



**CORPORATE SOCIAL RESPONSIBILITY  
REPORT 2007**

**Annexes**

*Paulig*

*Paulig's Corporate Social Responsibility Report 2007*  
**Comparison with the guidelines of the Global Reporting Initiative (GRI)**



Code	Content	Included	In report on page
<b>PERFORMANCE INDICATORS</b>			
<b>Economic Performance Indicators</b>			
EC1	Direct economic value generated and distributed including revenues, operating costs, employee compensation, donations and other community investments, retained earnings and payments to capital providers and governments.	Yes	3, 10, 30
EC2	Financial implications and other risks and opportunities for the organizations activities due to climate change.	Yes	3, 9, 14
EC3	Coverage of the organizations defined benefit plan obligations.	No	
EC4	Significant assistance received from government.	No	
<b>Market presence</b>			
EC5	Range of ratios of standard entry level wage compared to local minimum wage at significant locations of operation.	No	
EC6	Policy, practices and proportion of spending on locally based suppliers at significant locations of operation.	Yes	11, 12, 21
EC7	Procedures for local hiring and proportion of senior management hired from the local community at locations of significant operation.	Partly	17-19, 31
<b>Indirect economic impacts</b>			
EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind or pro bono engagement.	Partly	29, 30
EC9	Understanding and describing significant indirect economic impacts including the extent of impacts.	Yes	10, 12-13, 14, 21, 29-31
<b>ENVIRONMENTAL PERFORMANCE INDICATORS</b>			
<b>Materials</b>			
EN1	Materials used by weight or volume.	Yes	22-23
<b>Energy</b>			
EN3	Direct energy consumption by primary energy source.	Yes	22-23
EN5	Energy saved due to conservation and efficiency improvements.	Partly	25
EN6	Initiatives to provide energy-efficient or renewable energy based products and services and reductions in energy requirements as a result of these initiatives.	Yes	3, 6-7, 25
EN7	Initiatives to reduce indirect energy consumption and reductions achieved.	Partly	3, 6-7, 25-26
<b>Water</b>			
EN8	Total water withdrawal by source.	Partly	23
<b>Biodiversity</b>			
EN14	Strategies, current actions and future plans for managing impacts on biodiversity.	Partly	13-14
<b>Emissions, effluents and waste</b>			
EN16	Total direct and indirect greenhouse gas emissions by weight.	Yes	22-23
EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	Partly	3, 6-7, 13, 25, 26
EN20	NO, SO <sub>2</sub> , and other significant air emissions by type and weight.	Yes	22-23
EN22	Total weight of waste by type and disposal method.	Yes	22

Code	Content	Included	In report on page
<b>Products and services</b>			
EN26	Initiatives to mitigate environmental impacts of products and services and extent of impact mitigation.	Yes	3, 6-7, 15, 26
<b>Transport</b>			
EN29	Significant environmental impacts of transporting products and other goods and materials used for the organizations operations and transporting members of the workforce.	Yes	15, 25
<b>Overall</b>			
EN30	Total environmental protection expenditures and investments by type.	Yes	15, 25
<b>LABOR PRACTISES AND DECENT WORK</b>			
<b>Employment</b>			
LA1	Total workforce by employment type, employment contract and region.	Yes	17
LA2	Total number and rate of employee turnover by age group, gender and region.	Yes	17
LA3	Benefits provided to full-time employees that are not provided to temporary or part time employees by major operations.	Yes	6-7, 17-19
<b>Labor/management relations</b>			
LA4	Percentage of employees covered by collective bargaining agreements.	Yes	17
<b>Occupational health and safety</b>			
LA7	Rates of injury, occupational diseases, lost days and absenteeism and number of work related fatalities by region.	Yes	17, 19
LA8	Education, training, counseling, prevention and risk control programs in place to assist workforce members, their families or community members regarding serious diseases.	Yes	18-19
<b>Training and Education</b>			
LA10	Average hours of training per year per employee by employee category.	Yes	17
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assists them in managing career endings.	Partly	6-7, 17-19
LA12	Percentage of employees receiving regular performance and career development reviews.	Yes	17-19
<b>Diversity and equal opportunity</b>			
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership and other indicators of diversity.	Partly	17

Code	Content	Included	In report on page
<b>PERFORMANCE INDICATORS: Human rights</b>			
<b>Investment and Procurement Practises</b>			
HR2	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken.	Partly	11, 13
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations including the percentage of employees trained.	Partly	13-14
<b>Child Labor</b>			
HR6	Operations identified as having significant risk for incidents of child labor and measures to contribute to the elimination of child labor.	Partly	11, 13
<b>PERFORMANCE INDICATORS: Society</b>			
<b>Community</b>			
SO1	Nature, scope and effectiveness of any programs and practices that assess and manage the impacts of operations on communities including entering, operating and exiting.	Yes	3, 6-7, 11, 13-14, 33
<b>PERFORMANCE INDICATORS: Product Responsibility</b>			
<b>Customer Health and Safety</b>			
PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement and percentage of significant products and services categoriessubject to such procedures.	yes	24, 27
<b>Product and Service Labeling</b>			
PR5	Practices related to customer satisfaction including results of surveys measuring customer satisfaction.	Yes	27, 33

## *Involvement in business and sector development*

### **Finnish cooperation**

- ECR Finland: The purpose of ECR Finland is to promote cooperation between trade and industry, especially in category management and logistics. Further information available at: **[www.ecr-finland.com](http://www.ecr-finland.com)**
- The Finnish Food and Drink Industries' Federation (FFDIF): The federation promotes the interests of Finland's food and drink companies in business and labour market policy. It also functions as a forum for cooperation between companies in their relations with the authorities, retailers, producers and other stakeholders. Further information available at: **[www.etl.fi](http://www.etl.fi)**
- Finnish Business & Society: The network seeks to reinforce cooperation between the private and public sectors in order to promote sustainable social and economic development. Further information available at: **[www.businessandsociety.net](http://www.businessandsociety.net)**
- The Finnish Association of Marketing Communication Agencies MTL is the central organisation of companies providing expert services for marketing and communications. Its members provide companies and organisations with assistance in the form of expertise to achieve their goals in marketing and communications. Further information available at: **[www.mtl.fi/en](http://www.mtl.fi/en)**
- The Finnish Coffee Roasters' Association: The roasters' association is a sectoral association of the FFDIF and a member of ECF (European Coffee Federation), an umbrella organisation for the coffee industry in the European Union. In addition to looking after its members' interests the association develops links with the Finnish research community in order to monitor research into coffee and closely monitors research into the sector conducted outside Finland, issues of coffee and health and environmental matters. The roasters' association sets out to provide Finns with topical information about coffee, coffee culture, and the manufacture and processing of coffee. Further information available at: **[www.etl.fi](http://www.etl.fi)** and **[www.kahvi.net](http://www.kahvi.net)**
- The Environmental Register of Packaging PYR Ltd: Finnish legislation requires that companies take responsibility for the reuse of packaging they bring onto the market. By entering into a contract with PYR, companies transfer their recovery obligation to the PYR producer organisations. Having concluded such a contract, Paulig is entitled to use the PYR trademark. Further information available at: **[www.pyr.fi](http://www.pyr.fi)**
- The Finnish Packaging Association: The association coordinates communications, public relations, publishing and training for the packaging sector. Further information available at: **[www.pakkaus.com](http://www.pakkaus.com)**
- Finnish Plastics Recycling Ltd: This is an organisation for plastics producers. Further information available at: **[www.suomenuusiomuovi.fi](http://www.suomenuusiomuovi.fi)**
- The Santa Claus Foundation: The foundation's mission is to promote Finland's global image as the home of Christmas and Santa Claus, as well as to create ways of benefiting from this image and to promote the welfare of the world's children. Some of the profits from the foundation's activities are donated to charity. Paulig's Santa Claus coffee is the foundation's official coffee. Further information available at: **[www.santaclausplaza.com](http://www.santaclausplaza.com)**

### **International cooperation**

- International Coffee Partners GmbH (ICP): A joint nonprofit enterprise established in 2001 by five family-owned European companies operating in the coffee sector. ICP's mission is to promote sustainable development in coffee-producing countries by implementing projects which benefit the environment and families of coffee growers. Further information available at: **[www.coffee-partners.org](http://www.coffee-partners.org)**
- European Coffee Federation (ECF): The umbrella organisation for the European coffee industry, whose interests it defends at EU level. Further information available at: **[www.ecf-coffee.org](http://www.ecf-coffee.org)**
- The Institute for Scientific Information on Coffee (ISIC): Established by Europe's largest coffee companies, ISIC works in cooperation with the International Coffee Organisation (ICO). ISIC is an umbrella organisation for CoSIC and PEC. Further information available at: **[www.cosic.org](http://www.cosic.org)**
- The Coffee Science Information Centre (CoSIC): Based in the UK, CoSIC is a coffee industry information centre that monitors global scientific research into the health effects of coffee, which it then uses to produce reports for use by experts and consumers. Further information available at: **[www.cosic.org](http://www.cosic.org)**
- Physiological Effects of Coffee (PEC): A sub-organisation of ISIC which monitors and finances scientific research into the health effects of coffee.
- The Specialty Coffee Association of America (SCAA): An association focusing on speciality coffees, whose members include organisations such as coffee houses, roasting plants, growers, coffee exporters and importers. Further information available at: **[www.scaa.org](http://www.scaa.org)**
- Paulig is a member of the Speciality Coffee Association of Europe (SCAE). Further information available at: **[www.scae.com](http://www.scae.com)**

## *Coffee production permits and commitments*

- The product safety standard of the British Retail Consortium (BRC), the British interest group for retailers, has been developed to ensure safety for the consumer and compliance with statutory obligations for the company. BRC Global Standard – Food is intended specifically for companies supplying foodstuffs to the retail trade. Paulig's product safety strategy is based on this standard.  
Further information available at: [www.brc.org.uk/defaultnew.asp](http://www.brc.org.uk/defaultnew.asp)
- European Contract for Coffee (ECC): All Paulig's green coffee purchase agreements conform to ECC regulations.  
Further information available at: [www.ecf-coffee.org](http://www.ecf-coffee.org)
- Self-assessment plan: The City of Helsinki Environment Centre issued a decision on self-assessment at Gustav Paulig Ltd in November 1996. The selfassessment is based on HACCP (Hazard Analysis of Critical Control Points).  
Further information available at: [www.hel.fi/ymk](http://www.hel.fi/ymk)
- Surveillance of organic products: The entire supply chain for organic products is covered by an official surveillance system. The surveillance is the responsibility of the Finnish Food Safety Authority (Evira).  
Further information available at: [www.evira.fi](http://www.evira.fi)
- Certificate of Conformity: Paulig products comply with the requirements of the GOST R standard (Gosstandard of Russia), which is imposed on imports to Russia. Company has the GOST conformity certificate for imports to Ukraine.  
Further information available at: [www.fi.sgs.com/fi](http://www.fi.sgs.com/fi)
- Gustav Paulig has an environment system which is compliant with the ISO 14001 standard and was certified by Det Norske Veritas in June 2004. The compliance of environmental activities with the standard is ensured by external audits conducted annually.
- Environmental permit: The environment committee of Helsinki City Council awarded Paulig a new environment permit in December 2004. The permit replaces the earlier permit, which had been valid since 1996.
- Rescue plan: Created in 2000 and updated annually, the plan familiarises employees at the production plant with fire control and accident prevention.

## *Personnel policy at Gustav Paulig Ltd*

Personnel policy at Gustav Paulig Ltd is based on the values of the Paulig Group, which are quality, trust and respect for the individual, multicultural awareness, creativity and transparency. The aim is to generate an open company culture in which people both talk to and listen to each other.

Our company offers interesting and target-driven challenges to which employees are keen to commit. For us, this involves:

- ensuring that our employees are competent and motivated
- looking for solutions which take account of social responsibility

The company's core competences are the starting point for skills development. We stress individuals' responsibility for their own development and consider it important to raise the skill levels of our personnel as a whole. Skills development includes learning on-the-job and also meetings to discuss objectives, appraisals, skills assessments, task rotation, project work, identifying best practice, and external and internal training courses.

The company aims to provide a safe and healthy working environment. The company's efforts to promote the welfare of its employees include occupational health care, development work based on regular surveys of the working atmosphere and support for leisure activities. The company has a functioning occupational protection organisation.

We have made it easier to reconcile family life with working life through working time arrangements and teleworking. Should the business environment suggest a need to reduce the workforce, we make every effort to transfer employees to new positions within the Paulig Group, providing additional training wherever possible.

Gustav Paulig Ltd complies with international, national and local laws and regulations as well as international agreements. The company does not accept forced labour or child labour. Details of company practice in personnel management are freely available in writing for consultation.

The company promotes equality and impartiality and it respects the right of its employees to have their privacy protected.

Approved by the board of directors of Gustav Paulig Ltd on 7 November 2003.

## *Gustav Paulig Ltd's quality and food safety policy*

### **Our targets**

- We provide consumers and customers with high-quality and safe products and services.
- We are the most sought-after partner.
- We provide our personnel with an encouraging work environment with interesting and targeted challenges.
- For our owners, we are a profitable long-term investment.

### **To us, this means that**

- we develop our products, our service concepts and our operations on a consumer- and customer-driven basis.
- we combine our long experience with the latest know-how.
- we take care of our employees' welfare and skills.
- we communicate openly on matters of quality and food safety .

### **We are committed to**

- responsible business.
- compliance with the law and official requirements.
- figuring in the customers' demands.
- working together with suppliers of goods and services to develop matters of quality and food safety.
- constant improvement.

Management of quality and food safety questions is developed at Gustav Paulig Ltd in accordance with standard number ISO 22 000.

## *From bean to cup*

### **Mission**

Provider of the best taste for enjoyable moments.

### **Vision**

One of the leading coffee roasteries in Scandinavia and in selected East European countries.

### **Strategic principle**

Consistent high quality of performance.

### **Strategies**

1. Market leadership in selected markets  
– through acquisitions, alliances and organic growth.
2. Consumer-driven innovation  
– to generate added value for our offerings.
3. Empowerment  
– to encourage action and personal growth.
4. Cross-cultural mindset  
– to promote collaboration with our partners.

### **Values**

1. Quality.
2. Trust and respect for people.
3. Multicultural approach.
4. Innovativeness.
5. Openness.

### **Behaviours**

1. Participate and share knowledge  
– we expect outspokenness and we listen.
2. Favour and stand behind empowerment  
– we take initiative and provide opportunities.
3. Recognise problems and seek solutions  
– we learn from mistakes and failures.
4. We want to grow throughout life  
– we are ready constantly to learn new things.

## *Environment policy at Gustav Paulig Ltd*

### *”High quality in everything we do”*

Paulig is a player in a global chain which stretches from the countries where green coffee is produced to the market area for its finished products. The company strives to take environmental issues into account in a responsible manner throughout the chain, as well as actively supporting both measures that promote general well-being and environmentally sustainable solutions.

In **purchasing**, coffee production methods in the countries of origin are included in the definition of quality. The basic requirements include ensuring that the methods used place the least possible strain on the environment and that the working conditions are safe and responsibly maintained. In transporting green coffee, we aim to use the most efficient and environmentally friendly processes and tools.

In **production**, we strive to minimise environmental impact as far as possible. We do this by using the Best Available Techniques (BAT) when it comes to new and repair investments and by planning and steering our operations efficiently.

Technical efficiency requires a skilled and professional workforce. Ongoing training ensures that a sufficient level of expertise is maintained and that employees are aware of the environmental dimension of their own work.

In packaging our **products**, we look for solutions that are as practical as possible for the consumer and take environmental considerations into account.

We have made a commitment to **ongoing improvement** by systematically setting objectives and implementing programmes of measures that will allow us to reduce environmental impact and to incorporate the principles of sustainable development into the production chain.

We are **committed** in all our operations to complying with legislation and requirements imposed by the authorities. Our environment policy guides our operations at all levels of the organisation, and each and every member of the Paulig team is responsible for addressing the environmental aspects of their work.

We **report** openly on environmental issues and our environment policy and is freely available for consultation.

Environmental management at Gustav Paulig Ltd is developed in line with the ISO 14001 standard.

Approved by the board of directors of Gustav Paulig Ltd on 7 November 2003.