COMMUNICATION ON PROGRESS 2018-2019 United Nations Global Compact

Statement of continued support from the CEO of HURTTI-PAINO OY

Dear stakeholders,

As the COP of Hurtti-Paino Oy (Ltd.) I am pleased to reaffirm our commitment and support to the Ten Principles of the United Nations Global Compact in its represented areas of Human Rights, Labour, Environment and Anti-corruption.

In this annual Communications on Progress we describe how Hurtti-Paino Ltd. as a company integrates these principles in its business and day-to-day operation. This COP will be made available to all our stakeholders through our primary channels of communication.

Yours sincerely, Heikki Mattila CEO

Hurtti-Paino Oy.

HUMAN RIGHTS

- Principle 1 Businesses should support and respect the protection of internationally proclaimed human rights; and
- Principle 2 make sure that they are not complicit in human rights abuses

Assessment, policy and goals

In addition to following all UN approved human rights Hurtti-Paino Oy. obeys all Finish and EU laws to ensure health and work safety of all its employees. A more detailed description of work-related safety can be found in our internal quality manual.

Every employee working in the company is insured and paid adequately and overtime work is compensated every month according to contracts. Our current stakeholders are encouraged to take part in UN Global Compact policy initiative.

All forms of human rights abuse are strictly forbidden in all parts of the organization.

Implementation

Occupational healthcare is organized by a private company (Terveystalo Pori Lääkäritalo) and all employees have access to the services it provides. The company also audits our premises regularly to ensure that all the requirements for safe working conditions are met. Lunch during the working day is arranged by the company to ensure proper nourishment and mental vitality during the working day. Some of our suppliers have already taken part in UN Global Compact policy initiative.

Measurement of outcomes

No claim regarding human rights was reported in the period covered by the COP.

LABOUR

- Principle 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- Principle 4 the elimination of all forms of forced and compulsory labour;
- Principle 5 the effective abolition of child labour; and
- Principle 6 the elimination of discrimination in respect of employment and occupation

Assessment, policy and goals

Every employee in Hurtti-Paino Ltd. has the freedom of association and collective bargaining.

Employees also have the chance to affect their own job description and they can specialize in many areas of expertise in our company.

Child labour is not acceptable in our organization.

In Hurtti-Paino Ltd. we treat everyone as equal and the wages are paid based on Finnish laws and the contracts made with the employees. Finnish labor market organizations oversee that all these principles are obeyed and as a company we strongly resist all violations of the abovementioned principles.

Implementation

Some summer jobs are offered to local teens through e.g. school work learning days. This is done in accordance with all applicable laws. Most of our employees are trained to work in various parts of the manufacturing process in the company which results in changing work assignments inside the company and less work-related stress.

Measurement of outcomes

No claim regarding breach of labour rights was reported and the employees had 6 days of sick leave in 2018 and 3 days in 2017 9 days altogether, none of which directly work related, in the period covered by the COP.

ENVIRONMENT

- Principle 7 Businesses should support a precautionary approach to environmental challenges;
- Principle 8 undertake initiatives to promote greater environmental responsibility; and
- Principle 9 encourage the development and diffusion of environmentally friendly technologies

Assessment, policy and goals

Hurtti-Paino Ltd. works continuously to reduce our ecological footprint with an aim to eventually become a fully emission neutral company in our operations.

Taking care of environmental aspects is an important criterion for us when choosing new suppliers and all new equipment and machinery is evaluated on the basis of energy efficiency and recyclability. Environmentally friendly technologies are constantly applied to our operations to the best of our abilities. This includes reducing the use of energy, using materials and techniques that are environmentally friendly and eliminating waste totally where processes can be transformed to a completely electrical form.

Implementation

The production process at our manufacturing plant has been fully closed so that all waste material, including cardboard, pallets, plastics, metal containers and printing colors, is recycled.

Main raw material suppliers are located relatively close (Sweden, Great Britain and within Finland) so that freight emissions are low. In 2016 we implemented quality and environmental systems for which we now have ISO 9001:2015 and ISO 14001:2015 certificates. Both certificates are reviewed annually. On top of that Hurtti-Paino has implemented and holds now two new certificates in respect forestry chain of custody, FSC and PEFC.

Measurement of outcomes

No claim regarding environmental issues was reported in the period covered by the cop. The amount of recycled cardboard was 282 tons in 2018 and stayed at the same level than in 2017. Furthermore electric relative consumption decreased 1,0 % in 2018.

ANTI-CORRUPTION

Principle 10 – Businesses should work against corruption in all its forms, including extortion and bribery.

Assessment, policy and goals

Hurtti-Paino Oy. does not accept any form of corruption within its own organization or that of its stakeholders.

All corruption detected is reported to the correct authorities.

Implementation

Hurtti-Paino Oy supports full transparency within its own and partners processes. We have zero tolerance towards corruption in all forms. Hurtti-Paino Oy works in close co-operation with government officials to prevent corruption.

During our years of operation, we have not come across any signs of corruption.

Measurement of outcomes

No claim for corruption was reported in the period covered by the cop.