

## ONE VALIO – CODE OF CONDUCT

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### 1. From the CEO

At work or in our free time, we may sometimes find ourselves in a situation where we don't know what we should do or are uncertain whether we are complying with the applicable requirements. The purpose of Valio's Code of Conduct is to further clarify the company's rules with regard to operational compliance with Valio's values and statutory requirements.

Trust in ethical business conduct lays the foundation for Valio's relationships with its customers, employees, shareholders and suppliers of goods and raw materials, and with consumers. At Valio, the Code of Conduct determines good business practices, as well as the principles concerning workplace communities. It guides our employees' activities in all markets. We require our partners to commit to the same responsible practices.

We always comply with the laws in our countries of operation. If our own guidelines are stricter than the local laws, we adhere to our own guidelines.

The Code of Conduct describes our ways of working. For employees, common rules are not only an obligation, but also a right. It is much easier and more convenient to stop and think about the right way to act than it is to discuss any misconduct afterwards.

These One Valio Code of Conduct guidelines describe how we operate in accordance with Valio's values and leadership promise, how we ensure well-being at work and how we determine the scope of legitimate cooperation with our customers, consumers and suppliers. In addition, they describe our relationship with society and our shareholders and how we put these guidelines into practice and report any non-compliance.

Annikka Hurme, CEO, Valio

## **2. VALIO'S VALUES**

Valio's values are:

**Focus on the customer, sustainability, renewal and cooperation**

**Consumer and customer focus**

**We engage in our customers' world and offer best customer experience.**

- I focus on the customer and help create the best possible solutions for external and internal customers.
- I evaluate the added value created for the customer in my day-to-day work and prioritise my duties accordingly.

**Responsibility**

**We take care of our owners, Valio people, animals, the environment and society. We take personal responsibility and are result-oriented.**

- I put themes related to the responsibility programme into practice in my day-to-day work.
- My work is based on clearly defined common goals, and I challenge myself to achieve my goals at work.
- I take care of my working capacity, continuously develop my expertise and take responsibility for the quality of my work and the decisions I make.

**Renewal**

**We act in an agile way and are open to change.**

- I have the courage to present and try new ideas, and I actively seek to find innovative solutions. I see changes as opportunities.
- I listen to others and learn from them, and I make use of the feedback I receive.
- I learn from my mistakes and try again.

**Collaboration**

**We help each other to make the best results in a solution-oriented way.**

- I have the courage to challenge and question constructively, and I actively seek solutions to problems.
- I inspire others with my example, and I appreciate and make use of diversity.
- I ask for help, and I offer to help others.
- I share information and actively give constructive feedback.

## Valio's leadership promise

Supervisors at Valio:

- Inspire employees to achieve common goals, and lead the way.
- Continuously improve operations and facilitate change and development.
- Clarify goals and ensure that the right people are in the right jobs.
- Encourage participation, are present to employees and help others succeed.
- See the big picture and address essential aspects.
- Act in accordance with Valio's values.

## 3. ENSURING WELL-BEING AT WORK

Valio systematically improves safety at work and supports its employees' working capacity. We provide our employees and owner-entrepreneurs with occupational healthcare services. We aim for zero accidents.

All of our locations are smoke-free. Valio applies the early intervention approach to promote its employees' working capacity and prevent incapacity throughout their careers.

Valio is a reliable and fair employer. We work to ensure that everyone at Valio is a member of a safe and inspiring workplace community. We systematically develop supervisory work and leadership.

We do not tolerate the use of child labour or forced labour or the violation of human rights. This also concerns our suppliers.

We do not hire young people under the age of 15. Our employees have the right of association and the right to participate in trade union activities. At Valio, the interaction between managers and employees is continuous. We do not discriminate against anyone based on their age, nationality, language, religion, conviction, opinions, political activities, trade union activities, family relationships, health, disability, sexual orientation or other reason related to their person. We do not tolerate bullying or sexual harassment.

We process personal data in accordance with the current laws and Valio's internal procedures. We comply with the legislation on privacy in working life. For example, disclosing or commenting on personal matters or matters related to personal health or that of a family member is not permitted without consent from the person in question.

We encourage employees to report misconduct and unlawful behaviour through our digital whistleblowing system.

## 4. Cooperation with customers, consumers and suppliers

We do not tolerate bribery or corruption. We have prepared separate guidelines concerning bribery, corruption and conflicts of interest.

You'll find the more detailed instructions on the intranet's Valio Fact:

[Bribery and conflicts of interest](#)

In all of our business relationships, we comply with the law and good practices. We comply with good trading practices. We provide our employees with training on competition laws.

We require our suppliers and partners to comply with Valio's ways of working. For example, we refuse to enter into agreements with companies involved in bribery or money laundering.

With regard to the raw materials used in our products, we ensure safety through an approval process for suppliers. The quality of finished products is ensured by means of careful production hygiene and self-monitoring. All of the raw materials and packaging materials we use are traceable. In error situations in Finland, we are able to trace the milk used as raw material all the way back to the farm.

In Finland, the dairy farmers of Valio's procurement co-operatives comply with statutory farm-specific self-monitoring descriptions, and they monitor the quality of their milk specific to each cow and in the farm tank (temperature, perceived quality, antimicrobial residues). At least five percent of the farms are audited annually.

Valio's milk quality system instructs farmers on taking care of their animals' health and welfare. We do not use soy in cow or calf feeds in Finland, and the milk we use in Finland is GMO-free.

We pay attention to research results and proof of social, environmental and health effects when selecting raw materials and their suppliers. We audit suppliers based on risk assessments. Valio's procurement guidelines provide more detailed guidelines on raw materials.

For exceptional situations, we have prepared product recall, crisis communication and production reorganisation plans, in addition to recovery plans for each production plant.

We foster the Valio brand and the company's reputation by communicating professionally and interactively and by keeping trade secrets. Our Consumer Services department responds to all enquiries personally. In marketing communications, we adhere to the principles of truthfulness, equality, good manners and safety. Our #Valiopeople employee ambassadors communicate on social media in a manner that supports our business operations. Employees are advised to use social media in a manner that does not jeopardise Valio's operations.

Valio produces safe, traceable and tasty products responsibly. For our customers, we develop solutions that facilitate their business operations. For consumers, we manufacture products for many needs.

Our mission: Together we make life better.

## 5. Our relationship with society

We comply with the law and our agreements with partners in all of our operations. We continuously monitor the legislation and include its requirements in our operations.

Valio concern pays all of the return to its owners – that is, the dairy farmers of Valio's Finnish milk procurement co-operatives – in line with our co-operative business model. We contribute to the vitality of the Finnish countryside and the security of food supply in Finland, as we collect most of the milk produced in Finland and our production capacity is sufficient for processing it into food.

Our responsibility goals are described in Valio's responsibility programme. <https://www.valio.com/sustainability/>

In Finland we support exercise and balanced diets among children and young people through the Valio Akatemia® programme and other selected projects.

In accordance with the fairness principle, in Finland we may provide financial support to political candidates if we believe their work will promote favourable conditions for Valio's operations. Such financial support is subject to approval by Valio's Board of Directors.

## 6. We support our owner-entrepreneurs

Valio is a co-operative company owned by Finnish milk procurement co-operatives. Decision-making powers within Valio are exercised by Finnish dairy farmers through their co-operatives. Valio seeks to pay as high a price as possible to its owners for the raw milk they produce.

Valio purchases all of the milk produced by its owner-entrepreneurs, based on procurement agreements with their co-operatives. Outside Finland, Valio purchases raw milk according to its business needs.

Valio is governed by its owners through its Annual General Meeting, Supervisory Board and Board of Directors. This governance is based on regional representation and equality.

## 7. Putting the guidelines into practice

All of our employees will study the Code of Conduct by completing [an online course](#).

In addition, a brochure has been delivered to all employees in all of our countries of operation. The brochure is also available as a printable PDF file in Finnish, English, Swedish, Estonian, Russian and Chinese on the intranet.

Supervisors are responsible for ensuring that employees complete the Code of Conduct online course. Supervisors also help employees with the interpretation of the guidelines.

## 8. Reporting non-compliance

Valio's employees may report any misconduct or unlawful activity they detect in the company.

If you notice or are informed about behaviour that is in breach of our values and guidelines or the law, you may report it in one of the following ways:

- **To your supervisor or other manager in your organisation**
- **Through the whistleblowing channel by leaving your name**
- **Anonymously through the whistleblowing channel <https://report.whistleb.com/en/valio>.**