Maustepalvelu

Sustainability report 2023

MP-Maustepalvelu Ltd

MP-MAUSTEPALVELU OY (Ltd)

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Reliable partner



76

Employees



99%

of Customers Want To Continue Working Together



Accidents in the Workplace in 2023 Healthy and safe products



Product Items



Production Lines In the Factory

Strong and fair economy



Net Sales



100%

of Partners Committed To ILO and UN International Agreements



4,6 M€ In Exports Responsibility for the environment



74%

of Freight in Full Loads



401,3 tCO2

Emission from Operations





of Raw Materials Suppliers Have Certified Their Environmental Management System



MP-Maustepalvelu Oy (Ltd) in Brief

MP-Maustepalvelu Oy is Finland's leading expert, manufacturer, and supplier of food components, spices, and food raw materials. It is located in Hämeenlinna. The company was founded in its current form in 1991, but its history spans 75 years, from 1948.

Today, Maustepalvelu offers comprehensive services, from new product ideas and raw material testing, to product development, component procurement, and storage, to the manufacturing and accurate delivery of customer-specific mixtures.

The company supplies more than 1,700 different products and 700 different raw materials. In 2023, its spice service's turnover was €39.9 million. The company is part of the international <u>Barentz</u> <u>Group</u>.

The Maustepalvelu's factory is located in Hämeenlinna in the Kantola industrial area, near Vanajavesi Lake. There are numerous other industries nearby, including the railway.

The company's operations are guided by our promise to the customer. Read more at <u>www.maustepalvelu.com</u>





Reliable and Steady Deliveries on Time



Effortless and Rapid Product Development



Success with Our Know-How



Managing Director's Review

At MP-Maustepalvelu Oy, our primary mission is to provide our customers with first-class raw materials while keeping our operations responsible. We have taken this responsibility into account, above all, in selecting raw material suppliers and in our operations.

The starting points of our company's operations include, among other things, motivating and encouraging our personnel, continuous operation development, and profitability. We want to provide good conditions for our personnel to train, motivate, and develop in their careers. Our stable economy enables the development of responsible business operations, and by investing in production equipment, we improve our environmental responsibility.

We select our suppliers based on responsibility principles and purchasing requirements. We require our suppliers to commit to complying with the principles of the Code of Conduct.

The commodity markets calmed down slightly during 2023. Russia's invasion of Ukraine still affected the situation, but conditions improved, and raw materials became more available. The price level remained high. Overhead costs also increased due to inflation, and country-specific surcharges have been added to transport costs. Securing raw material supply has required great efforts from the entire organization. Security of supply in 2023 remained at a reasonable level.

One of our key environmental goals is to reduce packaging waste, improve recycling efficiency, and manage energy consumption at our Hämeenlinna production facility. We have switched to emission-free wind energy, which has reduced our carbon footprint by about a quarter.

With these measures, we ensure that our business will continue to be responsible, serve our customers in a first-class manner, and be built on our solid pillars: health and wellbeing, decent work and economic growth, cooperation, and partnership.



Mikko Salonen Managing Director



Sustainability Management

Maustepalvelu is a Finnish company that is part of the international Barentz Group. The members of the company's Board of Directors are Hidde, representing Barentz, and Mikko Salonen and Pirkko Monto representing Maustepalvelu. Mikko Salonen acts as the Managing Director.

The Managing Director is responsible for the operational management and results of Maustepalvelu.

In all its operations, Maustepalvelu complies with the Barentz Group's <u>code of conduct</u> and the Ethical Guidelines of Maustepalvelu itself, which can be found on the company's <u>website</u>.

All the functions of Maustepalvelu meet the standards of international quality systems.

The company's operations meet the following quality standards:

- ISO 14001:2015 Environmental Management System
- ISO 9001:2015 Management Quality System
- FSSC 22000:v5.1 Food Safety System





Megatrends and Changes

We have identified the following megatrends influencing our operations, leading us to prepare for the inevitable changes that will come about. The most significant structural variables in our environment are digitalization, globalization, and the challenges to agriculture posed by climate change. The rise in demand for more healthy and natural food products is the most influential consumer trend at the moment. An increase in tensions in international trade policy and the pandemic have emerged as new structural risks.

MEGATREND	WHAT IS THE EFFECT?
Climate change	Many spices grow in areas where extreme weather causes disruptions in agricultural cultivation, which leads to a decrease in the availability of raw materials, bringing about price increases.
Appreciation of healthiness and naturalness	Consumers appreciate the healthy and natural qualities of their food. These trends will guide the direction of product development, which raises the demand for products heavy in fiber, protein, and starch.
Digitalization	Digitalization enhances operations, facilitates product traceability, and drives prescriptive maintenance, making the order delivery chain vulnerable to disruptions. Artificial intelligence will inevitably change business practices and require learning.
Difficulty in international trade	The escalation of political tensions in the world has caused disruptions in global trade. Sanctions and protectionist trade policies make it more difficult for raw materials to be transported between different countries and continents. This can weaken both import and export markets.
Globalization	Globalization has accelerated the transport of spices and products, which improves product availability, but the globalization process in international trade has also led to a merging of businesses and the development of giant groups. As a result, there is a risk that international trade will only be possible between large international groups in the future. In addition, as a result of the COVID-19 crisis, the possibility of global pandemics has risen as new global risk to operations.



UN Sustainable Development Goals

The Sustainable Development Goals (SDGs) are universal goals for companies, states, and organizations alike. They are part of the UN's 2030 Agenda, which aims to eradicate poverty, combat inequality, and prevent climate change. The targets entered into force in 2016.

We are committed to supporting all 17 Sustainable Development Goals. In addition, we have identified three key objectives for our stakeholders and business:



We demand compliance with the principles of sustainable development from our raw material suppliers. We encourage our partners in different countries to act more responsibly. We act as a partner for our local community and support the development of the regional economy.



Sustainability issues have been taken into account in all business operations, a positive result within the company. With this health-centric business model, we are able to continually develop the company's operations and offer long-term permanent employment. We also collaborate with the personnel to develop the company's operations.

The basic idea of our entire operations and product development is to produce healthy and safe food products. We take good care of our personnel and provide comprehensive occupational health care.



Cooperation with Stakeholders

We are in regular contact with our key stakeholders, including through surveys, meetings, and negotiations. We have identified the expectations and concerns of different stakeholders that we strive to address in all our operations. The stakeholders and their perspectives on sustainability are listed below.

S	STAKEHOLDER GROUP	PERSPECTIVE
	Owners	The most important thing for owners is that the business is healthy and profitable. The owners and Board of Directors define the long-term strategic objectives for the company.
	B2B customers and consumers	Customers want accurate, fast, and high-quality deliveries from the company, as well as help with the development of new food innovations, taste variations, and recipes. Product safety is the basis for action in the food sector. Consumers also want healthy and, increasingly, natural food.
	Personnel	For the personnel, the workplace creates a framework of life, bringing financial security with it. A financially stable and healthy workplace is essential for employees' overall wellbeing.
	Society and local community	Society requires companies to create useful products and services, to comply with the law and regulations, and to take into account consumers and the company's environmental responsibility. Companies are also expected to actively and openly communicate about their operations and impacts. Our production facility has been located in Hämeenlinna for several decades. The city aims to attract more food companies to the area. We support the city in this effort, which benefits both sides. Our common goal is to attract skilled labor to the region, to provide stable and responsible jobs, and to generate tax revenue for the city to help develop the region's prosperity.
	Cooperation partners - service providers	The most important service partners provide us transportation and logistics, cleaning, and laboratorial research. In addition, legal and security services will be purchased from outsourced providers. Partners expect long-term contracts and a relationship based on trust.
	Raw material suppliers	Our raw materials are sourced from approved domestic and international suppliers. Raw material suppliers are our key partners, with whom we generate innovation. Raw material suppliers expect a long-term customer relationship, and we expect consistent, reliable, and on-time deliveries of raw materials.

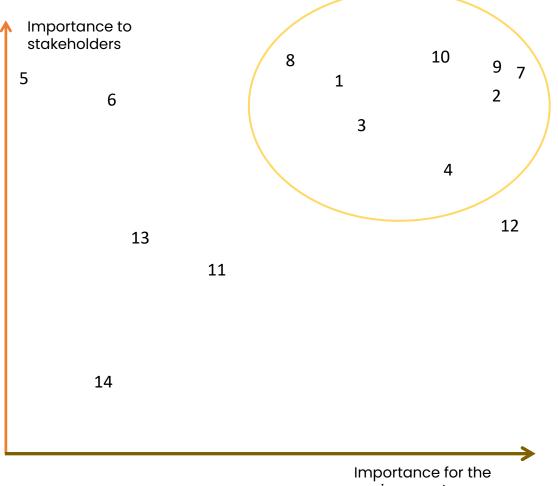
Materiality Analysis

STAKEHOLDER STUDIES

Customer and partner satisfaction with product quality and delivery is monitored through a continuous customer feedback system. The responsibility of raw material suppliers is evaluated in supplier surveys. Staff satisfaction is measured every two years.

In addition, some key stakeholder representatives were interviewed in connection with the report. In the surveys aimed at stakeholders, the operation of Maustepalvelu has been described as very responsible.

- 1. Profitable business
- 2. Sustainability of the supply chain
- 3. Product development that adds value to customers
- 4. Anti-Corruption
- 5. Confidentiality
- 6. Customer satisfaction
- 7. Staff wellbeing
- 8. Personnel competence
- 9. Occupational safety
- 10. Product safety
- 11. Optimization of logistics functions
- 12. Waste management and recycling
- 13. Energy-efficient operation
- 14. Water consumption



environment



Sustainability Themes

Our sustainability report is divided into the four most important sustainability themes, covering all ESG aspects.

About these themes, we defined long-term sustainability objectives. These objectives and the progress and achievements for 2022 have been presented one theme at a time. In addition, they are listed in the sustainability program objectives (p. 12).

The first theme is social responsibility; the second is products and product development; the third is financial responsibility and governance; and the fourth is environmental responsibility.



RELIABLE PARTNER

- Customer Satisfaction
- Reliable Partner
- Competence and Wellbeing of Personnel
- A Good Partner for the Region And Service Providers

DEVELOPING HEALTHY AND SAFE PRODUCTS

- Health-Promoting Products and Product Innovations
- Product Safety and Quality

STRONG AND FAIR ECONOMY

- Profitable Business
- Sustainability of Procurement Practices
- Responsibility of Raw Material Suppliers

RESPONSIBILITY FOR THE ENVIRONMENT

- Logistics
- Energy Efficiency of the Plant
- Waste Treatment, Recycling, and Waste Reduction
- Carbon Footprint
- Water Consumption



Sustainability Objects

SUSTAINABILITY THEME	RESPONSIBILITY PERSPECTIVE	TARGETS FOR 2020-2025	ACHIEVEMENTS 2023
RELIABLE PARTNER	 Customer satisfaction Improving wellbeing and skills at work Skilled partner for customers 	 Customer satisfaction survey's NPS stays above 50 points No error return exceeding 5 (see p. 21) Customer promise: maintaining security of supply 0 accidents at work Raw Material Review – Annual Submission of Market Report Improving and increasing communication for staff and customers, such as through newsletters Maintaining staff training 	 Customer satisfaction survey (2022) NPS figure 58 One error return above point 5 (see page 21) 3 accidents at work Delivering a Raw Materials Review and marketing it to customers Security of supply for customer deliveries: 99%
DEVELOPING HEALTHY AND SAFE PRODUCTS	Product safety	 0 product recalls Less than 0.8 error feedback points per 100t production kg New equipment purchases The "Most Excellent" quality result in Oiva inspections of self-monitoring 	 1 product recall In 2023 error return points per kilogram of production were 0.60 "Good" quality result in Oiva inspection (in 2019)
FAIR ECONOMY	 Profitable business Sustainable procurement practices Ensuring the social responsibility of suppliers (sustainability of the supply chain) Anti-corruption 	Profitable and growing business	 MP's own code of conduct in use Mapped journalists' commitment to social responsibility and corruption prevention
RESPONSIBILITY FOR THE ENVIRONMENT	 Optimization of logistics operations Waste management and recycling Reducing waste Energy efficiency at the plant Water consumption 	 Container/full car transport: 77% Reduction of internal transport Energy waste (incl. cardboard) accounts for 80% of total waste Quantity of packaging material for manufactured products less than 1.1% per kilogram of manufacture Electric energy consumption: 0.16 kWh/ manufacturing kg Water consumption 0.5l/ prepared kg 	 74% of transports in full containers Energy and cardboard waste accounts for 58% of total waste Quantity of packaging materials for manufactured products: 1.3% Electric energy consumption: 0.20 kWh/manufacturing kg Water consumption: 0.57 l/prepared kg

maustepalvelu

Reliable Partner



Customer satisfaction – A Professional Partner

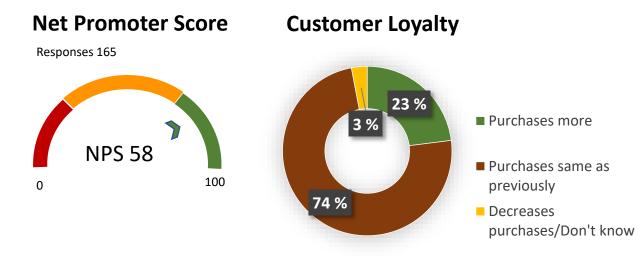
Our customers mainly operate in the food industry, including businesses such as prepared food manufacturers, meat processing plants, dairy companies, and bakeries.

In the food industry, product safety is a basic requirement for all activities. It is also essential for our customers' businesses to ensure fast and secure product delivery, with packaging sizes being appropriate and easy to use.

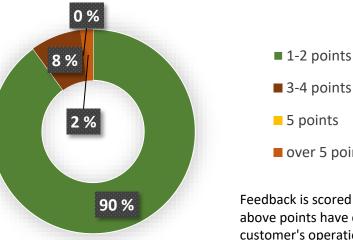
Product safety and good customer service are dependent on our procurement chain, which is the foundation of our expertise. We monitor changes in the world's taste trends and the availability of raw materials. We help our customers develop new products. We offer our customers a variety of customized flavors and launch dozens of new products every year.

We conduct an extensive customer satisfaction survey biannually, most recently in 2022 and we continuously monitor customer satisfaction through e.g., surveys and meetings.

Customers are particularly satisfied with the $\overline{}$ service orientation of customer service, the reliability of the company as a partner, and the quality of products and services.



Product Error Feedback Scoring 2022

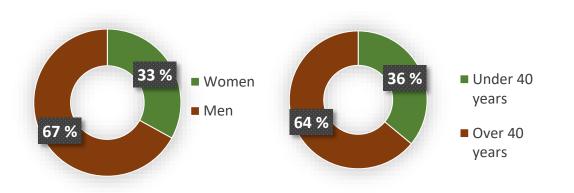


3-4 points 5 points over 5 points

Feedback is scored according to severity. 5 and above points have caused disruption to the customer's operations. Read more on p. 21.



Competence and Wellbeing of Personnel



Personnel

76

Permanent employees

- 93 % of the personnel are full-time
- There have been 22 "near misses" of accidents
- Average age of employment is 14 years
- There have been 3 accidents at work
- Sick leave was at 8,4% of the working hours for production workers and at 3,2% for other employees

In developing the wellbeing of our personnel, we invest in good and equitable management and maintaining a safe working environment. The continuous development of employees' skills is also important to us.

The aim is to maintain and improve working conditions, the safety of the individual and the work community, the ability to work and function, and mental wellbeing and safety.

Most of our staff have worked for us for decades, which is why the ageing of employees has become topical. In addition to comprehensive occupational health, we offer the staff sports benefits and additional leave based on the duration of the employment relationship. In addition to physical wellbeing, we develop ways to improve mental wellbeing. We have introduced programs to prevent workplace harassment and substance abuse.

The opinions of the staff are important to us. That is why we have a system of initiatives designed to highlight ideas for staff development.

We conduct an extensive employee satisfaction survey every two years, on the basis of which we develop employee wellbeing at work. According to the 2023 job satisfaction survey, occupational health and safety, a good working atmosphere and continuity of the company are most valued. Areas of development can be found in the development of work community skills, cooperation between different functions, and the flow of information



Reliable Partner for Service Providers

Maustepalvelu procures services from external service providers for more than € 1 million annually. The company's main external service providers are responsible for the cleaning and logistics of the plant. Cleaning is an important part of production safety in the food company, and smooth cooperation with the cleaning company plays a key role in ensuring high quality of production. ISO 45001:2018



INTERVIEW

Our cooperation with Maustepalvelu started already in 2013. A group of nine cleaners, a service supervisor, and a team leader regularly work on the premises. Cleaning in a production facility requires special skills, familiarization, and an understanding of the customer's processes.

RTK-Palvelu's values strongly reflect customer orientation and continuous development. Together with Maustepalvelu, we developed our joint communication on service production and monitoring. Our self-monitoring and acknowledgments of the work are immediately readable to the customer. We also updated our washing instructions and the range of cleaning products to meet the changed requirements. Our cooperation with Maustepalvelu is open and straightforward.

We introduced a new quality control system, which, in addition to verbal evaluation, also includes pictures from the quality round. The new system makes improving the service easier with Maustepalvelu and our personnel. The customer's premises and operations changed in connection with the renovation. We updated our service descriptions and made pictorial instructions for our employees to ensure our operations. At the same time, we updated our employees' work instructions to be multilingual.

In addition to caring for our customers and personnel, responsibility and innovation are essential to us.

Kirsi Kolehmainen Head of Unit, RTK-Palvelu Oy (Ltd)



Good Partner for the Region

Maustepalvelu's factory is located in Hämeenlinna in the Kantola industrial area, where it has been located since the 1950s. Over the years, the factory and surrounding properties have been renovated and the functions in many of the buildings changing over time.

Maustepalvelu works closely with HAMK, a local polytechnic institution, and offers summer jobs and internships for students. Many students have also gone on to become permanent employees.

Many other food business operators are located in Hämeenlinna, and the city wants to further develop the food industry cluster.

INTERVIEW

Maustepalvelu and the city of Hämeenlinna share a long history. Cooperation has been beneficial. As a company operating with long-term vision and investing in the area, Maustepalvelu contributes significantly to local employment and vitality.

When companies engage in development efforts and succeed even in global markets, they also create added value for the city and the community. Maustepalvelu is one of those companies with a strengthening impact.

The food industry is generally an important industry in Hämeenlinna. Companies support each other benefiting the subcontracting chain and fostering economic growth. All of this has broad positive impacts.

Olli-Poika Parviainen Mayor of Hämeenlinna





Developing, Healthy and Safe Products



Healthy Products and Product Innovations

A pleasant taste is an essential characteristic in food. If the food does not taste good, it ends up being thrown away, and the entire production chain has done unnecessary work, with raw materials wasted.

We constantly research changes in consumer trends and explore them together with our customers. We also publish related communications on our website to help with product development.

Consumers also value healthy and natural food. This also guides the direction of product development and raises the demand for certain raw materials including various fibers and plant proteins, among other things.

We take nutritional and health considerations into account in our product development, and together with our customers, we create healthy products that consumers can safely enjoy.





Consumer Trends 2024



HOME-CENTRIC LIVING

Post-pandemic consumers are finding increased enjoyment in home life, spending more time there due to heightened global anxieties. This shift is evident in the significant increase in home dining globally, with consumers preferring to eat at home rather than out. Additionally, a majority of consumers opt for in-home snacking, favoring lighter homemade options over on-the-go choices while traveling.

VALUE OF CONNECTION

Consumers prioritize close connections with family, friends, and community as essential sources of pleasure and stress management, particularly amidst global crises. Many are also actively supporting local growers, merchants, and producers to promote social and ethical responsibility. Additionally, a significant portion of consumers plan to prioritize spending on special food and drink items for consumption at home.





SAVVY SHOPPING

Digitally smart consumers are taking more control, finding ways to make or save money, often with benefits for the planet and their wallets. Many of consumers, are being more self-sufficient for financial reasons, while one in five are shopping online to reduce fuel costs.



Certified Quality and Safety

Our operations meet the requirements of quality, environmental, and product safety standards, which are monitored through internal and external audits.

Incoming batches of raw materials and prepared mixtures shall be sampled for examination in accordance with a risk assessment plan drawn up in advance. The plan also includes continuous monitoring of the cleanliness of production facilities and equipment and continuous maintenance of traceability through the ERP system.

The functionality of self-monitoring is monitored by the local authority with Oiva inspections. Our goal is to maintain the "Most Excellent" audit result. Our results are publicly available on our website.

We have implemented a major investment programme in 2021-2023, which will continue in 2024, when we will change the production process to further increase product safety (p. 24).

SCORING SYSTEM

We monitor the quality and safety of our products and services with a product feedback scoring system. In this system, a result of more than 5 points has affected the customer's production, and a result of 10 points would indicate a level of severity that interrupted production. There have been no such serious product defects. Error feedback of 5 points and below indicates smaller errors.

Our goal is to avoid any product error feedback of more than 5 points. Another goal is an average of 0.8 points on product error feedback for every 100,000 kilos we produce.

You can find the 2023 scoring and achievements in p. 12 and 14.



Strong and Fair Economy



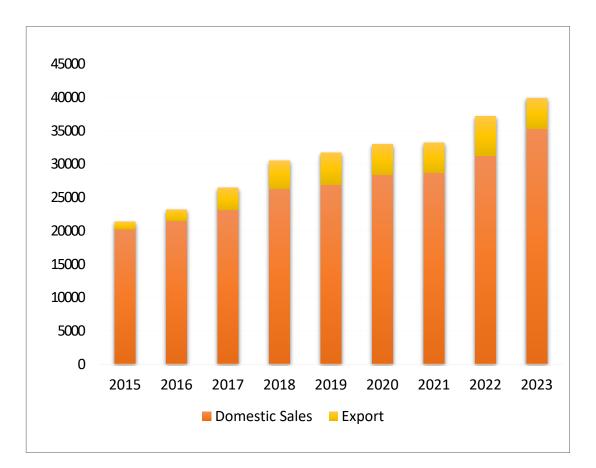
Profitable Business

Profitable business ensures the longevity of the company. Maustepalvelu has been operating a steady and profitable business for 75 years.

In 2023, the turnover of Maustepalvelu was €39.9 million. Net sales rose by approximately 6% from the previous year. 12% of the company's turnover comes mainly from exports to Western Europe.



Development of sales and exports (t€)





High-Quality Growth with an Investment Plan

Maustepalvelu expanded its operations in the Kantola industrial area, where a new logistics and warehouse building was completed in August 2021. Today, we can centralize the storage of raw materials and outgoing goods in the new warehouse.

The company's operations have grown over the past few years, and new operating facilities will make operations even more efficient when the plan is fully completed in 2024. As the plan progresses, we will invest in new mixers and will change the way production works.

We want to maintain high quality in our end products and, therefore, consider allergens and their contamination control in production. We invest significantly in these matters to serve our customers first-class as our operations grow. "We aim for high-quality growth with our customers. Our new investment plan will help us meet growing demands today and, in the future," says our CEO, Mikko Salonen.

"With the investment plan, we ensure that our business will continue to be of high quality and safety and will continue to be built on our basic pillars: confidentiality, expert-level service, responsibility, and profitability."





Code of Conduct

Maustepalvelu is part of the <u>Barentz Group</u>, a global distributor of raw materials for the food and pharmaceutical industry. International expertise and networks create unique synergies for our customers and deepen our expertise. Thanks to Barentz, we are able to offer our customers access to the best available raw material solutions.

Barentz's core business values are honesty, transparency, and legality. We expect the same values to be respected from our suppliers as well. We demand that all our suppliers adhere to an ethical policy.

The operating principles take into account environmental responsibility, social responsibility, workers' rights, safety, and business ethics.

We assume that, in all circumstances, local law will be complied with and when local law and regulations are less restrictive than our policy, the supplier must abide by the policies set out in our contracts. Our policies are based on international agreements such as the UN Principles on Corporate Human Rights Responsibility, ILO conventions of the International Labour Organisation, the Statutes of the Ethical Trade Initiative (ETI), the UN Global Combat Initiative, and the UN Principles for Sustainable Development.

Barentz supplier code of conduct





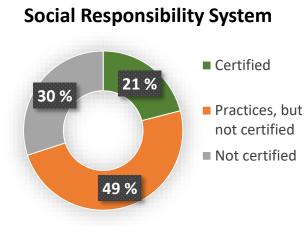
The Sustainability of Raw Material Suppliers

Since 2018, we have surveyed the social and environmental responsibility of our raw material suppliers through supplier surveys. The most recent survey was conducted in 2023. We buy ingredients and packaging materials from a total of 203 suppliers. Some suppliers has production in BSCI countries. As a whole, the responsibility of suppliers has improved, and practically all suppliers already have measures in place to ensure environmental responsibility and product safety. There has also been an increase in monitoring social responsibility.

Ensuring responsibility throughout the entire operating chain is one of the most important sustainability goals for our company..

Please read more about Barentz's Sustainable Sourcing Policy.







Product Safety System





Responsibility of the Environment



Management Of The Environmental Program

Maustepalvelu has premises totaling approximately 9000m2, of which approximately 7,500m2 is used for production. Rented premises is approximately 5,000m2.

The objective of the environmental responsibility measures of Maustepalvelu is to manage energy use at the factory, reduce the amount of waste in the operating chain, and minimize transportation emissions where possible. Solar energy is in the investment program for 2024.

The company has implemented an environmental program based on environmental policy and objectives, which are approved by the Managing Director.

The environmental policy and objectives are audited annually.

ENVIRONMENTAL ASPECTS

- Raw material package waste
- Transport of raw materials
- Packaging materials for products
- Transport of finished products
- Energy use
- Water consumption

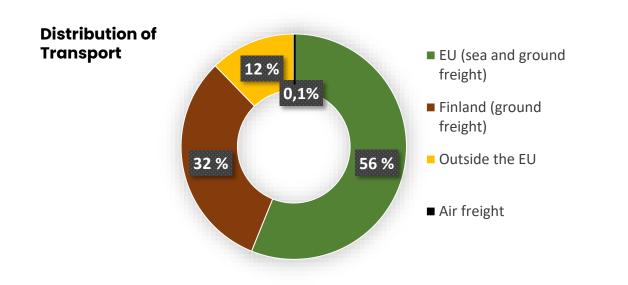




Logistics

Logistical functionality is critical to the company's operations, as the logistics chain extends from import to customer deliveries. The chain has been refined over the years, and efforts are being made to reduce the environmental footprint of freight transport. To increase efficiency, all cargo on ships and wheels is carried out as fully loaded as possible.

During competitive tendering, emissions reduction is considered. The aim is that 77% of the shipments will be carried out using the full capacity of the vehicle or container. In 2023, the outcome was somewhat below the target (74%). Transportation of raw materials accounts for about 90% of the company's carbon footprint.







Energy Consumption

The factory's total energy consumption is 1443 MWh, and the production plant uses only wind energy. Väre Oy supplies electricity. The factory is not connected to the district heating network; heat energy is produced with electricity and air-to-water heat pumps.

In 2023, the company's energy consumption per kilogram of production was 0.20 kWh. Energy use is most affected by winter weather conditions. In 2023, energy consumption per kilogram of production exceeded the target.

The company does not own any transport equipment. The company's three leasing cars drove a total of about 140,000 kilometers.

Our goal in 2023 is to consume only 0.16 kWh of energy per kilogram of manufactured product.





Transition To Wind Energy

In August 2021, Maustepalvelu switched to utilizing only wind energy in its electricity use. At the same time, we fulfilled one of our important sustainability goals: managing our energy consumption.

Switching to wind power has many positive effects on Maustepalvelu, as the company also utilizes electricity in heating.

"Spices are a small, but at the same time very essential, part of food. In order to get rid of fossil energy sources once and for all, each of us must play our part," says Mikko Salonen, Managing Director.





Water Consumption

Maustepalvelu operates in an area where water availability and contamination are not a problem and water consumption in production is low.

Water is mainly used for washing and cleaning.

The water used is obtained through the municipal water supply network, and the wastewater is discharged to the municipal wastewater treatment plant. Relative to the production volume, water consumption was 0.57 l/kg of production, which is in line with the target.

In 2023, new mixers will allow for even more precise water consumption control. The mixers' washing system reduces the need for mechanical washing.



Miika Kangasniemi / City of Hämeenlinna



Carbon Footprint

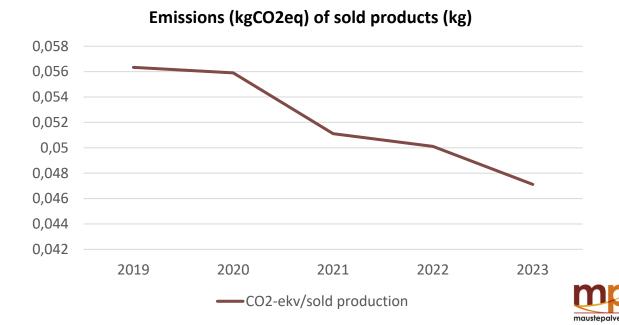
The carbon footprint of Maustepalvelu consists of the transport of raw materials, electricity consumption, waste treatment, and business travel.

The company switched to wind power in August 2021 and is currently exploring the possibilities of utilizing solar energy as well. The sorting and recycling of waste has been made more efficient.

The company has offset some of the carbon emissions from transportation. Offsetting has not been taken into account in the carbon footprint calculations.

In proportion to the kilograms sold, the emissions are 0,047 kgCO2eq / kg sold (8.5 million kg). The production volume was 7,3 million kg in 2023.





Sold production volume (kg)/ Company total emissions (kgCO2-eq)

Carbon footprint 2023

401,0 tCO2-eq

Starting data for the calculation of the carbon footpring

The CO2 emissions of Maustepalvelu have been calculated in accordance with the GHG Protocol standard.

- There is no direct source of CO2 emissions (Scope I), as the company does not use thermal energy; the heat is produced with electricity using air-to-water heat pumps. The company also does not have its own transportation equipment.
- There is no CO2 emissions of purchased electricity (Scope 2).as company uses only wind energy.
- Indirect CO2 emissions (Scope 3) include transport and cargo purchased from third parties, the use of company cars, business travel, and waste management.
- Freight and transport include shipments of raw materials to the production facility.
- Customer shipments of finished products are excluded.
- Transports of finished products are excluded.
- Indirect emissions of wind energy excluded

SCOPE 2	Quantity	Unit	CO2 emissions (kg-eq.)	Share of emissions %
Electricity (wind, operation)	1443540 ¹⁾	kWh	0	0 %
SCOPE 3 Transports and freight	7,9 M	kg	2) 332353,0	82 %
Leasing car benefit	140000 ³⁾		32000,0	8 %
Waste management	199,3 4)	tKg	37470,5	10 %

TOTAL CO2 (kg-eq.)

401 073, 57

1) According to the Environment Agency, the indirect (Scope 3) emissions of wind power are calculated at 11 kg/MWh. Indirect emissions of wind power are excluded.

2) Transports include the transport of raw materials from the original source to the production factory (well to wheel, EU and non-EU). Transport kilometers and CO2 emissions are reported in the transport companies' reports. Customer transports of finished products are excluded.

3) The company has 5 staff leasing cars which have been driven together a total of 140,000 km.

4) The company has recycled 199,3 t of waste in 2023,



Waste Treatment, Recycling, and Waste Reduction

Packaging waste—such as cardboard, paper, plastic, wood, and metal—is sorted at the company's production facility. The aim is to recycle waste as much as possible and use the rest in energy production to minimize the amount that goes to the landfill.

Contracts demand raw materials suppliers provide information on packaging materials. Our goal is to avoid purchasing raw materials packaged in metal containers whenever other packaging material options are suitable (without negatively affecting the quality of the raw material). Metal extracts are unsuitable for metal collection due to the remaining residues.

An essential part of the company's customer service focus is tailoring the composition and packaging size of the products to suit our customers' production facilities.

This approach increases the consumption of plastic packaging materials to some extent. However, in each batch of products, the amount of plastic packaging material used is optimized to control unnecessary packaging waste.

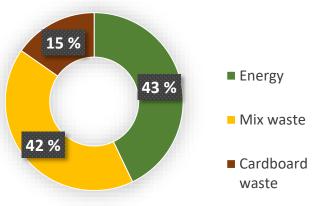
The company monitors the amount of waste in the production volume. In 2023, 199,310 kg of waste was generated, corresponding to 2.7 percent per kg of production at the production plant.

Due to renovation clean-ups, the amount of mixed waste in 2023 increased compared to the previous year.

2024 TARGETS

- Reduce waste by 2.3% per kilogram of manufacturing
- Improve clear plastic and cardboard collection
- Use raw materials more pedantically and reduce the waste of the raw materials

Waste recycling 2023







8 April 2024, Hämeenlinna

This sustainability report follows the practices of the GRI Sustainability Reporting Standard. The report was produced by Outi Toivanen-Visti/ Jevdokia Oy for MP-Maustepalvelu Oy (Ltd).