethically sound products 	**	<ul style="list-style-type: none"> • social media • consumer research, consumer services • marketing communications
Personnel	<ul style="list-style-type: none"> • pay • continuity of employment • social security benefits • comfortable and safe working conditions 	<ul style="list-style-type: none"> • opportunities for career advancement 	***	<ul style="list-style-type: none"> • supervisory work • cooperation negotiations • intranet • personnel magazine • newsletter • personal evaluation discussions
Producers	<ul style="list-style-type: none"> • reliable and long-term business partner • expert advice • competitive producer prices 	<ul style="list-style-type: none"> • commitment • raw material that meets the quality criteria • reliable and long-term cooperation 	***	<ul style="list-style-type: none"> • producer services • producer events • working groups for the development of primary production • key account manager for each farm, visits to farms
Shareholders, investors	<ul style="list-style-type: none"> • return on investment • continuation of business operations 	<ul style="list-style-type: none"> • decision-making power • returns of capital 	***	<ul style="list-style-type: none"> • Board and Supervisory Board work • Capital Markets Day • press and stock exchange releases • General Meeting
Financiers	<ul style="list-style-type: none"> • solvency • reliability 	<ul style="list-style-type: none"> • continuity • debt-carrying capacity 	**	<ul style="list-style-type: none"> • financing negotiations • annual report • press and stock exchange releases
Authorities	<ul style="list-style-type: none"> • fulfilment of statutory obligations • tax incomes • employment 	<ul style="list-style-type: none"> • investments • openness • cooperation 	**	<ul style="list-style-type: none"> • Interaction related to supervisory measures (review of results) and cooperation in expert forums • authority cooperation • annual report
Subcontractors, material and raw material providers and other partners	<ul style="list-style-type: none"> • reliable payment of invoices • long-term customer relationship • predictability and growing demand 	<ul style="list-style-type: none"> • delivery of factors of production such as raw materials, services and finished products of the agreed quality and in accordance with the agreed delivery terms 	***	<ul style="list-style-type: none"> • business negotiations • audits • marketing communications • annual report • online services
Opinion leaders and media	<ul style="list-style-type: none"> • transparency • industry expertise 	<ul style="list-style-type: none"> • influencing general opinion 	**	<ul style="list-style-type: none"> • media cooperation • marketing communications • press and stock exchange releases • newsletter
Local communities and educational institutes	<ul style="list-style-type: none"> • employment • cooperation • taking care of the environment • trainee positions 	<ul style="list-style-type: none"> • skilled and motivated potential employees • public services such as training • infra technology 	*	<ul style="list-style-type: none"> • cooperation • online services • seminars and meetings • social media
Research	<ul style="list-style-type: none"> • partner • research needs • industry expertise 	<ul style="list-style-type: none"> • reliable partner • specialist • research quality 	*	<ul style="list-style-type: none"> • seminars and meetings • visits

*** Strategic partner. Regular and systematic dialogue.

** Strategically important stakeholder. The stakeholder's expectations are charted regularly and systematically with the help of public and/or purchased research data, or the stakeholder's expectations are communicated through legislation or standards.

* A strategically monitored stakeholder. The stakeholder does not have a direct influence on Atria's business, and the dialogue is project-natured and based on needs.

- Cover
- Preface
- Responsibility at Atria Group
- Stakeholders
- Safe & healthy food
- Sustainable primary production
- Personnel welfare
- Shared environment
- Value-creating business operations
- GRI content table

Materiality analysis

The reportable corporate responsibility themes material to Atria have been determined by assessing the themes' significance to Atria's business, their influence from the perspectives of financial, social or environmental responsibility, and the related stakeholder expectations.

Stakeholder dialogue is a fixed part of Atria's business and key processes; corporate responsibility takes concrete shape in day-to-day work with stakeholders. For the materiality analysis, Atria has identified the processes and operations which are key from the perspective of promoting the responsibility themes and stakeholder dialogue from all business areas (1). The

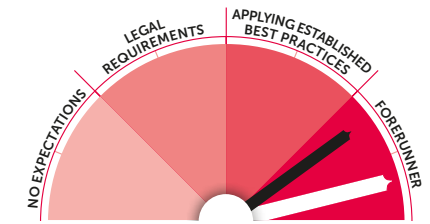
people responsible for these processes and operations have been interviewed (3). The stakeholder expectations on the corporate responsibility themes most important for Atria have been reflected against the perspectives of key people in Atria's business areas (2). The stakeholder coverage, the depth of the dialogue and stakeholders' expectations in terms of Atria's operations have been investigated with the help of interviews. The results of the interviews are used in the development of the corporate responsibility strategy and the determination of the material, reportable themes (4).

Materiality analysis process:



Atria secures a sustainable food chain

Securing a sustainable food chain is essential to Atria. The food chain is the sum of aspects accounting for the formation and distribution of the value of different production phases, the environmental impact, and the social impact related to the food chain and the products themselves. The aspects of corporate responsibility material to Atria are safe and healthy food, sustainable primary production, healthy people, a shared environment and value-generating business operations. Atria's chain of good food consists of primary production, industrial production, customers and consumers.



The black indicator on the meter shows the average, weighted according to the influence of the stakeholders of all business areas. The white indicator on the meter shows the average, weighted according to most strategic stakeholders of all business areas. Furthermore, the averages are weighted according to the influence of each stakeholder and the net sales of each business area. The stakeholder expectations in terms of the business areas of Denmark and Estonia have been considered to be so different from one another that Denmark's stakeholder expectations are best described by the values of Atria Sweden and Estonia's stakeholder expectations are best described by the values of Atria Russia.

The dialogue procedures material to the identification of corporate responsibility themes and stakeholder expectations are described in the dialogue table on page 5. The reportable, material aspects of corporate responsibility are presented in separate sections: safe and healthy food, sustainable primary production, healthy people, a shared environment and value-generating business operations. The sections include sub-themes that clarify the scope of the responsibility aspect in question. Each reportable theme's social impact and significance in terms of Atria's business is explained in more detail in the relevant reporting section.

Stakeholder expectation in terms of Atria's operations within each theme have been assessed on a four-step scale:

- 1 = The stakeholder has no expectations or demands for Atria's operations.
- 2 = The stakeholder expects the fulfilment of statutory obligations.
- 3 = The stakeholder expects Atria to operate according to the industry's best practices and to report on its operations.
- 4 = The stakeholder expects Atria to be a pioneer in its industry.

Each stakeholder's influence on Atria and the achievement of results has been assessed on a four-step scale:

- 1 = The stakeholder has no direct influence on Atria's business.
- 2 = The stakeholder has indirect or long-term influence on Atria's business.
- 3 = The stakeholder cooperation may yield a positive business impact or the consequences of disregarding the stakeholder's demands may have a negative impact on business.
- 4 = The stakeholder is strategically important, and Atria's engagement in business is impossible without the stakeholder's approval.

- Cover
- Preface
- Responsibility at Atria Group
- Stakeholders
- Safe & healthy food
- Sustainable primary production
- Personnel welfare
- Shared environment
- Value-creating business operations
- GRI content table

Corporate responsibility reporting

This report describes the impact Atria has on its operating environment and, through its numerous important stakeholders, on society as a whole. The report gives an account of the key events, results and effects in 2018 from the perspective of corporate responsibility, and illustrates how Atria takes corporate responsibility into account in its current and future operations.

In applying its general principles of corporate responsibility, Atria complies with good practice in all of its business areas, while also respecting the various views of its stakeholders with regard to corporate responsibility and ethical business. The company's operations may not, however, be in conflict with local or international legislation, Group management principles or Atria's values.

As the basis for its reporting, Atria uses the international Global Reporting Initiative (GRI) Standards, in which corporate responsibility is viewed from the perspective of economic, social and environmental responsibility. Atria has selected from the GRI guidelines the measurements and indicators that are essential for its operations and stakeholders. There is more detailed information on determining the materiality on previous page.

The GRI content table (see pages 36-41) contains a comparison of the report's coverage in relation to the GRI Standards recommendations. This Atria Corporate Responsibility Report has not been certified independently. Themes and their order follow the results of Atria's materiality analysis.

The report covers the company's operations mainly during the financial period 1 January to 31 December 2018. As a rule, Atria's Corporate Responsibility Report, published annually, covers the entire Group and Atria Finland, Atria Sweden, Atria Denmark and Estonia and Atria Russia business areas. The CSR report is complementary to Atria Annual Report 2018 where governance, realisation of strategy and financial indicators have been reported.

The indicators used to measure corporate responsibility vary greatly across Atria's various business areas. The reason for this is the different nature of the business, market position and stakeholder expectations in different countries. From the point of view of reporting, the most comprehensive set of key indicators is provided for Atria Finland, which is the most significant business area regarding turnover.

Atria's first Corporate Responsibility Report was published in 2009.

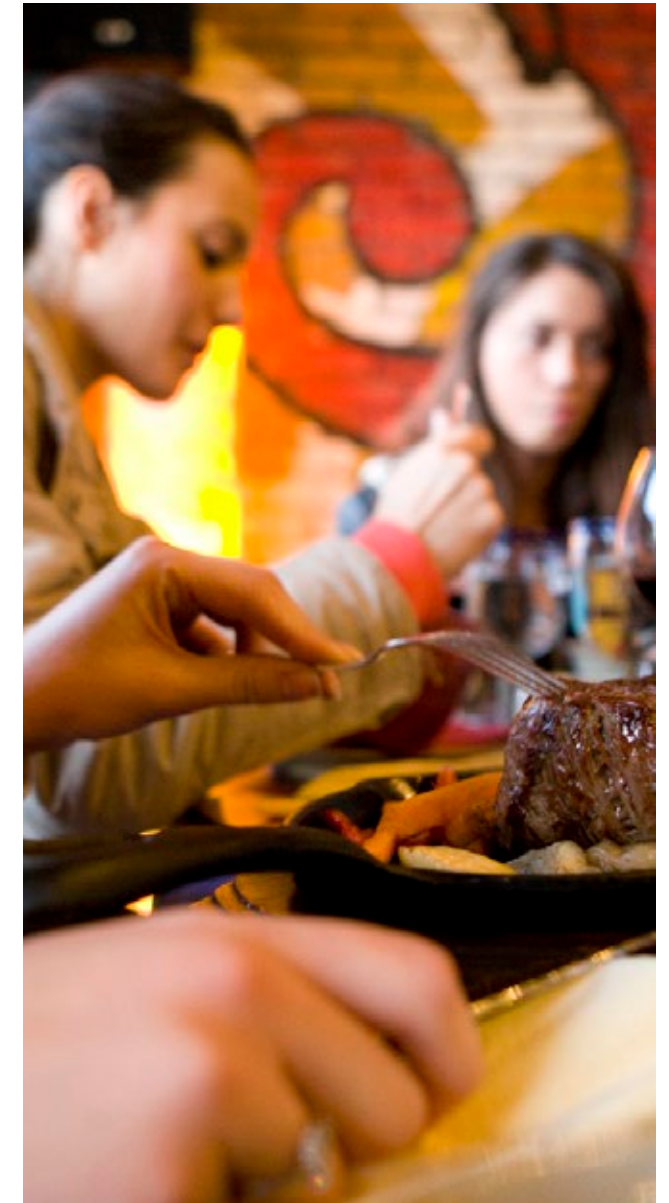
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- Cover
- Preface
- Responsibility at Atria Group
- Stakeholders
- Safe & healthy food
- Sustainable primary production
- Personnel welfare
- Shared environment
- Value-creating business operations
- GRI content table

Atria launched
381
new products
in 2018 to meet
the market expectations.
» p. 11

Safe, healthy and nutritious food

Atria's vision is to create inspiring food for every occasion. For Atria, good food means accounting for the expectations set for the entire food chain in its operations and a commitment to comply with the requirements pertaining to its products and business. Atria understands its responsibility towards consumers and public health. This is visible as investments in the safety, healthiness and nutritiousness of its products. Atria's product safety and quality policy provides a basis for the company's commitments, goal setting and continuous improvement.

- Cover
- Preface
- Responsibility at Atria Group
- Stakeholders
- Safe & healthy food
- Sustainable primary production
- Personnel welfare
- Shared environment
- Value-creating business operations
- GRI content table

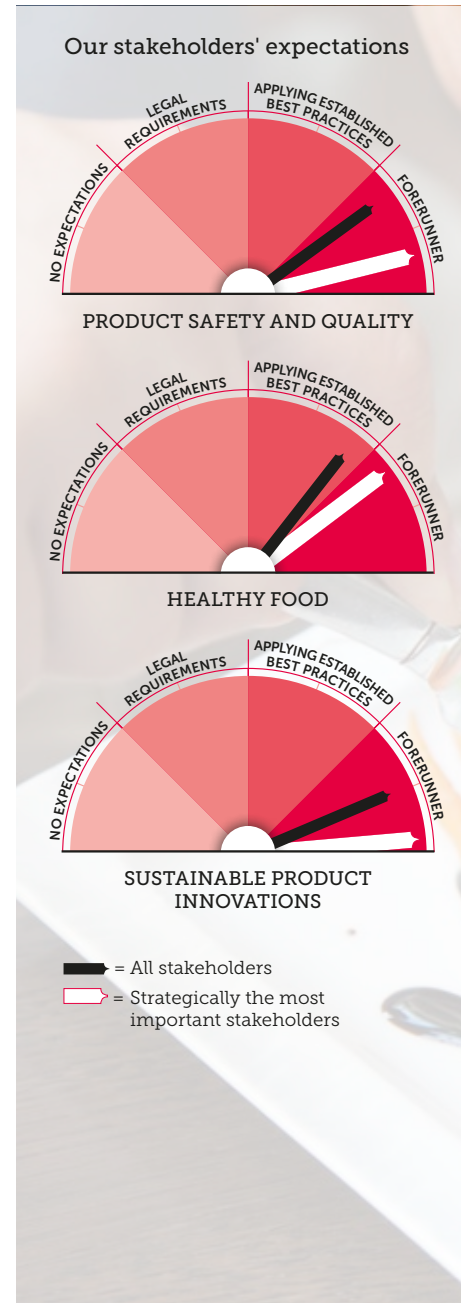
Everything relies on safe products

Atria's stakeholders expect the food to be safe and Atria to maintain and develop a product safety system. While a Nordic consumer's trust in the safety of domestic food is strong, international scandals related to the quality of food and food safety also have an impact on the industry in general by, among other things, tightening requirements related to the verification of food safety. If realised, a product safety risk could have fatal consequences, which is why Atria's approach to product safety is extremely serious. By being a pioneer in the development of product quality and product safety, Atria strengthens its stakeholders' trust towards its products and operations.

Solutions for the needs of customers and consumers

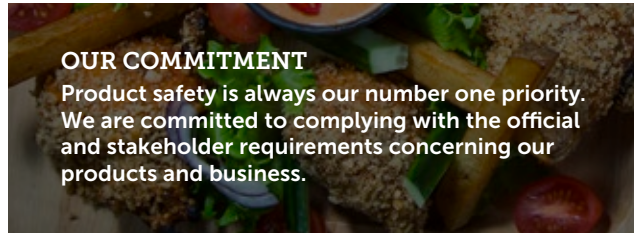
Atria's main product categories are fresh and consumer-packed meat, meat products such as sausages and cold cuts, as well as convenience foods and poultry products. The purity and nutritional quality of food, and an ethically sound food chain are values important both to Atria and to its stakeholders.

Atria serves its stakeholders by taking advantage of research and product development activities in its operations in a variety of ways, in both the further development of existing products and the design of new products. Product development considers the safety, nutritional quality and flavour of products, as well as the market need for them. By taking part in applied research activities in the fields of product and packaging technology as well as nutrition, Atria is also able to create innovative products and concepts for future needs.



- Cover
- Preface
- Responsibility at Atria Group
- Stakeholders
- Safe & healthy food
- Sustainable primary production
- Personnel welfare
- Shared environment
- Value-creating business operations
- GRI content table

Controlled food safety



The product safety management systems at Atria's production plants are certified. A certified system is proof of a proactive approach to quality control, food safety and other statutory requirements and those based on standards.

The food safety management systems are a tool in the development of the company's own operations. Certification provides Atria's partners with independent, third-party proof that the company has systematic operating methods in place for the management of product safety.

The food safety management system includes self-monitoring, aiming to ensure the process's correct functioning and the products' safety for consumers. Atria's self-monitoring is based on the Hazard Analysis Critical Control Points (HACCP) risk management system and its prerequisite programmes. The prerequisite programmes consist of statutory and standardised procedures for ensuring good hygiene practices (GHP) and good manufacturing practices (GMP) and monitoring their implementation. Atria's food safety management system accounts for products' safety and health effects throughout their life cycle.

Product safety and quality management model

At Atria, the development operations of product quality are led by a steering group with representation of different stages of the production chain. The group is tasked with drawing up the product safety and quality policy and the strategies needed for its implementation, setting quality objectives, monitoring the development of the quality situation, and organising development projects carried out with both internal and external parties. The management team of each business area reviews the results of the operations on an annual basis.

RESULTS

0

fines or coercive measures by authorities for endangering food safety.

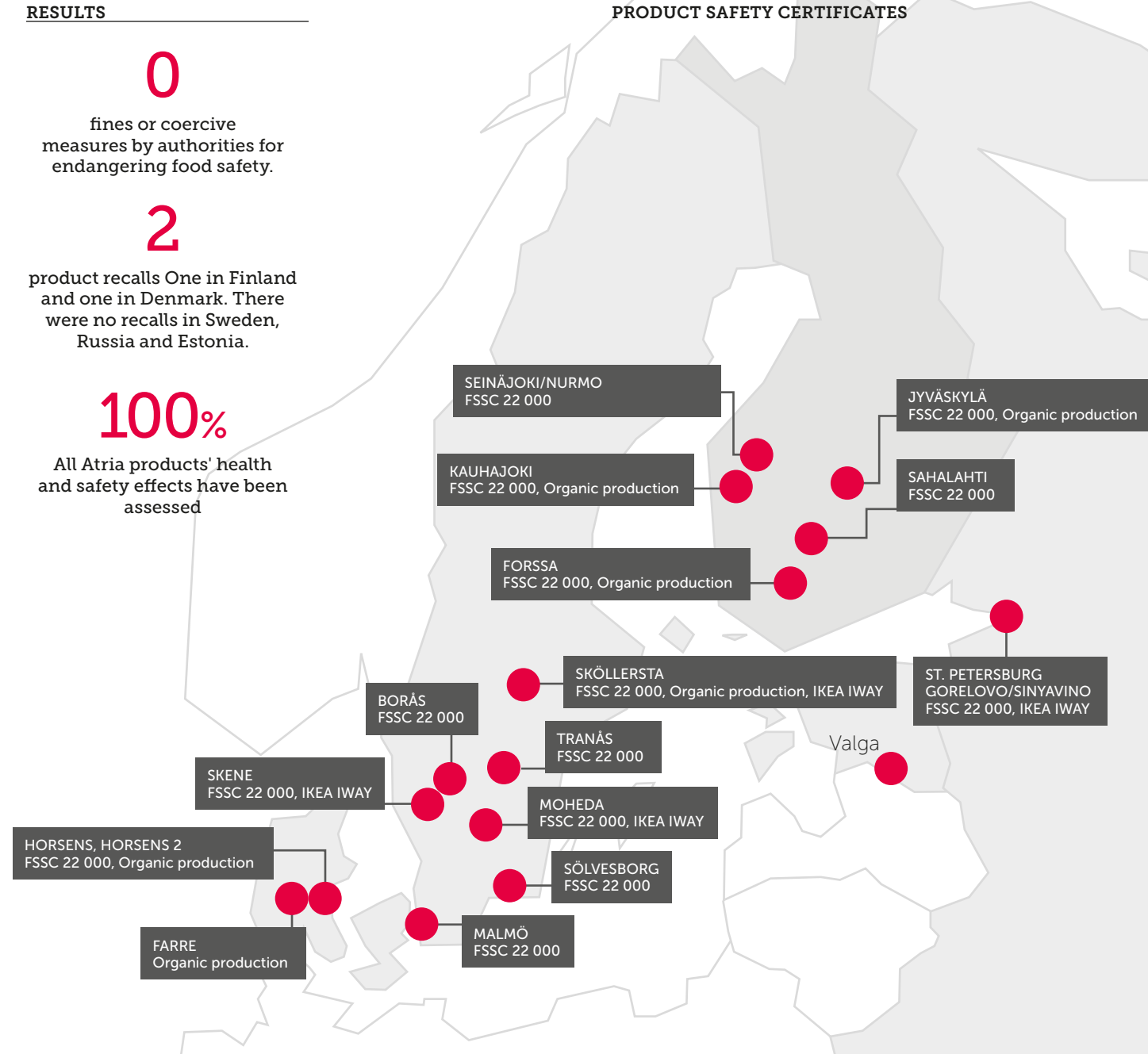
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product recalls One in Finland and one in Denmark. There were no recalls in Sweden, Russia and Estonia.

100%

All Atria products' health and safety effects have been assessed

PRODUCT SAFETY CERTIFICATES



- Cover
- Preface
- Responsibility at Atria Group
- Stakeholders
- Safe & healthy food
- Sustainable primary production
- Personnel welfare
- Shared environment
- Value-creating business operations
- GRI content table

Meeting the needs of customers and consumers



The product development and market in-sight organisation is tasked with identifying different consumer groups and their needs. Product category management is tasked with ensuring the product selection's coverage of different consumer needs. The consideration of nutritional qualities is particularly important in Food Service productisation, in which products are manufactured for the public sector and other professional kitchens.

Atria actively monitors legislation and official recommendations related to raw materials and additives. The company complies with national recommendations in terms of products' salt content and labeling of products. The statutory restrictions concerning the use of additives are followed closely. Necessary additives are assessed on a case-by-case basis.

In product information, Atria complies with legislation and the industry's good practices. The marketing and communication policy drawn up during 2018 steers and guides Atria's responsibility in consumer communication.

Our research and development activities are discussed on page 28 of the Annual Report.

<https://www.atr.fi/en/group/investors/financial-information/annual-reports/>

ACTIONS

Less salt, a new vegetable product range

Atria (Finland) has made nutrition commitments to support sustainable development and the achievement of the goals of the 2030 Agenda. Atria is committed to reducing the amount of salt in its products and increasing its selection of Heart Label products. The company is also committed to maintaining and renewing its range of vegetable products. In autumn 2018, the company launched the Vegyu vegetarian food brand for the retail and professional food service sectors.

Read more: Atria products' nutritional value



New products based on expertise

In terms of responsible product development, it is important to be familiar with the target market. Every new product is based on careful and thorough work which ensures the product's success on the market.

Examples of product launches in 2018:

- Atria Finland's most important product launch was the introduction of the 100% meat-free Vegyu product range for consumers looking for alternatives to meat products.
- Atria Sweden focused on the development of poultry products and ready-made meals. Many new products were based on the themes of healthiness and responsibility.
- In Denmark, Atria launched the 3-Stjernet Vel'smurt spread, among other new products. The main ingredients of the spread are chicken and chickpeas.
- In Estonia, Atria was the first operator to introduce a new vegetable-based alginate technology for the production of fresh sausages. The casing of the sausages is formed by using a vegetable-based alginate.
- Atria Russia focused on the development of new delicatessen products.

381 new products in 2018

Business area	Number of product launches	% of net sales
Atria Finland	131	> 5
Atria Sweden	130	5
Atria Denmark & Estonia	89	
• Denmark	35	6,3
• Estonia	54	10
Atria Russia	31	5,8

- Cover
- Preface
- Responsibility at Atria Group
- Stakeholders
- Safe & healthy food
- Sustainable primary production
- Personnel welfare
- Shared environment
- Value-creating business operations
- GRI content table

100%

of pig farms are included
in welfare monitoring
system in Finland

» p. 15

Ongoing efforts to promote sustainable meat production

The health and good productivity of animals are primarily based on the professional skills of the producers, the right animal population, the good care of the animals, planned feeding and the management of conditions. Atria actively supports producers in the development of sustainable primary production and animal welfare, and openly communicates these issues to its stakeholders.

- Cover
- Preface
- Responsibility at Atria Group
- Stakeholders
- Safe & healthy food
- Sustainable primary production
- Personnel welfare
- Shared environment
- Value-creating business operations
- GRI content table

The significance of sustainable primary production for Atria's business

Consumers are increasingly interested in how production animals are cared for. From an ethical point of view, the legitimacy of eating meat, as well as the environmental aspects of it, are continuously at the centre of public debate. Atria considers it a responsibility to serve as a pioneer in how meat can be an ethically sustainable choice on the consumer's plate. Atria invests in sustainable primary production by, among other things, improving animal welfare, the management of the risk of animal diseases and the animals' feeding solutions in cooperation with meat producers, industry experts and research activities.

The meat raw material of products sold under the Atria brand is fully Finnish meat. In Finland, Atria sources chicken, turkeys, pork and beef cattle from Finnish contract farms, whose slaughtering volumes amount to 174.8 million kg a year. In terms of Atria Finland, meat sourcing, animal trading and the development of animal husbandry is the responsibility of Atria Finland's own subsidiary, A-Tuottajat Oy.

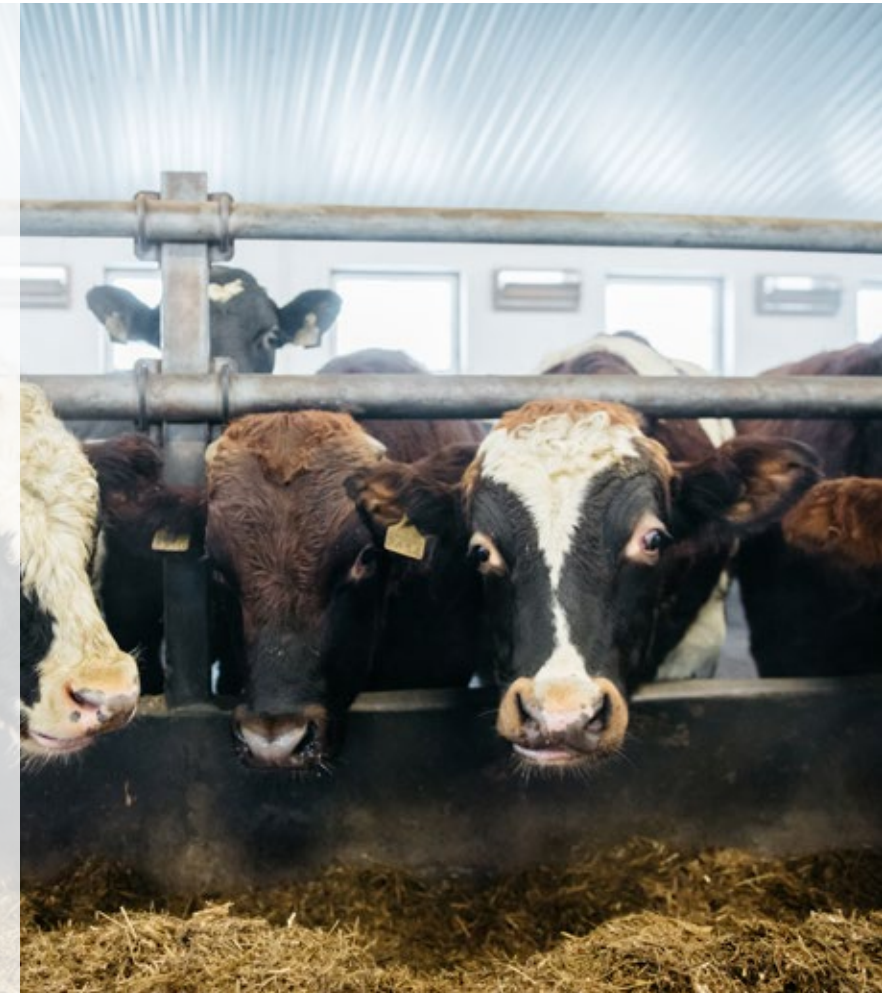
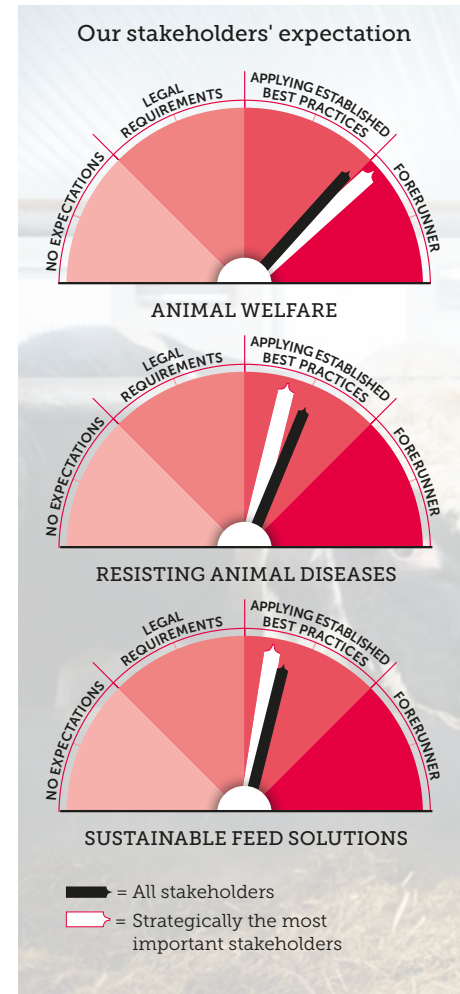
Atria has a chicken-rearing facility and slaughterhouse in Sweden, as well as piggeries and pig slaughtering in Estonia. In addition, Atria Group also sources meat locally from its business areas as well as small volumes from international markets.

The good care of animals is the key to profitable production

The improvement of animal health and the management of the risk of animal diseases secures not only the profitability of Atria's business, but also public health. For example salmonella-induced food poisonings have been reduced to minimum with good management of animal diseases.

Animal diseases are a significant financial threat to Atria and its primary production chain. The uncontrollable realisation of an animal disease would cause substantial losses to the entire industry. It would lead to restrictions in the trade and export of animals, meat and products of animal origin. The industry engages in close cooperation to manage the risk of animal diseases.

The management of the animal disease risk is the strength of Atria's chain from the perspective of food safety, but the financial risks involved, such as the prevention of African swine



fever, have also been considered in Atria's primary production.

The feeding of production animals have a significant influence on the welfare of the animals as well as the profitability and environmental impact of the primary production chain. Atria has the opportunity to influence these aspects through both its

own feed production and feed guidance.

Products of A-Rehu Oy, which produces feed for animal husbandry and is part of Atria Group, supplement a farm's own raw material basis for feed.

- Cover
- Preface
- Responsibility at Atria Group
- Stakeholders
- Safe & healthy food
- Sustainable primary production
- Personnel welfare
- Shared environment
- Value-creating business operations
- GRI content table

ENSURING THE ANIMAL WELFARE IN ATRIA FINLAND



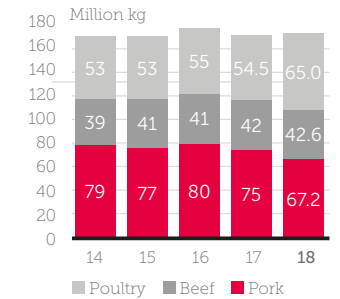
ACTIONS

High-quality pork from Finland

Atria established SikaSummit, a new forum for producers, in 2018. Its purpose is to remind consumers of the exceptionally high quality of Finnish pork.

"Consumers demand good food that is safe and healthy. Finland offers a clean environment, high-quality production and antibiotic-free meat from Atria Family Farms," says **Juha Gröhn**, CEO of Atria.

Volume of meat processed by Atria Finland (million kg)
174.8



RESULTS

Audit at the Nurmo slaughterhouse

Atria's Nurmo pork meat slaughterhouse was audited according to the Welfare Quality® protocol in 2018. The audit focused on the animals' conditions, behaviour and responses to the prevailing conditions, and the results were compared to international data. Atria's slaughterhouse was given the best grade – "good" – in the audit.

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No fines or coercive measures by authorities were imposed on Atria for a violation of legislation related to the treatment and slaughtering of animals.

- Cover
- Preface
- Responsibility at Atria Group
- Stakeholders
- Safe & healthy food
- Sustainable primary production
- Personnel welfare
- Shared environment
- Value-creating business operations
- GRI content table

Animal welfare



In Finland, the basic element of monitoring and developing the welfare of production animals is contract production and the related species-specific production guides, and traceability. Atria ensures the welfare of the animals with both production contracts and the quality requirements in the purchase and sales terms of the animals. We know the origin, rearing period, feeding and care of each animal.

At Atria's farms in Estonia and Sweden, the management of animal welfare is in the company's own hands. Insofar as meat is sourced from open markets, Atria will be building more extensive procedures for the sourcing of meat during 2019, to ensure the welfare of the animals in the meat production chain.

A reliable supervisory system supports animal welfare

In Finland, the authorities, Animal Health ETT and industry operators, Atria included, have built their own, internationally unique systems for monitoring the welfare and health of production animals: the Centralized Health Care Register for Finnish cattle herds (NASEVA) and the national health and welfare register for swineherds in Finland (SIKAVA). Both systems employ the individual monitoring of animal welfare based on five freedoms. The chicken chain at Atria is closed and the parameters related to its welfare are in a monitoring system shared with the producers of entire chain. The

RESULTS OF ATRIA FINLAND'S PRIMARY PRODUCTION

83%
 of cattle farms are included in national welfare monitoring system.

100%
 of pig farms are included in national welfare monitoring system.

90%
 of chicken farms are committed to welfare support measures.

100%
 of the chicken products sold under the Atria brand are entirely antibiotic-free.

40%
 of Atria's overall pork production is entirely antibiotic-free.

0
 pig tails have been docked.

0
 chicken are debeaked.

monitoring data can be used for the development of animal welfare on farms and for the verification of possible market needs.

All of Atria's operations are guided by animal protection laws: the Animal Protection Directive at the EU level and the Animal Welfare Act and species-specific laws at the national level. The operations of slaughterhouses are guided by the EU Regulation on the protection of animals at the time of killing.

Tuoretie Oy is responsible for Atria's animal transport operations. No punishments were imposed in relation to animal transports during the review year.

Freedom from pain

In the Atria meat chain, the pigs do not have their tails docked, and chickens are not debeaked, nor are bull calves castrated. For the time being, routine procedures considered to be necessary include male pig castration and calf de-horning. Male pigs are castrated to stave off what is referred to as the boar taint and calf de-horning aims to reduce the risk of injuries caused by the sharp horns to other animals and an occupational health risk in terms of the carers. Both procedures are carried out with the appropriate pain relief.

Production conditions

In Finland, Atria's contract production requires compliance with legislation and production guides in terms of production conditions. Atria is developing, in cooperation with producers and industry research, sustainable production methods

aiming, among other things, to promote animal welfare and the management of disease risk, but also the producer's occupational safety and the production's profitability. Atria is actively involved in new investment projects, providing support for its producers.

Due to the long period of cold, the northern location sets limitations on production conditions, such as the outdoor exercise of animals and the types of production buildings. In organic production, for instance, the terms set for production conditions and the outdoor exercise of animals are standardised. In northern conditions, organic production is at its most realistic in the production of beef. During the review period, 3.6% of the beef and 0.6% of the pork sourced in Finland was organic.

Aiming for antibiotic-free production

Preventive medical care for the welfare and health of animals allows freedom from antibiotics in such a way that the animals do not necessarily need to be medicated with antibiotics during their entire life. In Finland, antibiotics are not used routinely without justification. Rather, only sick animals are treated on the basis of a diagnosis, avoiding unnecessary medication. The drug use and pharmaceutical records of farms are supervised by municipal veterinarians. The information on any medication administered to the animals is communicated to Atria through chain information.

In the future, responsible antibiotic use will also be required in the Supplier Code of Conduct in the meat sourcing chains of all business areas.

- Cover
- Preface
- Responsibility at Atria Group
- Stakeholders
- Safe & healthy food
- Sustainable primary production
- Personnel welfare
- Shared environment
- Value-creating business operations
- GRI content table

Freedom from animal diseases



OUR COMMITMENT

We systematically prevent transmissible animal diseases posing a threat to health and welfare.

The good disease situation and first-rate health of Finnish production animals are the strength of Finnish meat production. Healthy and well-kept animals are the foundation for efficient, economical and safe domestic food production. Transmissible animal diseases are prevented systematically in accordance with resistance programmes drawn up with Animal Health ETT* and the authorities.

The preventive healthcare work carried out by Atria has been effective. As a result of decades of systematic work, we have completely eliminated porcine enzootic pneumonia, mange and dysentery from our pig chain. Salmonella has been identified extremely rarely in Atria's animal production chain, and any deviations are addressed immediately. All identified infections of salmonella are eliminated.

Contingency plans for highly transmissible diseases are maintained in terms of each line of production animals. The purpose of the contingency plans is to prepare for any disruption caused by a possible animal disease, determine measures aiming to minimise the loss and damage caused by an animal disease and further recovery from the occurrence of animal disease.

Contract producers are required to comply with the production guidelines, which also account for the management of animal disease risks. In addition to Atria's experts, farms are supported by ETT and the farms' own attending veterinarians.

* Animal health ETT ry promotes the health and welfare of production animals by coordinating animal healthcare at the national level and steering imports of animal material and feed. This makes it possible to control the risks of animal diseases and lay a foundation for the safety of Finnish animal-based food products.

» ett.fi



- Cover
- Preface
- Responsibility at Atria Group
- Stakeholders
- Safe & healthy food
- Sustainable primary production
- Personnel welfare
- Shared environment
- Value-creating business operations
- GRI content table

Sustainable feeding solutions



OUR COMMITMENT

Our feed production makes use of domestic raw materials and food industry by-products, providing producers with feed alternatives that consider their animals' welfare, in addition to being competitive and environmentally efficient.

In the Atria production chain, attention is paid to the systematic feeding of animals and sourcing of feed raw materials. The feeding alternatives of animals have a significant influence on the welfare of the animals, as well as the profitability and environmental impact of the primary production chain. In addition, ethical questions related to the raw materials used in the feeds of production animals, such as soy, contribute to the direction of feed production and development work.

The feeding of production animals on Finnish farms is primarily based on farm-produced grains, that is, grain grown on a farmer's own or a local farm; barley for pigs, oats for chicken and the grass of the producers' own farm for cows. Supplementary protein, vitamins and minerals are also needed, as they are essential for animal growth and welfare.

Towards self-sufficient protein supplementation

The component solutions of A-Rehu favour the use of domestic, local feed and protein. Atria engages in continuous work to reduce the consumption of foreign soybean meal even further. Examples of alternatives that can replace imported soy and wheat in chicken feed include domestic dehusked oats, field peas and broad beans. The cultivation of field peas and broad beans improves the texture and nitrogen economy of the field while also reducing the need for nitrogen fertilisation. They are also good ways to improve crop rotation.

The most important replacement for soy at pig farms is the barley protein feed produced by the ethanol industry. The use of domestic broad beans is also increasing.

Cows get the majority of the protein and other nutrients they need from farm-grown green forage. The protein

ACTIONS

Responsible soy

Atria seeks to reduce the use of soybean meal in its chain. A-Rehu uses only responsibly produced soy, which meets either the criteria of the Pro Terra, RTRS or ADM standard, in its production. The soybean meal used as a protein supplement by A-Rehu is either GM-free soy or GM soy, depending on availability. All other raw materials in Atria's pork and chicken feeds are GM-free. Cattle feeds are entirely soy-free and GM-free.

Up to 80% of the world's soy production is already genetically modified, and the availability of GM-free soybean meal is growing weaker all the time. Due to the poor availability of GM-free soybean meal and, furthermore, the poor predictability of its price, Finnish meat producers cannot currently be required to give an absolute commitment to the use of GM-free protein supplement. Atria has not so far differentiated meat production farms on the basis of feed choices.

RESULTS

- 9%

Soybean meal currently accounts for 11% of chicken feed, whereas it used to account for roughly 20% of it.

0%

Share of soybean meal in finishing feed of Atria Family Farm pigs.



supplement given to cows consists of a Finnish rapeseed extract or European coarse colza meal. A-Rehu has not used soybean meal in beef cattle feeds since the autumn of 2017.

- Cover
- Preface
- Responsibility at Atria Group
- Stakeholders
- Safe & healthy food
- Sustainable primary production
- Personnel welfare
- Shared environment
- Value-creating business operations
- GRI content table



The retirement age in
Atria Finland is
2 years
later than on average
in Finland.

» p. 21

Competence, fairness and transparency

Employee well-being, occupational safety, competence development and fair working relations are key aspects of social responsibility for Atria.

Atria's future is secured by a competent and healthy personnel

Atria has around 2,300 highly skilled employees in Finland, 850 in Sweden, 870 in Russia and 420 in Denmark and Estonia business area. The quality of the company's operations and products depends on its employees' knowledge and skills. Employees' well-being is also a key factor in terms of Atria's sustainable growth. Only satisfied, healthy employees can create a work atmosphere and an employer image that make it possible to recruit highly skilled and motivated personnel.

Atria's HR policy defines the material aspects of personnel responsibility related to employment relationships to which Atria is committed. It also defines what is expected of the personnel during an employment relationship. A corresponding level of commitment in social responsibility is also expected from partners in Atria's supply chain.

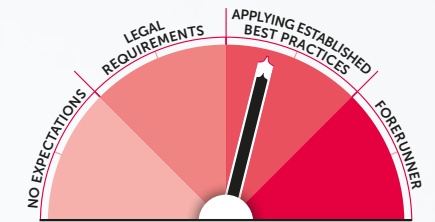
Aspects of Atria's personnel responsibility

- Fair working relations
- Occupational safety and working ability
- Competence development
- Equality
- Non-discrimination
- Freedom of association
- Prevention of child labour and forced labour

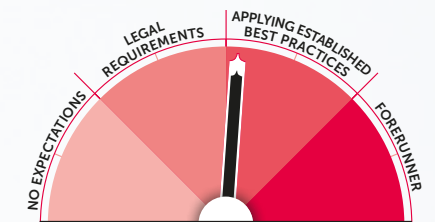
The good basic level of matters related to working relations in Atria's business areas is largely taken care of statutorily. Even so, they are key challenges of working life recognised in an international frame of reference, of which Atria must also have a strong opinion of its own and the ability to demonstrate the responsibility of its operations in this respect.



Our stakeholders' expectations



EMPLOYEE WELL-BEING AND DEVELOPMENT



TALENT ATTRACTION



WORK SAFETY

- = All stakeholders
- = Strategically the most important stakeholders

Continuous competence development lies at the core of renewal

- Cover
- Preface
- Responsibility at Atria Group
- Stakeholders
- Safe & healthy food
- Sustainable primary production
- Personnel welfare
- Shared environment
- Value-creating business operations
- GRI content table



All of our employees share the Atria Way of Work, which was defined by the employees themselves. It is the guiding principle of our day-to-day work. Smooth and open interaction with stakeholders is part of Atria employees' daily work and cooperation is also based on values defined by the employees. The principles of the Atria Way of Work are communicated on a regular basis and they are included in HR processes, such as personal evaluation discussions and personnel surveys.

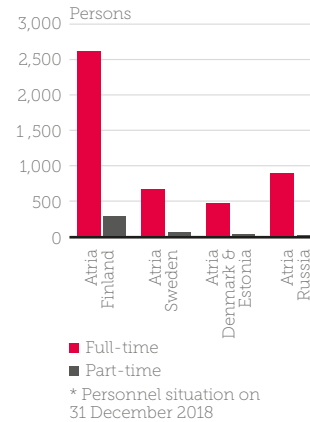
The coaching programme for supervisors based on Atria's management principles, Atria Way of Leading, was initiated in 2017, and continues until 2020. It ensures harmonious ways of working for all supervisors and a common understanding of supervisory work. The goal is for every supervisor to complete the Atria Way of Leading programme. By the end of 2018, 713 supervisors and managers at Atria have participated in the coaching programme.

Atria develops competence in various ways:

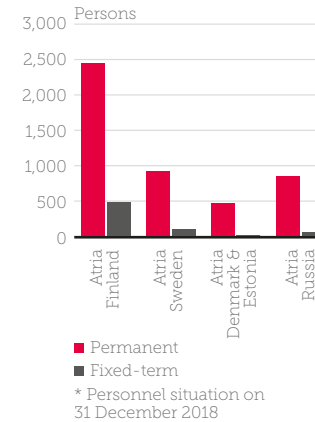
- Competence development is based on needs identified in business operations.
- Atria's own experts are responsible for competence development planning and for providing its employees with training.
- A training plan concerning all employees is prepared annually.
- In Finland, the Oskari competence survey is used to develop the knowledge and skills of white-collar employees as part of their performance and development appraisals.
- In Finland, every production employee has a work guidance card, which is reviewed during their induction training and later at every well-being-at-work meeting.
- Personnel development focuses on learning at work.

RESULTS

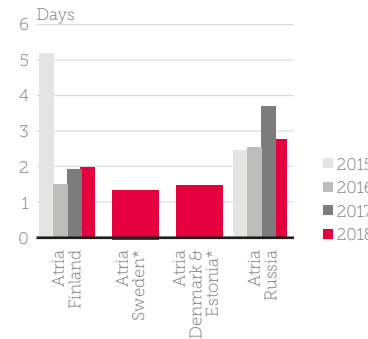
Total number employees by employment type*



Total number of employees by employment contract*



Average training days per employee*



* The annual comparison figures for Sweden and Denmark & Estonia are not available due to the change in business areas in 2018.

ACTIONS

Systematic competence development

Atria adjusts to the strongly changing business environment by developing and adjusting its competencies in a systematic manner. The company's leadership development is based on its Way of Leading programme and the Take the Lead programme aimed at middle management.



713 managers at Atria have participated in the Way of Leading programme.

- Cover
- Preface
- Responsibility at Atria Group
- Stakeholders
- Safe & healthy food
- Sustainable primary production
- Personnel welfare
- Shared environment
- Value-creating business operations
- GRI content table

Being a good employer secures the company's future



OUR COMMITMENT

We are an attractive employer in our industry. Our external recruitment aims to reach the industry's best talent. Internal recruitment allows us to create opportunities for development and increase in-house know-how. Responsible recruitment, a competitive remuneration scheme, equality, and non-discrimination create the basis for a fair employer image and bring added value to the business.

Atria is actively involved in the development of competence in the food industry by cooperating with both industry business and educational institutions. Students from grade schools all the way up to vocational schools and institutions of higher education can increase their know-how through traineeship or as seasonal workers at Atria. Trainee programmes offer particularly university students the chance to be employed as an expert in the industry.

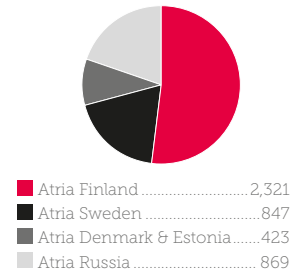
At Atria, the competence and well-being of the personnel is monitored and supported with the help of appraisals and personal goals. Personnel benefits are kept on a competitive level. Atria has invested in occupational healthcare with its own multidisciplinary team composed of nurses, physiotherapists and doctors specialised in occupational healthcare.

Motivation is increased and performances are improved with the help of performance indicators pertaining to the entire company and its various operations and to individuals. Atria works to ensure that its remuneration system is competitive, understandable, consistent, transparent, fair, non-discriminatory and up to date. A new long term incentive scheme for top management was taken into use in 2018.

Employees are heard through the cooperation procedure on issues that concern them, such as in situation involving structural change, well-being at work and working conditions. Cooperation at Atria is open and confidential, thereby facilitating the implementation of the strategy, the maintenance of well-being at work and the increase

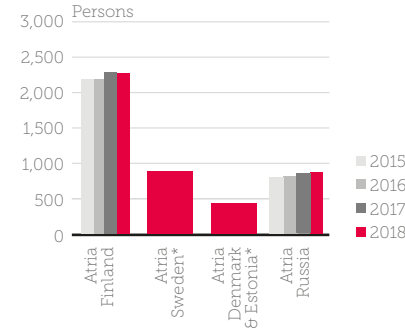
RESULTS

Atria Group employed on average 4,460* people

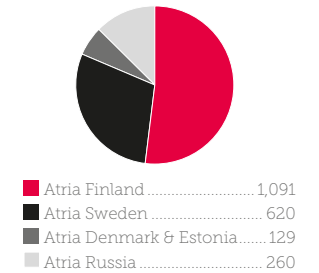


* Personnel on average

Personnel on average

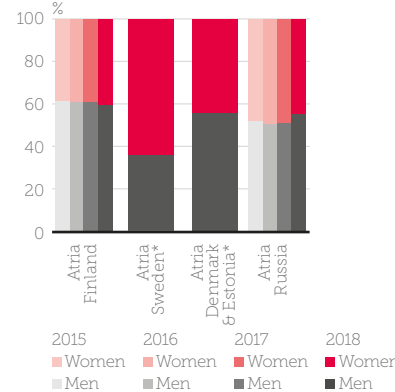


Total number of new employees in 2018: 2,100*

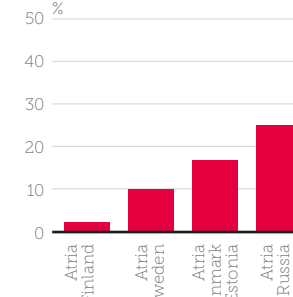


* Including seasonal workers.

Proportion of men/women



Rate of full-time employee turnover



of operational efficiency. Cooperation within the Group is maintained with the help of the operations of the European Workers Council (EWC). Atria's EWC convenes twice a year. The meetings include representatives from all employee groups and all business areas falling within the scope of EU legislation except Estonia. In each business area, the cooperation between the employer and the employee groups is guided by local legislation.

* The annual comparison figures for Sweden and Denmark & Estonia are not available due to the change in business areas in 2018.

ACTIONS

A recruitment campaign to support Atria's employer brand and strategy

In autumn 2018, Atria Finland launched a recruitment campaign to seek new supervisors and trainees for its production departments. The purpose was to reach the best applicants across the country and strengthen Atria's employer brand as Finland's leading food company. The campaign was also aimed at making Atria's strategy visible in practice. The one-month campaign increased traffic to the Careers section of Atria's website by 55 per cent, in addition to resulting in a considerable number of high-quality applications.

- Cover
- Preface
- Responsibility at Atria Group
- Stakeholders
- Safe & healthy food
- Sustainable primary production
- Personnel welfare
- Shared environment
- Value-creating business operations
- GRI content table

Investments in welfare and safe working conditions



Atria makes substantial investments in well-being with the help of long-term programmes starting from an employee's first day. And this bears fruit: at Atria Finland, for example, employees retire more than two years later than Finns on average do.

Safety is an inseparable part of our operations. In 2018, the company launched common safety principles (HR policy) and initiated measures concerning the entire Group. Common indicators have been defined for the monitoring of well-being at work and occupational safety. The Group's safety meetings are held every six months, and a Group-wide reporting system for serious accidents is in place.



ACTIONS

Safely home from Atria

In 2018, Atria launched Safely Home from Atria, a Group-wide occupational safety programme. Its purpose is to ensure safety at work for everyone at Atria. The programme encourages all employees to take responsibility for both their own safety and that of their colleagues.

The programme is based on three principles:

1. Safety First
2. Safety Starts with Me
3. Stop, Think and Act.

THE DEVELOPMENT OF A RENEWING ORGANISATIONAL CULTURE AT ATRIA

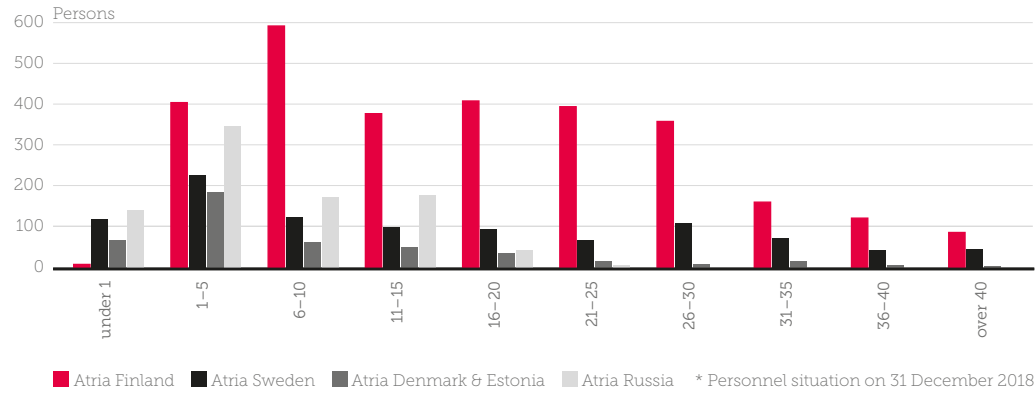


Atrialaisten työtä ohjaavat henkilöstön itse määrittelemät Atrian Tapa Toimia -arvot. Atrialaisia esimiehiä ohjaavat Atrian Tapa Johtaa -arvot.

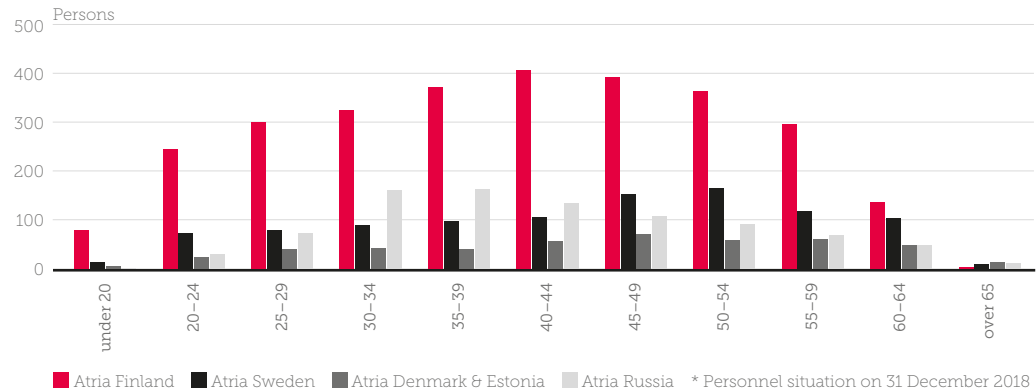
- Cover
- Preface
- Responsibility at Atria Group
- Stakeholders
- Safe & healthy food
- Sustainable primary production
- Personnel welfare
- Shared environment
- Value-creating business operations
- GRI content table

RESULTS

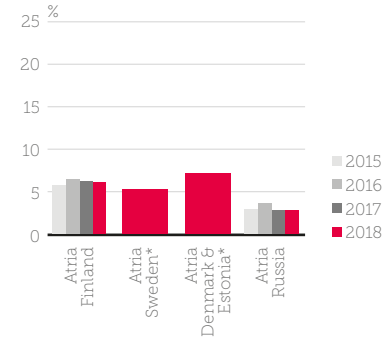
Service structure*



Age structure in Atria Group*

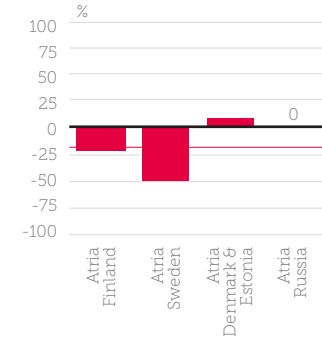


Sickness absences of regular working time



* The annual comparison figures for Sweden and Denmark & Estonia are not available due to the change in business areas in 2018.

Accident frequency rate*



Target: Reducing the lost-time injury frequency rate by 20 per cent in comparison with the previous year. Denmark & Estonia and Russia are already in good level in the LTA frequency.

*LTA frequency: Number of accidents causing at least one day's absence from work by one million worked hours.

- Cover
- Preface
- Responsibility at Atria Group
- Stakeholders
- Safe & healthy food
- Sustainable primary production
- Personnel welfare
- Shared environment
- Value-creating business operations
- GRI content table

Atria Finland's new minced meat package contains

50%

less plastic than the traditional hard plastic packages.

» p. 28

Shared environment

Food production and its environmental effects are multi-faceted. Atria carefully monitors and manages the immediate environmental impact of its own industrial production. Atria also knows its production chain's environmental impact. Atria's goal is to support business operations through the controlled use of natural resources.

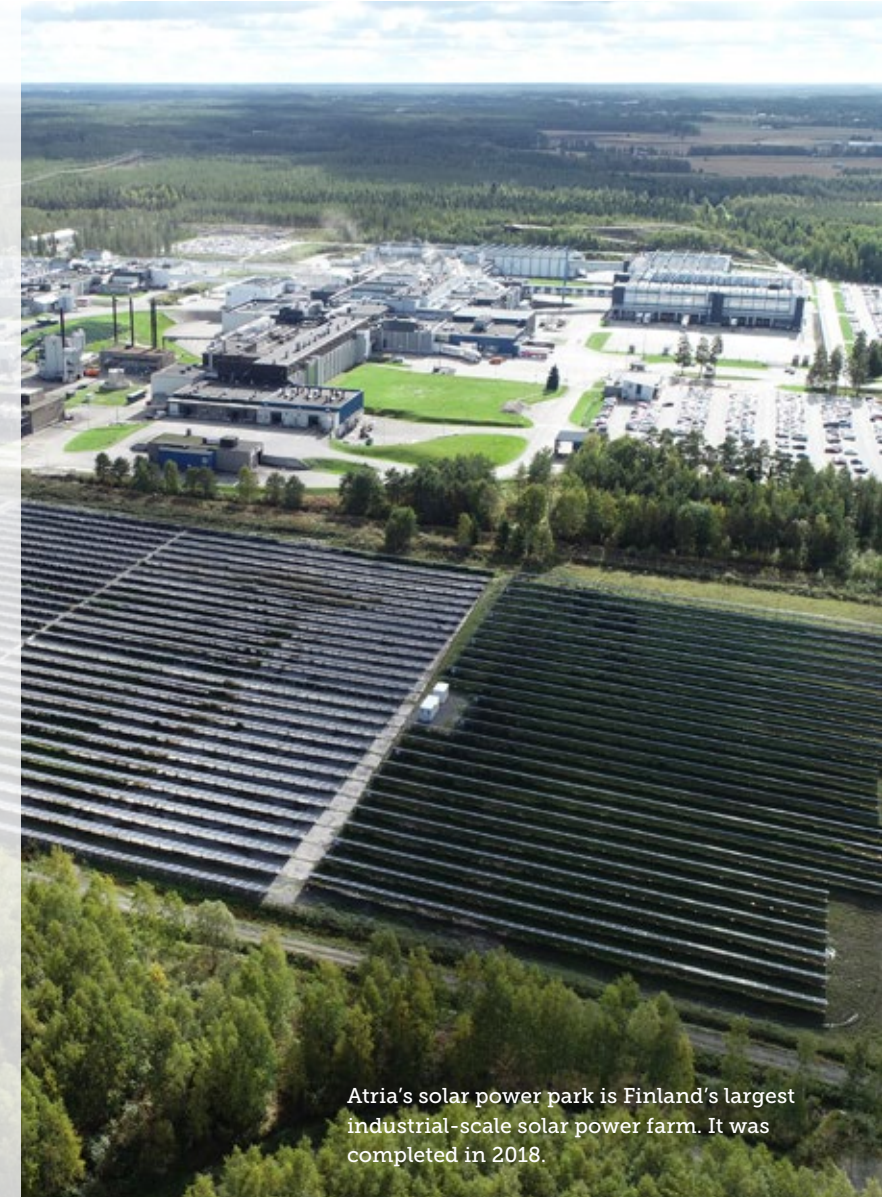
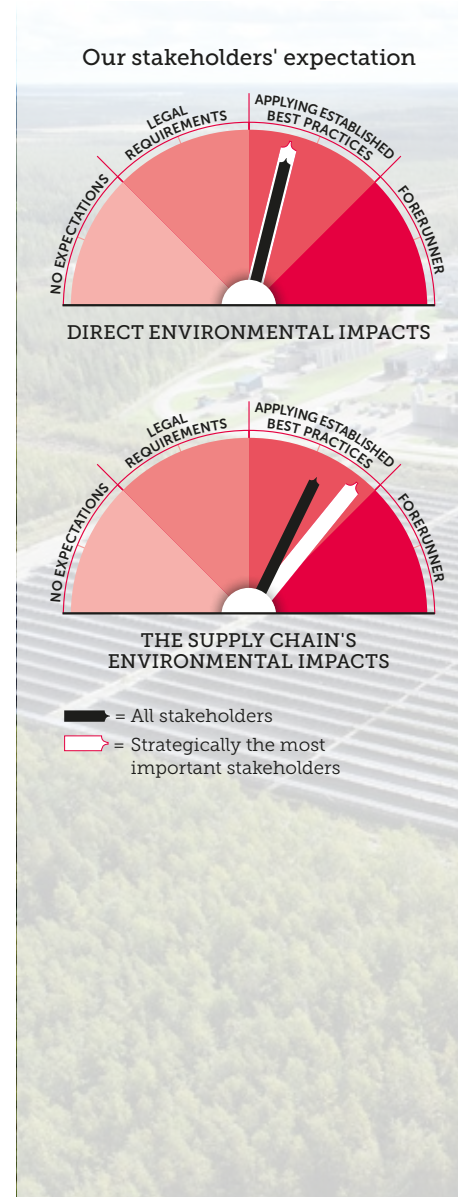
- Cover
- Preface
- Responsibility at Atria Group
- Stakeholders
- Safe & healthy food
- Sustainable primary production
- Personnel welfare
- Shared environment
- Value-creating business operations
- GRI content table

Minimising the environmental impact

In accordance with its environmental policy, Atria engages in systematic work to minimise its environmental impact. The most important thing is to manage the operations' immediate environmental impact and ensure that operations comply with statutory requirements. In its own operations, Atria is most able to make a difference in terms of energy and water consumption, the efficient use of material flows, and the prevention of material and food waste.

A significant portion of the environmental impact throughout its products' life cycles involves something other than industrial production. This is why the identification of environmental impacts throughout the production chain and the promotion of eco-efficiency is important. Climate change, for example, is a global threat, and Atria invests in mitigating climate change throughout the production chain. Environmental responsibility requires a knowledge of the operating environment and the development of operations based on well-known and scientific proof as well as an ability to take part in public debate. The global problems related to the industry are reflected in Atria's operations as increasing demands to verify the sustainability of operations.

Besides ensuring that its own operations comply with requirements, Atria also promotes the development of new technologies and seeks to use renewable energy, in addition to seeking new, more efficient ways to make use of side streams. The company also requires its partners to operate in an environmentally responsible manner.



Atria's solar power park is Finland's largest industrial-scale solar power farm. It was completed in 2018.

- Cover
- Preface
- Responsibility at Atria Group
- Stakeholders
- Safe & healthy food
- Sustainable primary production
- Personnel welfare
- Shared environment
- Value-creating business operations
- GRI content table

Managing direct environmental impacts



The targets in the management of Atria's environmental matters have been adjusted to changes in the operating environment. The most important targets are the promotion of energy efficiency, increasingly efficient water consumption and the prevention of waste.

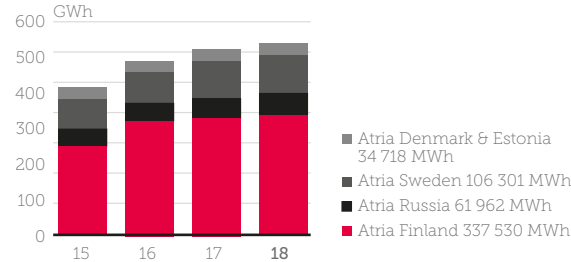
Promotion of energy efficiency

The production of the heat and steam used at Atria relies on district heating, solid fuel, natural gas and fuel oil. In electricity consumption, the ratio between renewable and non-renewable sources of energy depends on the market situation and is determined using national energy statistics. The electricity produced by the solar panels of the Nurmo plant is also renewable electric energy. Energy consumption remained stable during the review period. Atria Group's total energy consumption increased by 3.5%, and its consumption per kilo produced increased by 3.4%

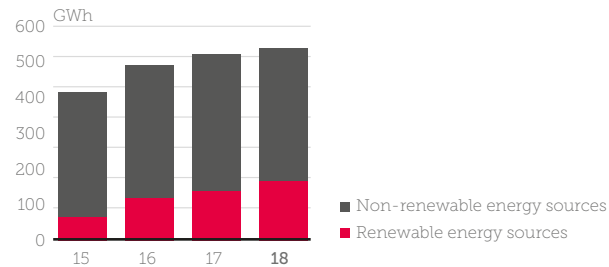
The energy efficiency agreement period which commenced in Finland in 2017 ends at the end of 2025. Accordingly, Atria is committed to a 7.5% decrease in energy consumption from the 2015 level. Efficiency improvement measures have progressed according to goals. The voluntary agreements represent a way by which to meet the international energy efficiency obligations set for Finland, selected in cooperation between the government and business enterprises.

RESULTS

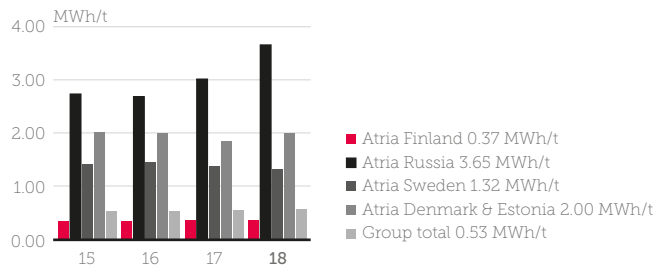
Energy consumption by business area



Direct energy consumption by sources



Energy efficiency in Atria Group



ACTIONS

Investment in renewable energy

Investment in efficient use of energy and renewable energy sources is one of Atria's most significant ways to reduce its climate impact. The Nurmo solar power park was completed in September 2018, and it generates around 5 per cent of the annual energy needed by the production plant. Atria is also participating in the construction of Finland's largest biogas plant at its Nurmo plant. The biogas plant is being built by Nurmon Bioenergy Oy, of which Atria owns 10 per cent.

Atria Sweden transferred to renewable power during 2018 and now uses only renewable electricity. Atria Sweden also aims to reduce its carbon dioxide emissions from production by 50 per cent and from transport by 25 per cent by 2020.

- Cover
- Preface
- Responsibility at Atria Group
- Stakeholders
- Safe & healthy food
- Sustainable primary production
- Personnel welfare
- Shared environment
- Value-creating business operations
- GRI content table

Climate

Sustainable, efficient energy use reduces carbon dioxide emissions, which facilitate climate change. Through carbon footprint accounting, Atria identifies opportunities to reduce and manage greenhouse gas emissions in its production chain. Atria Group's carbon dioxide emissions have decreased by 3.6% from the 2017 level. The reduction in carbon dioxide emissions is the result of enhanced energy use and fuel choices. All of the electricity used by Atria Sweden in 2018 has been certified as green electricity.

The calculation and reporting of our carbon footprint are based on the international calculation and reporting standard, the Greenhouse Gas Protocol (World Business Council for Sustainable Development and World Resources Institute). The emissions calculation covers the operational boundaries of CO₂ emissions in companies where Atria has a minimum shareholding of 50% (organisational boundaries) in accordance with Scope 1 and 2.

Water

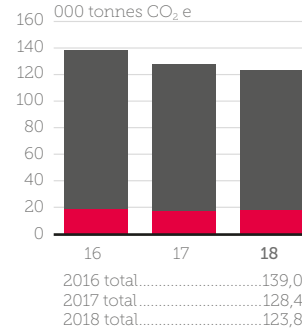
Clean water is necessary for Atria's processes and the cleaning of its production facilities. The origin of water does not have a major environmental impact in Atria's operating environment, but water quality, adequate water supply and pumping capacity are significant for Atria's operations. For this reason, the company aims to continuously improve water efficiency and work with local operators to ensure uninterrupted water supply. Atria Finland has the highest water consumption within Atria Group, and its absolute water consumption increased by 10.0% compared to 2017. However, compared to other operators in the sector, Atria Finland uses water efficiently, and utilises less than 2.4 cubic metres per tonne of food produced. Atria Group's water consumption in relation to production grew by 6.6%.

Wastewater

Some 80% of all wastewater generated by Atria goes through a pre-treatment at Atria's production plant before being led into the local wastewater network. Plant-specific environmental permits determine the threshold values for wastewater quality. The plants monitor compliance with the values carefully. All (100%) of the wastewater is cleaned at the local wastewater treatment plants prior to being discharged into natural

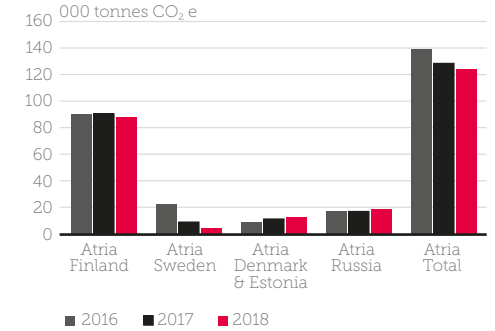
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Atria Group's carbon footprint

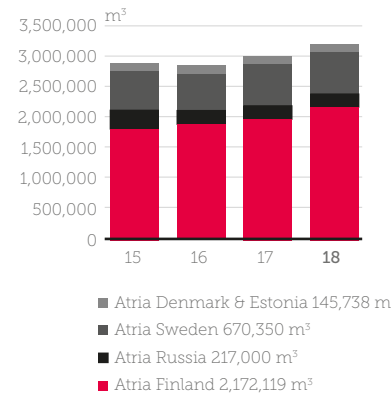


Scope 1 (red) covers the direct emissions of the energy sources owned by and under the control of the reporting company used for heating and production. Scope 2 (grey) covers emissions from indirect purchased electricity, steam and heat production, and cooling. Scope 2 reporting is based on a cost-based calculation method and employs the emission values of known energy sources or the national residual mix. Regarding Russia, the calculation employs the location-based CO₂ emission value reported by the International Energy Agency (IEA). In terms of the IEA's residual mix and the national residual mix, the calculation employs the carbon dioxide emission values of 2017, since the values for 2018 are not yet available.

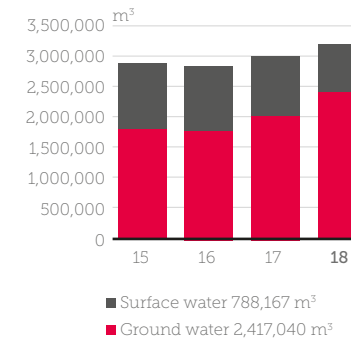
Carbon footprint by business area



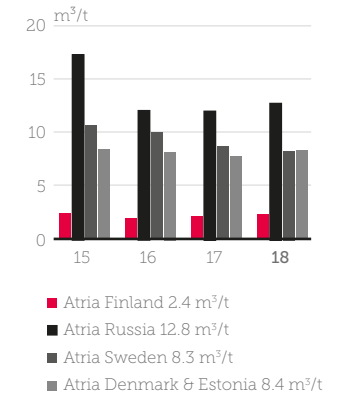
Total water consumption by business area



Total water consumption by source



Water consumption by production



- Cover
- Preface
- Responsibility at Atria Group
- Stakeholders
- Safe & healthy food
- Sustainable primary production
- Personnel welfare
- Shared environment
- Value-creating business operations
- GRI content table

waterways. A predictable, stable organic load in wastewater is important to the operation of wastewater treatment plants. The BOD7 load* and the quality of the wastewater met the official requirements during the review period. The reported BOD7 value is the product of the total wastewater volume and the average of the BOD7 contents measured during the year. At some of the group's plants, the reported load is not based on measurement data. The load in terms of these plants has been estimated in the reporting on the basis of loads generated by similar facilities.

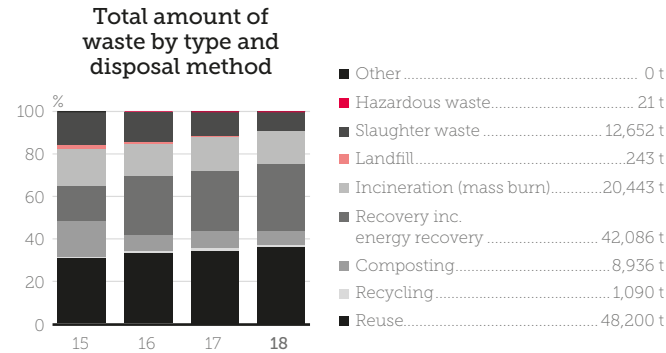
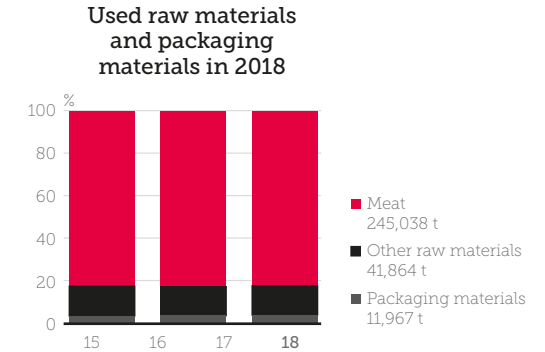
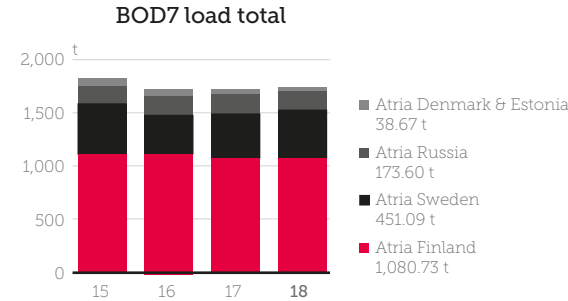
Materials

Atria uses nearly 100% of all incoming raw materials and materials. The raw materials and other materials that are not used in the food products are forwarded to the feed industry or for other reuse. Of all incoming materials, only around one per mille end up as landfill or hazardous waste for which there is no use.

The reuse and processing of products for their original purpose, as food, is not an option in the food industry. On the other hand, the side streams that do not end up as food is directed back to the food chain as precisely and with as high a value as possible. In its packages, Atria aims for an optimal solution. Packages are designed to be efficient in terms of their materials and they are either recyclable or suitable for energy recovery. The packaging materials of the food industry are also regulated with strict legislation.

* The BOD7 value indicates the amount of oxygen consumed by the organic matter in wastewater in microbiological oxidation over a period of seven days.

RESULTS



- Cover
- Preface
- Responsibility at Atria Group
- Stakeholders
- Safe & healthy food
- Sustainable primary production
- Personnel welfare
- Shared environment
- Value-creating business operations
- GRI content table

Environmental impact of the production chain

OUR COMMITMENT
 We identify the environmental impact of the entire production chain, promote environmental responsibility and take part in work combating climate change.

The environmental impact of Atria's products throughout their life cycle is centred around the production of meat, the main ingredient in its products. In addition to the climate impact of agricultural production, significant environmental effects include the water-intensity of production, eutrophication of water systems, acidification of soil, depletion of natural diversity and scarcity of natural resources.

Special attention is being paid to these aspects in Atria's primary production, and operating models are continuously being developed to further reduce detrimental environmental effects. Producers play a key role in mitigating the environmental impact of primary production. In order for each farm to minimise its environmental impact, various solutions can be applied depending on the type of farm.



Principles of package design

Atria chooses its packaging solutions in line with a waste hierarchy that aims to prevent waste from being generated.

The primary function of packaging is to protect the product and prevent food waste by informing the consumer about product qualities.

Packaging must be material-efficient. We are looking for the most technically and economically functional solution using the minimum possible amount of packaging material without compromising on the primary function of packaging.

In terms of packaging solutions, Atria looks for packaging materials which are environmentally friendly and can be recycled, for example.

All of Atria's packaging can either be recycled or used to generate energy.

Our packaging has been designed to utilize the space in cold rooms as effectively as possible, during transportation and in the refrigerators of customers and consumers.

ACTIONS

Wise use of plastic

Atria's corporate responsibility spans across the value chain. For this reason, the environmental impact of packaging is assessed comprehensively. The use of plastic in packaging has provoked a great deal of discussion. Plastic is currently the most environmentally friendly alternative in many cases: it prevents food waste by protecting the product and improving its shelf life. The environmental impact arising from food waste is much more significant than that caused by packaging.

Atria also seeks to reduce its use of plastic. For example, its new minced meat package for retail stores contains 50 per cent less plastic than traditional hard packages. The new package makes it possible to reduce plastic waste by 250,000 kilos per year. In addition, Atria will make its plastic packages for the food service industry completely recyclable during 2019. In Sweden, Atria developed an ecological packaging innovation, partly based on biomaterials, to the Lönneberga range of cold cuts.

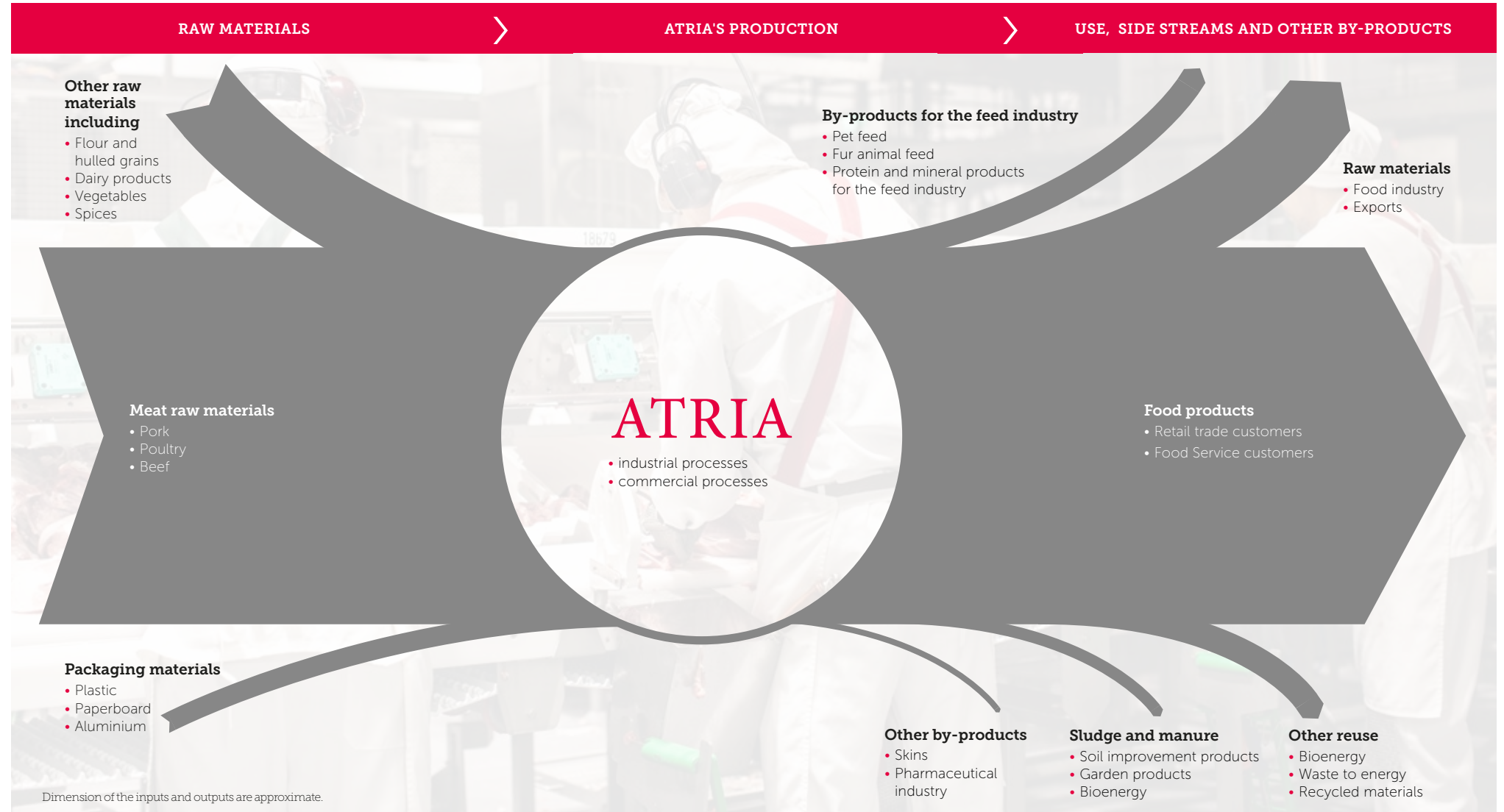
RESULTS

250 000 kg

less plastic waste per year thanks to Atria Finland's new package for minced meat.

Food production is at the heart of circular economy

The raw materials in primary production are Atria's capital, the careful use of which is the prerequisite for sustainable solutions. Atria uses nearly 100% of the raw materials in its production. Raw materials and other materials that are not used in the food products are forwarded to the feed industry or for other reuse. Of all incoming materials, only around one per mille end up as landfill or hazardous waste for which there is no use.



- Cover
- Preface
- Responsibility at Atria Group
- Stakeholders
- Safe & healthy food
- Sustainable primary production
- Personnel welfare
- Shared environment
- Value-creating business operations
- GRI content table

- Cover
- Preface
- Responsibility at Atria Group
- Stakeholders
- Safe & healthy food
- Sustainable primary production
- Personnel welfare
- Shared environment
- Value-creating business operations
- GRI content table

The certified operating system supports the development and verification of operations

OUR COMMITMENT
 We operate in an environmentally responsible manner in such a way that we respond to the expectations of legislation and stakeholders.

All of Atria's production plants employ an operating system which includes the requirements of the ISO 14001 environmental system and the ISO 50001 energy management system standards. A certified operating system is a third party's assurance of a proactive approach to environmental protection, energy efficiency and other statutory requirements and the requirements set by stakeholders. The operating systems is the management's tool for the systematic development of the company's own operations.

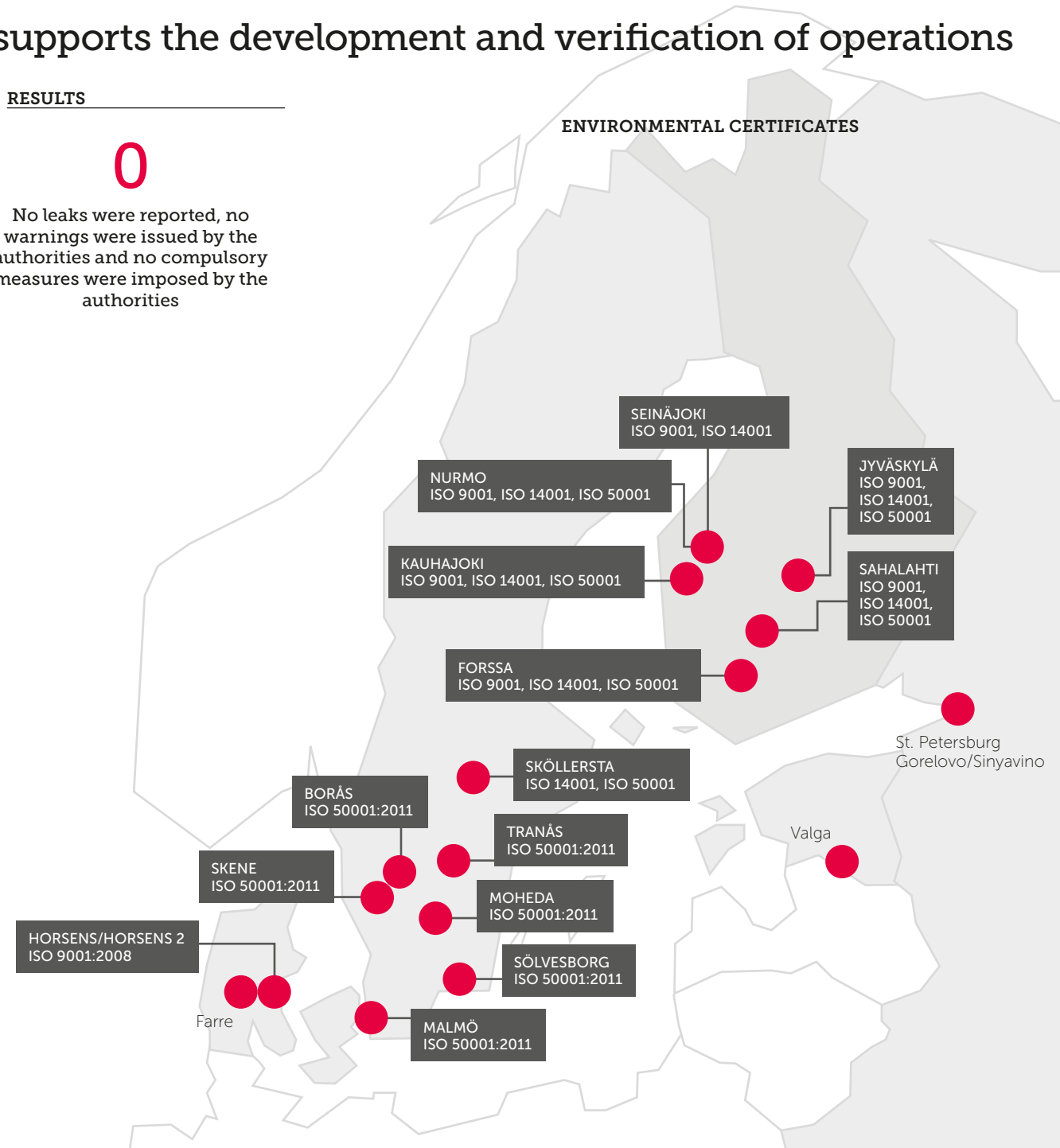
Atria's production plants are subject to an environmental permit. The supervision is the responsibility of the environmental protection authorities of each business area's country of operations. The authorities monitor compliance with the permit conditions, such as emissions limits. In addition to the supervision of environmental permits, Atria's operations in terms of chemicals in Finland are supervised by the Finnish Safety and Chemicals Agency (Tukes) and in terms of plant safety, by the fire and rescue authorities.

The environmental permits specify Atria's reporting obligations towards the authorities. If a plant experiences disruptions or if short-term emissions limits are exceeded, the plant in question is obligated to submit an immediate report to the supervising authority. All plants are inspected at regular intervals on the basis of a risk classification drawn up by the supervising authority. Inspections are also carried out on the basis of complaints made by citizens and in the event of disruptions. All inspections are subject to a public inspection report.

RESULTS

0

No leaks were reported, no warnings were issued by the authorities and no compulsory measures were imposed by the authorities



- Cover
- Preface
- Responsibility at Atria Group
- Stakeholders
- Safe & healthy food
- Sustainable primary production
- Personnel welfare
- Shared environment
- Value-creating business operations
- GRI content table



Atria paid
EUR 55 million
in taxes and social
security expenses in 2018

» p. 34

Atria's ethical business operations are guided by its Code of Conduct

The purpose of Atria's responsible business operations is to achieve its financial targets in a manner that creates added value for its owners and other stakeholders over the long term, in addition to increasing effects that generate well-being in local communities and society in general. Atria's Group-wide Code of Conduct guides its business operations, stakeholder relations and environmental responsibility. Atria also requires its business partners to comply with similar principles in their operations.

Good business operations are sustainable and responsible

By investing in the development of corporate responsibility matters relevant to Atria, the company secures its future operating conditions and creates both financial and social value to society. Direct financial value arises from the jobs provided by Atria and indirect value from the supply chain and paid taxes. Social value and corporate citizenship are created by developing the industry according to the principles of sustainable development and by producing food for the needs of customers and consumers with the help of trustworthy brands and a trustworthy corporate image.

With financial responsibility, Atria refers to the achievement of its financial goals in such a way that the company has the wherewithal to develop its business operations in accordance with stakeholders' expectations. Monitoring and influencing social regulation help Atria manage changes and risks associated with Atria's business environment.

Due diligence refers to principles related to the responsible governance of the business and related reporting.

The aspects related to Atria's business operations and financial responsibility are reported comprehensively in the company's annual report.

Corporate responsibility activities are discussed particularly on Statement on non-financial information.

<https://www.atria.fi/en/group/investors/financial-information/annual-reports/>

- Cover
- Preface
- Responsibility at Atria Group
- Stakeholders
- Safe & healthy food
- Sustainable primary production
- Personnel welfare
- Shared environment
- Value-creating business operations
- GRI content table

ATRIA'S FINANCIAL TARGETS

Target	Realisation in 2018	Realisation in 2017	Realisation in 2016
EBIT 5%	2.0 %	2.8 %	2.3 %
Equity rate minimum 40%	47.7 %	47.5 %	46.5 %
Return on equity 8%	4.1 %	6.7 %	4.7 %
Dividend distribution of the profit for the period 50%	68.8 %*	54.4 %	71.2 %

*Board of Directors' proposal



- Cover
- Preface
- Responsibility at Atria Group
- Stakeholders
- Safe & healthy food
- Sustainable primary production
- Personnel welfare
- Shared environment
- Value-creating business operations
- GRI content table

Generating added value for stakeholders

OUR COMMITMENT

We produce added value for all stakeholders through healthy and responsible business operations. Our business's net influence on nearby communities and society is positive.

Atria's corporate responsibility is managed at two levels. The shared Code of Conduct is determined at the Group level. The Group also ensures compliance with the Code and determines the development projects and target state applicable to all business areas. The reporting related to Atria's corporate responsibility is also implemented at Group level.

The realisation and continuous improvement of Atria's responsibility are part of day-to-day operational management across all business areas. The steering groups of the business areas analyse the operating environment and key stakeholders' expectations with regard to responsibility, and also integrate the implementation of the necessary development measures into their business plans.

Atria Code of Conduct

Compliance with healthy and responsible business practices is the foundation for all of Atria's operations. The Atria Code of Conduct is a set of ethical principles governing business operations, stakeholder relations and environmental responsibility, approved by Atria Plc's Board of Directors. The Code of Conduct is supported by internal policies and guidelines, which define and steer operating methods. We expect every Atria employee to comply with these. Atria Code of Conduct and the policies that support it are based on the laws and collective agreements of the countries in which Atria operates as well as on international conventions and recommendations regulating responsible operations in terms of human rights and anti-corruption, for example.

The Atria Code of Conduct is an ethical guideline for the day-to-day operations of Atria employees. The Code of

Conduct concerns all Atria employees in all business areas. Employees are trained to comply with the Code of Conduct in line with a training plan.

Atria Code of Conduct and the policies that support it are based on the laws and collective labour agreements of the country of operation and international agreements and recommendations related to responsible operations. Atria Plc's Board of Directors approved the Atria Code of Conduct at its meeting on 26 October 2016.

Atria has committed to the following international conventions and recommendations in its Code of Conduct and the policies that support it:

- UN Universal Declaration of Human Rights and Convention on Rights of the Child
- UN Global Compact initiative for the promotion of human rights, rights at work and environmental protection and the prevention of corruption
- Agreement of the International Labour Organisation (ILO) on basic rights at work
- OECD code of practice for multinational companies
- Business Charter for Sustainable Development of the International Chamber of Commerce (ICC) and ICC instructions against bribery and corruption
- Business Social Compliance Initiative (BSCI) purchasing principles

Atria expects its business partners to comply with responsibility principles equivalent to the Atria Code of Conduct within their operations. Furthermore, purchase contracts obligate partners to meet Atria's requirements for product quality, procedures and the delivery chain.

Atria assesses the compliance of its contractual partners' operations prior to undertaking the partnership and on a regular basis during the partnership. In addition to the experience accumulated during the business relationship, the assessment accounts for risk factors related to financial, environmental and social responsibility. Atria reserves the right to audit the operations of its contractual partners, if necessary.

The audits pay attention to, among other things, food safety, as well as environmental and social responsibility, such as the realisation of human rights and anti-corruption and bribery measures.

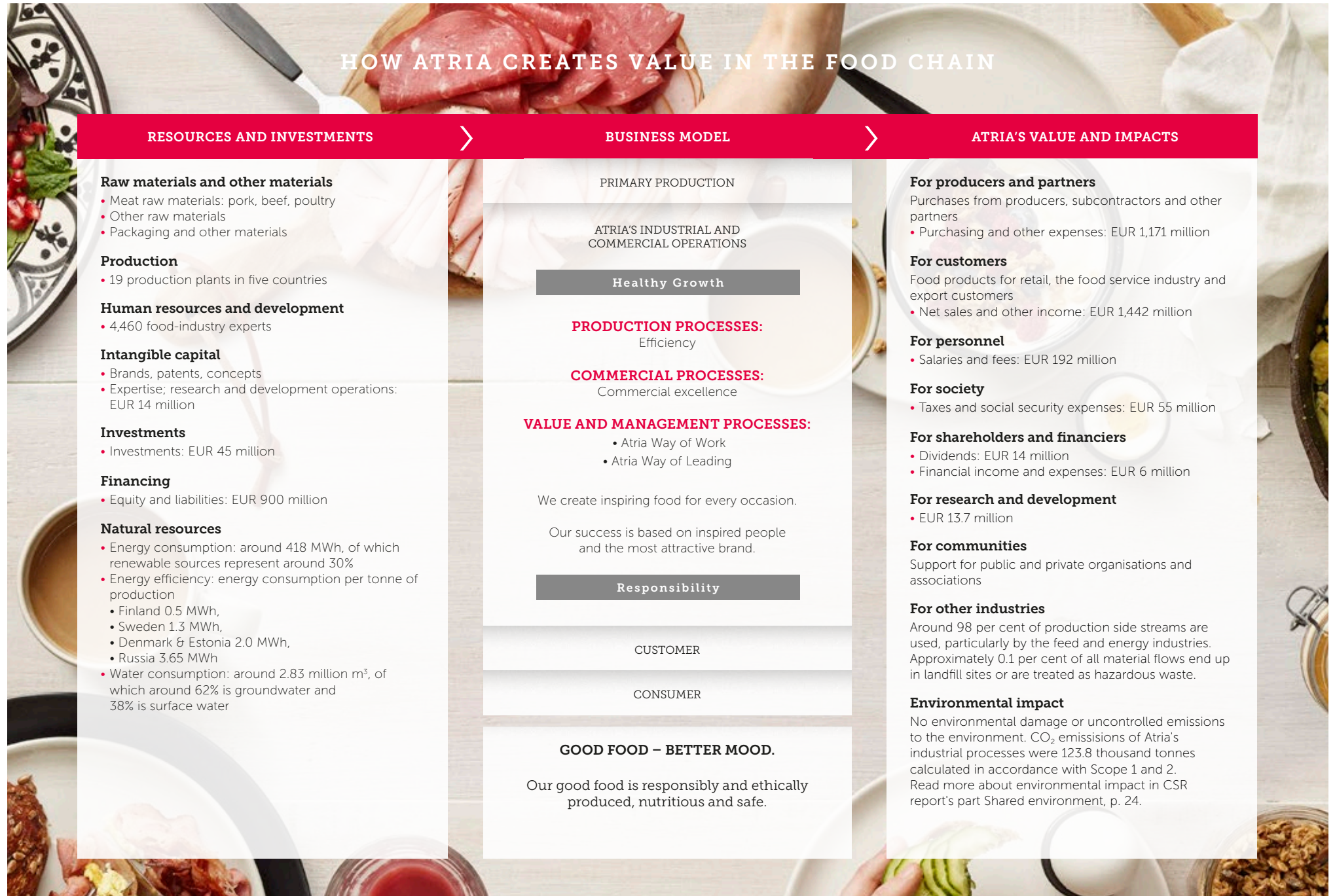
Influence and participation in society

Atria participates actively in social and community affairs through trade associations. The company functions as an expert resource in regulations applicable to the industry, for example, and in the development of good practices. Atria Plc is a member of the following organisations, among others:

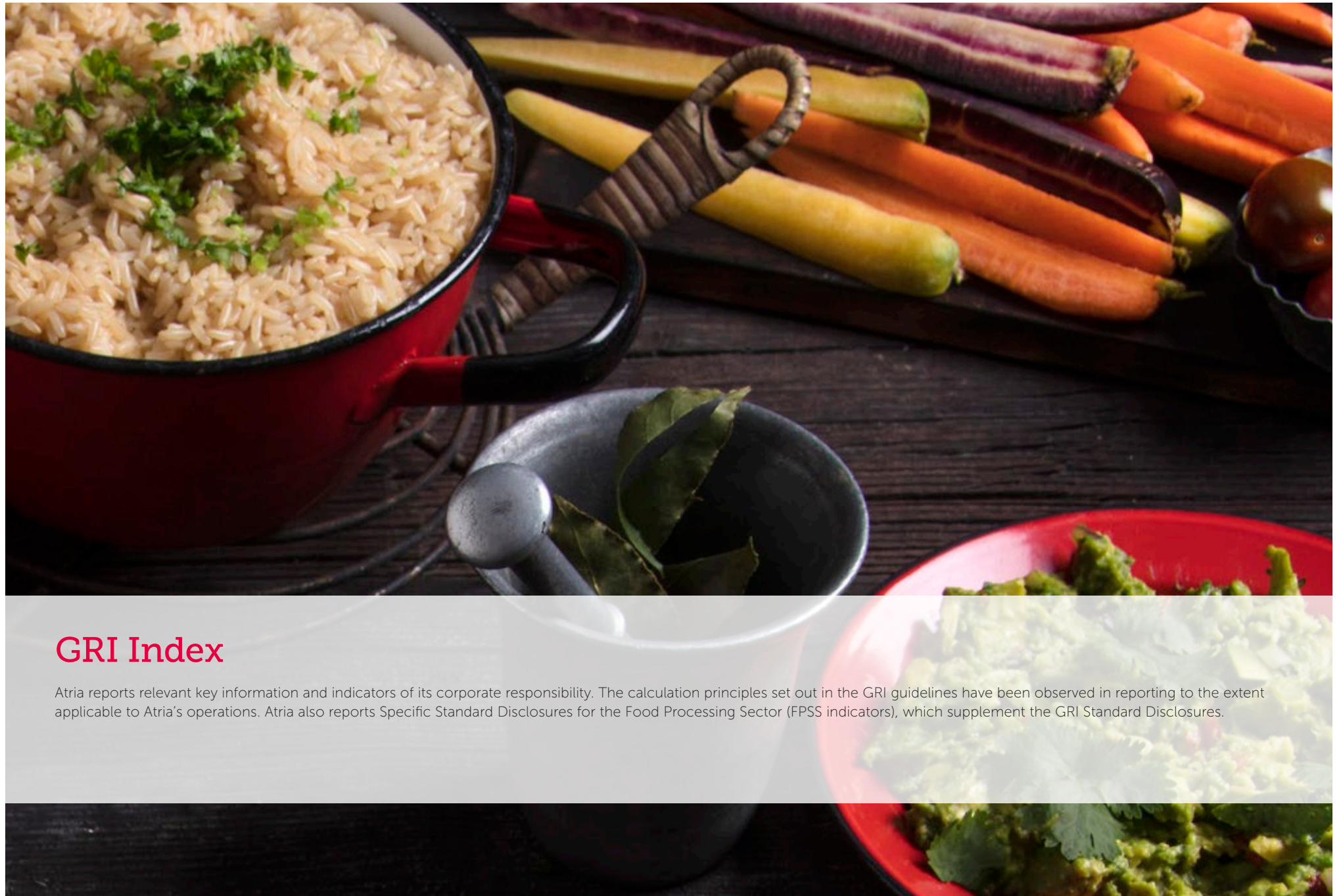
- In Finland, the Finnish Food and Drink Industries' Federation (ETL), the International Chamber of Commerce, the Pellervo Confederation of Finnish Cooperatives, Confederation of Finnish Industries (EK), East Office of Finnish Industries, Animal Health ETT.
- In Sweden, the food industry employers' association Livsmedelsföretagen (LI), the Swedish Meat Industry Association (KCF), the Swedish Frozen Food Institute, Grocery Manufacturers of Sweden (DLF), the Swedish Institute for Food and Biotechnology (SIK), Ideon Agro Food and the Innovation Pioneers.
- In Russia, the meat and food industry association of the St. Petersburg and Leningrad oblast as well as the St. Petersburg International Business Association SPIBA.
- In Estonia, the personnel association Eesti Personaalitöö Arendamise Ühing, the Chamber of Commerce (Eesti Kaubandus – Töötuskoda), GS1 Estonia MTÜ and the Association of Estonian Food Industry (Eesti Toiduainetetööstuse Liit) and the association of pork producers (Eesti Seakasvatajate Liit).

In addition, Atria funds and offers expertise representation in numerous research and development working groups developing the industry.

- Cover
- Preface
- Responsibility at Atria Group
- Stakeholders
- Safe & healthy food
- Sustainable primary production
- Personnel welfare
- Shared environment
- Value-creating business operations
- GRI content table



- Cover
- Preface
- Responsibility at Atria Group
- Stakeholders
- Safe & healthy food
- Sustainable primary production
- Personnel welfare
- Shared environment
- Value-creating business operations
- GRI content table



GRI Index

Atria reports relevant key information and indicators of its corporate responsibility. The calculation principles set out in the GRI guidelines have been observed in reporting to the extent applicable to Atria's operations. Atria also reports Specific Standard Disclosures for the Food Processing Sector (FPSS indicators), which supplement the GRI Standard Disclosures.

- Cover
- Preface
- Responsibility at Atria Group
- Stakeholders
- Safe & healthy food
- Sustainable primary production
- Personnel welfare
- Shared environment
- Value-creating business operations
- GRI content table

Comparison of content with the recommendations of the GRI Standard

GRI index		Page	Additional information
102	General disclosures		
102-1	Name of the organization	2	
102-2	Activities, brands, products, and services		Reported in Annual Report 2018
102-3	Location of headquarters		Reported in Annual Report 2018
102-4	Location of operations	2	
102-5	Ownership and legal form		Reported in Annual Report 2018
102-6	Markets served		Reported in Annual Report 2018
102-7	Scale of the organization	2	
102-8	Information on employees and other workers	20	With regard to employment relationships and contracts, information about gender distribution is not available.
102-9	Supply chain		Reported in Annual Report 2018
102-10	Significant changes to the organization and its supply chain		Reported in Annual Report 2018
102-11	Precautionary Principle or approach		Reported in Annual Report 2018
102-12	External initiatives	34	
102-13	Membership of associations	34	
102-14	Statement from senior decision-maker		Reported in Annual Report 2018
102-15	Key impacts, risks, and opportunities		Reported in Annual Report 2018
102-16	Values, principles, standards, and norms of behavior	34	More information is provided in Annual Report 2018 and Atria's Code of Conduct.
102-17	Mechanisms for advice and concerns about ethics		Reported in Annual Report 2018 (Non-Financial Statement).
102-18	Governance structure	34	Read more on Annual Report 2018
102-19	Delegating authority	34	Read more on Annual Report 2018
102-21	Consulting stakeholders on economic, environmental, and social topics	5-6	
102-22	Composition of the highest governance body and its committees		Reported in Annual Report 2018
102-23	Chair of the highest governance body		Reported in Annual Report 2018
102-24	Nominating and selecting the highest governance body		Reported in Annual Report 2018
102-25	Conflicts of interest		Reported in Annual Report 2018. Read more also on Atria's Code of Conduct.
102-26	Role of highest governance body in setting purpose, values, and strategy		Reported in Annual Report 2018
102-28	Evaluating the highest governance body's performance		Reported in Annual Report 2018. Only government self-assessment is reported.
102-29	Identifying and managing economic, environmental, and social impacts	33	Read more on Annual Report 2018.
102-30	Effectiveness of risk management processes		Reported in Annual Report 2018

» You can find Atria's Annual Report 2018: www.atria.fi/en/group/investors/financial-information/annual-reports/

» You can find Atria Code of Conduct: <https://www.atria.fi/en/group/corporate-responsibility/corporate-responsibility-principles/atria-code-of-conduct/>

- Cover
- Preface
- Responsibility at Atria Group
- Stakeholders
- Safe & healthy food
- Sustainable primary production
- Personnel welfare
- Shared environment
- Value-creating business operations
- GRI content table

GRI index		Page	Additional information
102-33	Communicating critical concerns		Reported in Annual Report 2018 (Non-Financial Statement).
102-35	Remuneration policies		Reported in Annual Report 2018. Read more also on www.atria.fi/en/group/investors/corporate-governance/ .
102-36	Process for determining remuneration		Reported in Annual Report 2018. Read more also on www.atria.fi/en/group/investors/corporate-governance/ .
102-37	Stakeholders' involvement in remuneration	4-5	
102-40	List of stakeholder groups	5	
102-42	Identifying and selecting stakeholders	4-6	
102-43	Approach to stakeholder engagement	4-6	
102-44	Key topics and concerns raised	6, 9, 13, 19, 25, 33	
102-45	Entities included in the consolidated financial statements	7	
102-46	Defining report content and topic Boundaries	6-7	
102-47	List of material topics	6	
102-48	Restatements of information		Any deviations from and restrictions to the boundaries are reported in conjunction with the relevant key figures. If previously reported key figures, their comprehensiveness, restrictions or measuring techniques have changed, those changes are reported in conjunction with the relevant key figures.
102-49	Changes in reporting		Atria Group's operational structure and financial reporting was changed as of the beginning of 2018. Atria Group's reportable segments are Atria Finland, Atria Sweden, Atria Denmark & Estonia and Atria Russia.
102-50	Reporting period	7	
102-51	Date of most recent report		Previous CSR Report was published on March 27th, 2018
102-52	Reporting cycle	7	
102-53	Contact point for questions regarding the report	7	
102-54	Claims of reporting in accordance with the GRI Standards	7	
102-55	GRI content index	37-41	
102-56	External assurance	7	
103 Management Approach			
103-1	Explanation of the material topic and its Boundary	6	
103-2	The management approach and its components	6,33	
103-3	Evaluation of the management approach	6,33	
Topic-specific content			
Topic-specific content is reported regarding aspects identified as material			

- » You can find Atria's Annual Report 2018: www.atria.fi/en/group/investors/financial-information/annual-reports/
- » You can find Atria Code of Conduct: <https://www.atria.fi/en/group/corporate-responsibility/corporate-responsibility-principles/atria-code-of-conduct/>

- Cover
- Preface
- Responsibility at Atria Group
- Stakeholders
- Safe & healthy food
- Sustainable primary production
- Personnel welfare
- Shared environment
- Value-creating business operations
- GRI content table

GRI index		Page	Additional information
ECONOMIC IMPACT			
201 Economic performance			
201-1	Direct economic value generated and distributed	35	
201-2	Financial implications and other risks and opportunities due to climate change		Reported in Annual Report 2018
201-3	Defined benefit plan obligations and other retirement plans		Reported in Annual Report 2018
201-4	Financial assistance received from government		Reported in Annual Report 2018
203 Indirect Economic Impacts			
203-2	Significant indirect economic impacts	33-34	
205 Anti-corruption			
205-1	Operations assessed for risks related to corruption		Reported in Annual Report 2018
205-2	Communication and training about anti-corruption policies and procedures		Reported in Annual Report 2018. Atria's Code of Conduct also discusses policies related to the acceptance of gifts and hospitality, for example. All new employees are familiarised with the Code of Conduct as part of Atria's new employee orientation programme.
205-3	Confirmed incidents of corruption and actions taken		Reported in Annual Report 2018
206 Anti-competitive Behavior			
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		No legal actions
ENVIRONMENTAL IMPACT			
301 Materials			
301-1	Materials used by weight or volume	28	The amount of hazardous waste reported last year was incorrect for Atria Finland. The figure has been corrected in the 2018 report.
302 Energy			
302-1	Energy consumption within the organization	26	
302-3	Energy intensity	26	
302-4	Reduction of energy consumption	26	
303 Water and effluents			
303-1	Interactions with water as a shared resource	27-28	
303-3	Water withdrawal	27	
303-4	Water discharge	27	
303-5	Water consumption	27	

- » You can find Atria's Annual Report 2018: www.atrifi/en/group/investors/financial-information/annual-reports/
- » You can find Atria Code of Conduct: <https://www.atrifi/en/group/corporate-responsibility/corporate-responsibility-principles/atrifi-code-of-conduct/>

- Cover
- Preface
- Responsibility at Atria Group
- Stakeholders
- Safe & healthy food
- Sustainable primary production
- Personnel welfare
- Shared environment
- Value-creating business operations
- GRI content table

GRI index		Page	Additional information
305 Emissions			
305-1	Direct (Scope 1) GHG emissions	27	
305-2	Energy indirect (Scope 2) GHG emissions	27	
306 Effluents and Waste			
306-1	Water discharge by quality and destination	28	
306-2	Waste by type and disposal method	28,30	
306-3	Significant spills		No spills during the reporting period.
307 Environmental Compliance			
307-1	Non-compliance with environmental laws and regulations	31	
308 Supplier Environmental Assessment			
308-1	New suppliers that were screened using environmental criteria		Atria Finland: All new suppliers are audited. The auditing criteria, which focus on product safety, also include environmental aspects. No data available for other business areas.
SOCIAL IMPACT			
401 Employment			
401-1	New employee hires and employee turnover	20,21	Turnover by age group and gender is not reported, no data available.
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees		Benefits exceeding the statutory level are not reported in detail, since the practices vary by business area.
402 Labor/Management Relations			
402-1	Minimum notice periods regarding operational changes		Activities are in compliance with applicable legislation in each business area.
403 Occupational health and safety			
403-1	Occupational health and safety management system	22	
403-2	Hazard identification, risk assessment, and incident investigation	23	Breakdown by gender is not reported, no data available.
403-3	Occupational health services	21	
403-5	Worker training on occupational health and safety	22	
403-6	Promotion of worker health		Atria's occupational health service also acts in a preventive measure and encourages healthy lifestyles, for example, through smoking reduction programs.
403-9	Work-related injuries	23	

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- Cover
- Preface
- Responsibility at Atria Group
- Stakeholders
- Safe & healthy food
- Sustainable primary production
- Personnel welfare
- Shared environment
- Value-creating business operations
- GRI content table

GRI index		Page	Additional information
404 Training and Education			
404-1	Average hours of training per year per employee	20	Not reported by gender and by employee category, no data available.
404-2	Programs for upgrading employee skills and transition assistance programs	20	
412 Human Rights Assessment			
412-2	Employee training on human rights policies and procedures	34	Also reported in Annual Report 2018 (Non-financial information). No data available on training hours or the percentage of employees having taken part in trainings.
416 Customer Health and Safety			
416-1	Assessment of the health and safety impacts of product and service categories	10	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	10	
417 Marketing and Labeling			
417-1	Requirements for product and service information and labeling	11	
417-2	Incidents of non-compliance concerning product and service information and labeling		No incidents
417-3	Incidents of non-compliance concerning marketing communications		No incidents
419 Socioeconomic Compliance			
419-1	Non-compliance with laws and regulations in the social and economic area		No breaches.
FPSS Food Processing Sector Supplement			
FP5	Percentage of production volume manufactured in sites certified by an independent third party according to internationally recognized food safety management system standards	10	
FP9	Volume of animals processed by species	14	Numbers for Atria Finland are being reported only.
FP10	Replacement of routine procedures which cause pain, and pain analgesia by species	15	
FP11	Percentage and total of animals raised and/or processed, by species and breed type, per housing type	15	
FP12	Animal medication practices and the use of growth promoters by species	15	Growth promoters are not being used in Atria's food chain.
FP13	Fines imposed for violations of animal transport, treatment and slaughter regulations and voluntary good operating practices observed by the organisation in animal transport, handling and slaughter	14	

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- Cover
- Preface
- Responsibility at Atria Group
- Stakeholders
- Safe & healthy food
- Sustainable primary production
- Personnel welfare
- Shared environment
- Value-creating business operations
- GRI content table

ATRIA

Good food – better mood.