



Ceo's review: Raisio concentrating and focusing on growth

The confectionery business divestment in December 2017 was Raisio's first strategic step towards the focus on its core business, i.e. healthy foods. Together with our already strong balance sheet, the proceeds from the confectionery business deal allow investments in creating organic growth and acquisitions that strategically fit Raisio's core business.

Raisio at the beginning of the new

By renewing the organisational structure in early 2018, we direct all resources to support the strategic goals of the new Healthy Food Division. Raisio will increase its investment in R&D as well as utilising the potential of its well-known and valued brands. Our growth drivers include new products matching consumer needs, expansion into new product categories and new markets.

Growth both organically and through acquisitions requires long-term work and lays the foundation for shareholder value improvement. Raisio is a net debt free company with net cash of EUR 105 million at the end of 2017.

After the review period, at the end of January 2018, Raisio announced to consider the divestment of its cattle and fish feed businesses as one strategic alternative. Negotiations are ongoing with several operators and we aim to complete them during the spring 2018.

The twofold year 2017

In 2017, Raisio's successes in Finland were its Elovena and Benecol products with sales growth of some 10 per cent and fish feed exports to Russia showing an increase of almost 30 per cent. Good sales development also improved our EBIT.

The Group's EBIT, including the confectionery business, was clearly down from the comparison period. EBIT decline was mostly due to the challenges in the UK confectionery business. Benecol's EBIT was also significantly down from the comparison period due to higher subcontracting costs of consumer products and the sharp world market price increase of sterols used as raw material in Benecol products, since higher costs could not fully be passed on to end product prices. Raisio has secured the availability and price level of sterols required for its production in the coming years.

Raisio aims to grow organically and through acquisitions in healthy foods.

Responsibility creates the foundation for our operations

We promote the realisation of Raisio's strategic goals by operating responsibly. We already had significant results last year: Group carbon dioxide emissions decreased by 45 per cent, healthy foods now account for 65 per cent of our product range and we engaged our suppliers to the revised Group Code of Conduct.

We take responsibility into account in all our operations, since it is the foundation of our existence. We are committed to the implementation of the Group's current Responsibility Programme and we are setting new goals for the development of our responsibility during 2018.

Pekka Kuusniemi
President and CEO

Operating environment

Raisio Group is an international food and feed company focusing on well-being and profitable growth. The core of our strategy is in the healthy and responsible branded products. Raisio closely follows the changes in consumers' eating habits and launches new type of healthy breakfast and snack products. Raisioagro is renewing the productivity, profitability and responsibility in the dairy and fish farming with its digital services and advanced feeding expertise.

Foods

Consumers show a very strong interest in food and nutrition. Different, even conflicting, and frequently changing messages of what to eat is one of the greatest phenomena of our time. Consumers are uncertain and increasingly aware of food-related matters. Reliable brands and products made of natural raw materials are popular among consumers.

Raisio has conducted consumer studies to find out the needs and motivations related to snacking, well-being, heart and stomach health and plant-based diet. Snacking is growing with busy lifestyles and at the moment, snacks already account for about 50 per cent of daily energy. Consumers are switching from self-made snacks to ready, on-the-go snacks. This trend is also growing the snack demand. Together with snacking, however, meals and eating together are becoming more and more important.

Consumers prefer products made of natural raw materials.

Strong growth in demand for plant-based food continued and consumers increasingly want to lighten their diets. This phenomenon is seen in snacking as well as in other meals. For Finnish consumers, natural raw materials, such as Finnish oat, meet the health and well-being related needs required from plant-based food.

In 2017, interest in oats continued also in other markets. Awareness of oats and oat products grew especially as a result of active export efforts.

Raisioagro


The structural change in the milk production continues in Finland. In the coming years, the number of dairy farms will continue to decrease and the farm size to grow. Farm operations are also becoming increasingly professional. The downward pressure on milk price is levelling off, but it remains challenging to improve the dairy farm productivity and profitability. In Finland, profitability of the cattle feed business is particularly affected by the intense price competition and ability to pass on raw material and production cost changes into product prices. Finland has

The structural change in the milk production continues.

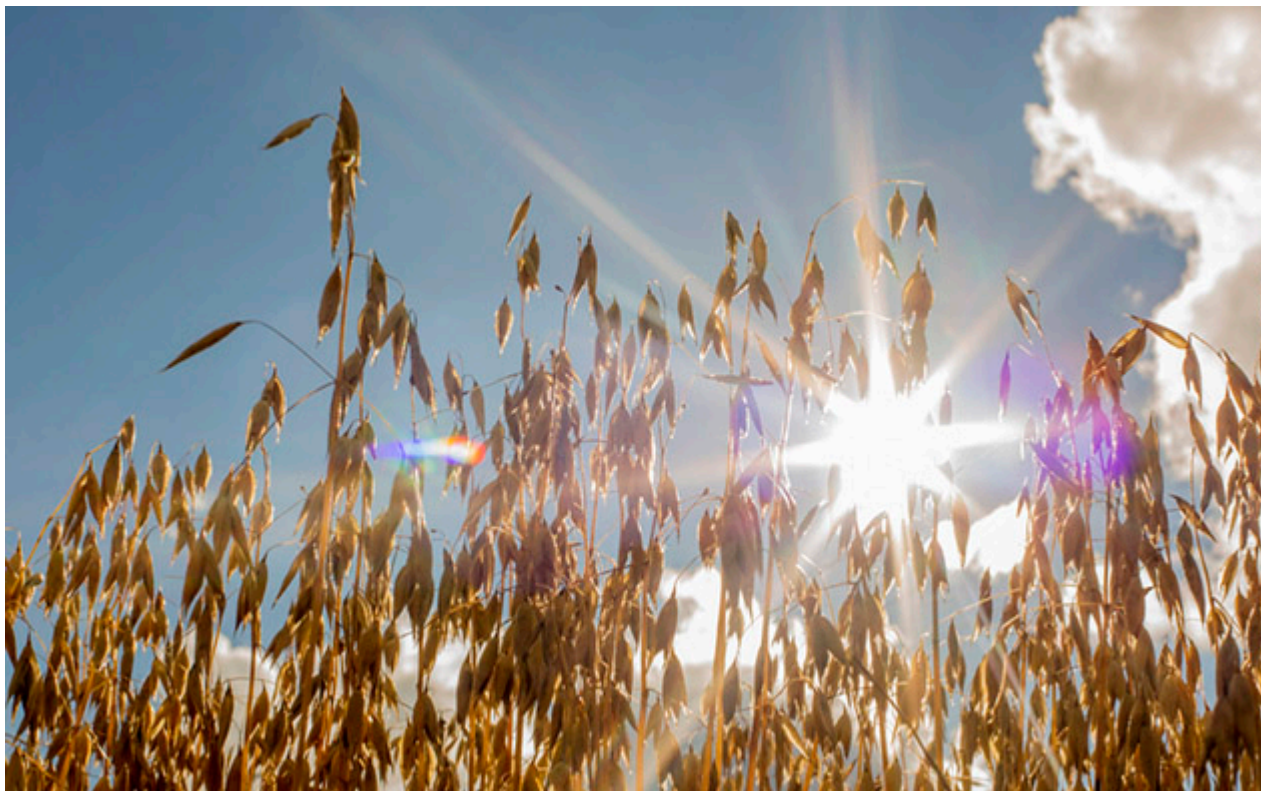
overcapacity in the production after investments, which means that companies with cost-effective processes and ability to add value to customers with new services will manage.

Demand for fish farmed in Finland continues to increase, but new fish farming licences and licences to increase the current quotas are rarely granted. Raisioaqua is the only Finnish fish feed producer. The business environment is fairly stable in Finland while in Northwest Russia, Baltic countries and Sweden, innovative feed producers have opportunities to increase business.

Higher efficiency in the production of animal protein reduces environmental impacts and improves the profitability of the entire production chain. Some of the agricultural inventions already help improve the efficiency of livestock production, but there is still potential for much more. In the fish farming, feed efficiency is already top-class and it is now possible to focus on innovations reducing environmental impacts.



*Demand for farmed fish
continues to grow.*



Raisio's strategy

In the summer 2017, Raisio's Board of Directors approved the revised strategy for 2017 - 2022. The focus on healthy foods, and growth both organically and through acquisitions are at the core of the strategy.

The divestment of the confectionery business in December 2017 was Raisio's first strategic step towards the focus on its core business, i.e. healthy foods. The Healthy Foods includes Raisio's consumer brands, such as Benecol and Elovena. On 1 February 2018, Raisio moved from a holding-type structure to a model in which all resources are targeted towards the Healthy Food Division's organic growth.

At the end of January 2018, Raisio took the second significant step and announced to consider the divestment of its cattle and fish feed businesses as one strategic alternative. Raisio is negotiating on the sale of its feed businesses with several operators.

Highlights in Raisio's strategy

- Focus on healthy foods.
- Resources targeted to support the organic growth of the Healthy foods Division.
- Increase investment in the brands and product development.
- Divestment of feed businesses considered as a strategic alternative.
- Activeness in acquisitions supporting the strategy.

Acquisitions

Raisio is a net debt free company with net cash of EUR 105 million at the end of 2017. Raisio seeks growth both organically and through acquisitions fitting with its core business. Together with the already strong balance sheet, the proceeds from the confectionery business deal allow extensive acquisitions.

Revised strategy

We have identified a number of growth opportunities while working on our strategy. We have also looked critically at our opportunities and taken into account the increasingly rapid change in the operating environment.

Revised strategy and growth drivers:

- Investment in the brands and product development.
- Expansion into new product categories.
- Expansion into new markets.

Our revised strategy is based on Raisio's strengths. We have long been on the right track and identified the key trends for the future. Healthy foods and responsible branded products meeting the customer and consumer needs are at the core of the revised strategy. What is new in our strategy is our determination in the expansion into new markets and new product categories as well as the ability to launch new products faster. With these measures, we ensure our opportunities for profitable growth.

Business strategies

Target-oriented brand work contributes to the growth of Benecol. The brand strategy focusing on well-being, understanding consumer segments, digital opportunities as well as investments in marketing and cooperation with health-care professionals support Benecol's organic growth. Benecol novelties in new product categories will make cholesterol-lowering easier and tastier. We will take determined measures to enter into new markets.

Raisio's strong oat expertise is the growth driver in foods. Healthy, plant-based, responsibly produced branded products in line with consumer needs will be launched in new markets. Our range will be expanded into new product categories, such as meals and meal components. Raisio will launch snack products made of Finnish oat in Northern Europe.

Raisioagro's competitiveness is based on a superior customer experience including innovative feeds and feeding solutions, customer service and digital services. Exports of cattle and fish feeds particularly to the neighbouring countries of Finland will be strengthened; the greatest growth potential is in Northwest Russia. Environmentally friendly fish feed innovations support growth of the fish farming industry.

Financial review

Raisio Group is an international food and feed company with solid profitability. Raisio is a net debt free company. In addition to organic growth, Raisio also seeks growth through acquisitions that suit its core business, i.e healthy foods.

Key figures 2017

- Net sales for continuing operations totalled EUR 306.8 (336.6) million.
- The comparable EBIT for continuing operations was EUR 37.8 (38.6) million, accounting for 12.3 (11.5) per cent of net sales.
- Net sales for continuing and discontinued operations totalled EUR 402.8 (436.3) million.
- The comparable EBIT for continuing and discontinued operations was EUR 45.9 (50.7) million, accounting for 11.4 (11.6) per cent of net sales.
- The Board's dividend proposal is EUR 0.17 per share.

Main events in 2017

- Raisio divested its confectionery business in December 2017. The business is treated as a discontinued operation in the financial statements.
- Raisio is a net debt free company with net cash of EUR 105 million at the end of 2017.
- In June 2017, Raisio divested its Southall industrial property near London at about EUR 40 million.
- In Finland, sales in Elovena and Benecol products increased by some 10 per cent.
- Fish feed exports to Russia increased by 30 per cent.
- Benecol's EBIT was significantly down from the comparison period as increased costs could not fully be passed on to the end product prices.
- In January 2018, Raisio announced to consider the divestment of its cattle and fish feed businesses as one strategic alternative. Negotiations with several operators have been initiated.

Raisio Group's key figures

Continuing and discontinued operations

			2017			2016	
		CONTINUING	DISCONTINUED	TOTAL	CONTINUING	DISCONTINUED	TOTAL
Income statement							
Net sales	M€	306.8	96.0	402.8	336.6	99.7	436.3

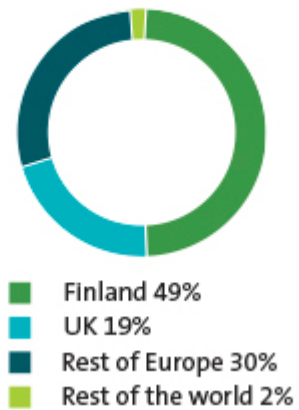
Change in net sales	%	-8.8	-3.7	-7.7	-19.2	-4.8	-16.5
Comparable EBIT	M€	37.8	8.1	45.9	38.6	12.1	50.7
Comparable EBIT	%	12.3	8.4	11.4	11.5	12.2	11.0
EBIT	M€	55.9	-59.2	-3.2	16.8	12.1	28.9
EBIT	%	18.2	-61.7	-0.8	5.0	12.2	6.0
Comparable EBITDA	M€	45.9	11.1	57.0	46.8	15.2	62.0
EBITDA	M€	71.8	-27.4	44.4	41.1	15.2	56.5
Financial income and expenses	M€	-1.4	-0.3	-1.7	-2.1	-0.1	-2.5
Comparable earnings per share	€	0.18	0.04	0.22	0.19	0.06	0.29
Earnings per share	€	0.27	-0.38	-0.11	0.06	0.06	0.12
Balance sheet							
Equity ratio	%	73.4	-	-	66.8	-	
Net gearing	%	-39.8	-	-	8.5	-	
Net interest-bearing debt	M€	-105.1	-	-	26.7	-	
Equity per share	€	1.68	-	-	1.99	-	
Dividend per share	€	-	-	0.17*	-	-	0.17
Investments	M€	10.4	5.4	15.8	13.3	5.2	18.0

*Board of Directors' proposal to the Annual General Meeting

**Net sales
(M€)**



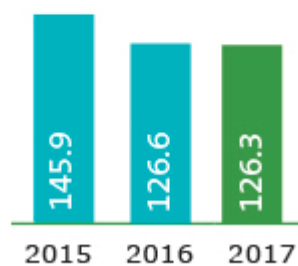
**Net sales by region
(%)**



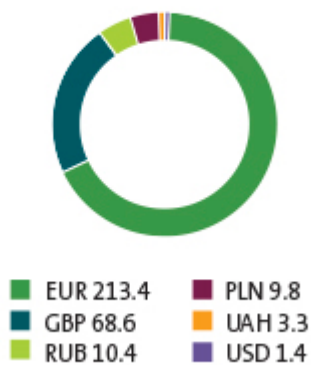
Net sales, Brands Division (M€)



Net sales, Raisioagro Division (M€)

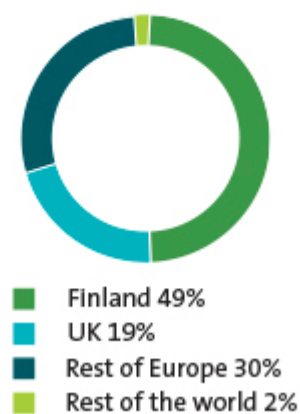


Net sales in different currencies 2017 (M€)

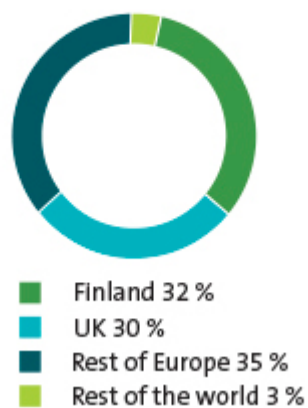




Net sales by region (%)



Net sales by region, Brands Division (%)



**Net sales by region,
Raisioagro Division (%)**

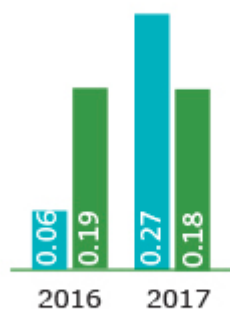


■ Finland 77%
■ Russia 18%
■ Rest of Europe 5%



■ EBIT
■ Comparable EBIT

Earnings/share,
EPS (€)



■ Earnings/share, EPS
■ Comparable earnings/share, EPS

Comparable EBIT, Brands Division (M€)

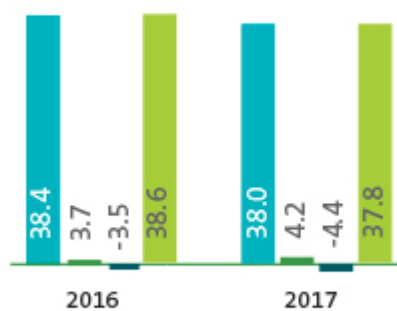


Pre-tax result (M€)



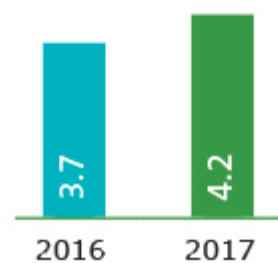
■ Pre-tax result
■ Comparable pre-tax result

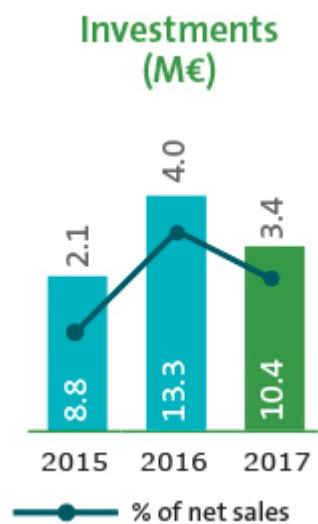
Comparable EBIT by segment (M€)



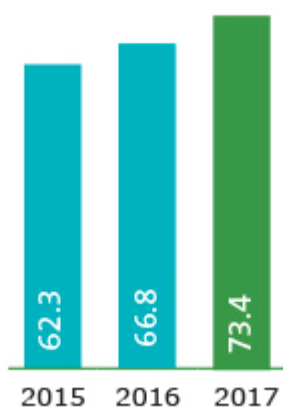
■ Brands ■ Raisioagro ■ Other operations ■ Total

**Comparable EBIT,
Raisioagro Division
(M€)**

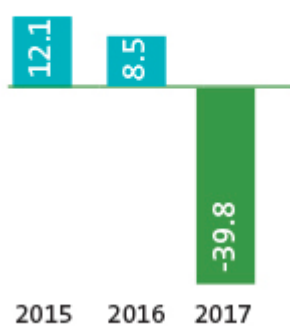




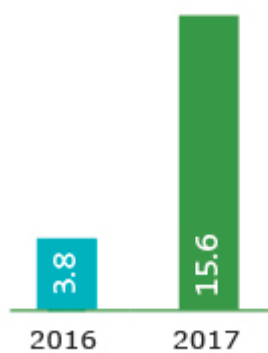
Equity ratio (%)



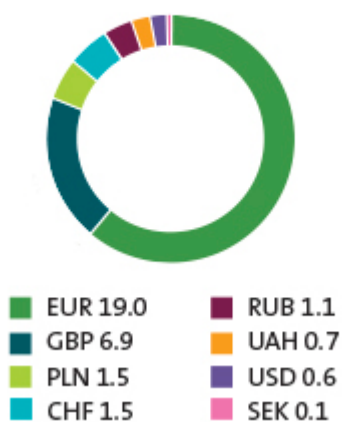
Net gearing (%)



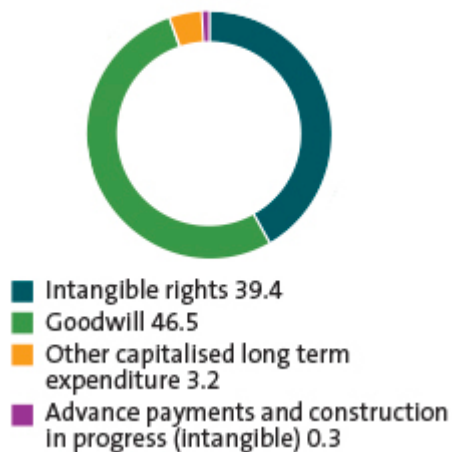
Return on investment, ROI (%)



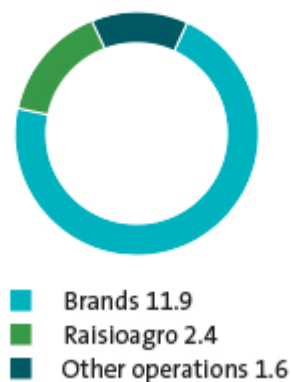
Accounts receivables 2017 (M€)



Intangible assets 2017 (M€)



Depreciation and impairment, continuing operations 2017 (M€)



Main investments in 2017 (M€)

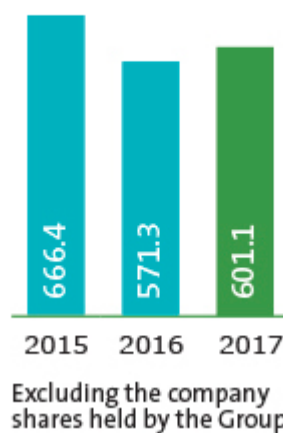


- Fish feed factory, new production line 2.7
- Bioenergy plant 2.1
- IT, SAP and other softwares 1.6
- Others 4.0

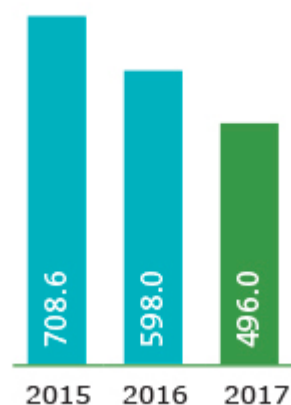
Equity per share (€)



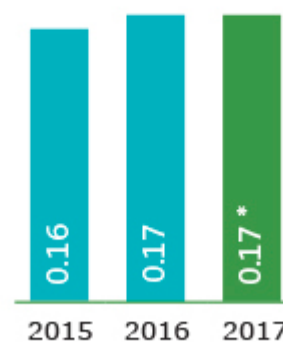
Market capitalisation (M€)



Enterprise value, EV (M€)

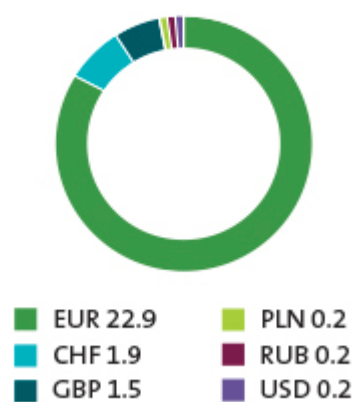


Dividend/share (€)

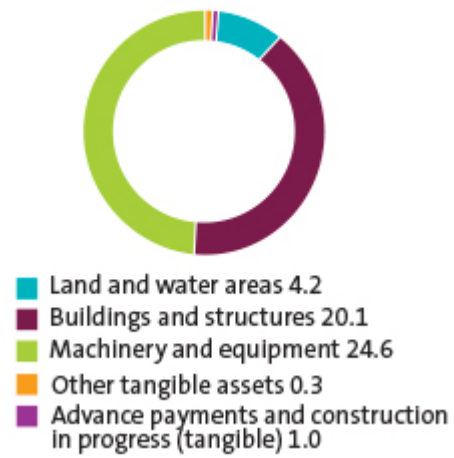


* Board of Directors' proposal

Accounts payable 2017 (M€)



**Tangible assets 2017
(M€)**



Key figures 2017

Continuing operations

	Q4/2017	Q3/2017	Q2/2017	Q1/2017	2017
Net sales					
Brands, M€	50.0	47.1	49.0	49.0	195.1
Raisioagro, M€	26.4	41.2	34.3	24.3	126.2
Other operations, M€	0.2	0.2	0.2	0.2	0.8
Interdivisional net sales, M€	-4.6	-3.4	-3.2	-4.3	-15.5
Total net sales, M€	72.0	85.2	80.3	69.3	306.8
EBIT					
Brands, M€	0.7	8.5	39.1	9.3	57.6
Raisioagro, M€	0.0	3.3	1.3	-0.3	4.3
Other operations, M€	-2.3	-0.9	-0.6	-2.0	-5.8
Total EBIT, M€	-1.6	10.8	39.8	6.9	55.1
Financial income and expenses, net, M€	-0.3	-0.7	-0.3	0.0	-1.3
Share of result of associates, M€	0.0	0.0	0.0	0.0	0.0
Result before taxes, M€	-1.9	10.1	39.4	6.9	54.8
Income taxes, M€	-1.5	-2.1	-7.8	-1.3	-12.7
Result of continuing operations, M€	-3.3	7.9	31.7	5.6	42.1

Key figures 2016-2017

Continuing operations

	2017	2016
Net sales		
Brands, M€	195.1	220.5
Raisioagro, M€	126.3	126.0
Other operations, M€	0.9	0.8
Interdivisional net sales, M€	-15.4	-11.5
Total net sales, M€	306.8	336.8
EBIT		
Brands, M€	57.5	18.0
Raisioagro, M€	4.2	3.7
Other operations, M€	-5.8	-4.9
Total EBIT, M€	55.9	16.8
Financial income and expenses, net, M€	-1.4	-2.7
Share of result of associates, M€	0.0	0.0
Result before taxes, M€	54.5	14.1
Income taxes, M€	-12.7	-5.0
Result from the continuing operations, M€	41.8	9.1

Risk management

Risk Management Policy

Raisio's Risk Management Policy defines the objectives, principles and responsibilities of risk management. The target of risk management is to identify risks and to secure the continuity of Raisio's business operations, safety of products and activities, personnel and assets and to prevent events affecting negatively the shareholder value.

Raisio emphasises preventive measures in its risk management and strives to continuously improve risk management in all of its aspects. The business divisions independently make decisions regarding operational risk management, which includes, for example, safety at work and the selection of business counterparties and payment terms. Raisio has a Group-wide insurance programme in order to manage, for example, risks related to property and continuity. Financial risks, including insurance management, are centralised to the financial department. Possible findings of internal control and business risks are reported to the Board as part of monthly financial reporting.

Risks and sources of uncertainty in business operations

The Eurozone economy is expected to continue its sharp growth in 2018. The growth is based on private consumption and the investment recovery, supported by low interest rates and decreased political uncertainty. However, the threat of rising protectionism has not disappeared.

The UK voted to leave the European Union in the EU referendum (Brexit). All details related to Brexit are still unclear. The uncertainty arising from the decision is expected to weaken the UK's growth prospects and to continue to cause significant volatility in the external value of the pound.

The Finnish economy grew sharply in 2017 and the strong growth is expected to continue in 2018. Economic development is based on private consumption, rising investments and exports, low interest levels and falling unemployment rates. Economic growth is burdened by rising inflation.

In Russia, the economy is recovering and consumer purchase power growing. In Ukraine, the business environment remains challenging.

Changes in exchange rates significantly affect Raisio's net sales and EBIT, directly and indirectly. The pound is volatile as a result of the uncertainty related to Brexit, which impacts Raisio's net sales and EBIT as considerable part of them is generated in the UK even after the confectionery business divestment. Volatility in the rouble's external value affects the exports of feeds and flake products. It may also have an impact on the utilisation rates of production plants in Finland.

The price and availability of agricultural raw materials are a major challenge for Raisio's businesses. Global warming and extreme weather events can rapidly affect the crop expectations, supply, demand and price of these commodities. Changes are also possible in supply, demand and price of other key raw materials. In terms of business profitability, the role of risk management remains essential both for value and volume, of which the growth period in Finland in 2017 has been a good reminder.

Raisio expects the grocery market to remain fairly stable compared to other sectors. Changing retail trade and intensifying competition are a challenge for the food industry too, through sales prices and sales terms in all Raisio's main markets.

Profitability and liquidity problems in the Finnish agriculture and livestock farming weaken the purchasing power of the sector and put pressure on Raisioagro's profitability. The crisis in Ukraine and Crimea led to the EU sanctions in 2014 and Russia's counter-sanctions. Especially the import ban of dairy products hampers Raisioagro's operations directly and indirectly. For Raisioaqua, it is important that its fish feed exports work without interruption. In addition, Russia might expand the scope of its import bans into new product groups, and not only in feeds but also in foods.

Preparing for and adapting to Brexit remains a key challenge for Raisio's businesses in 2018, and for example in the Benecol business, this may lead to changes in subcontracting arrangements. International raw material chain and contract manufacturing of consumer products expose especially the Benecol business to the availability, price and currency risks.

To ensure growth and profitability of its operations, Raisio may carry out corporate restructuring which, as rationalisation projects, may result in significant one-off expenses.

Brands Division, continuing operations

In the financial period 2017, the Brands Division included Benecol, Healthy Food and the Benemilk business as its own company. In 2017, Raisio's successes were its Elovena and Benecol products with sales growth of some 10 per cent in Finland.

Main events in 2017

- Net sales EUR 195.1 (220.3) million. The comparison year figure includes net sales of EUR 26.4 million for the divested UK snack bar business.
- Comparable EBIT EUR 38.0 (38.4) million.
- Comparable EBIT 19.5 (17.4)% of net sales.
- Raisio's divested Confectionery business was transferred to the new owner on 29 December 2017; the business is reported as a discontinued operation in the financial period 2017.

Financial review

Net sales for the Brands Division totalled EUR 195.1 (220.3) million. The UK accounted for some 30 per cent, Finland over 30 per cent and other markets almost 40 per cent of net sales of the Brands Division's continuing operations.

Sales in Elovena and Benecol products increased by some 10 per cent in Finland, which was also seen in improved profitability. The conversion impact of the weakened British pound on the Brands Division's net sales was EUR -4.8 million. Until 21 July 2016, the comparison period figure includes EUR 26.4 million in net sales for the divested UK snack bar business and licensed breakfast cereal business.

The Brands Division's comparable EBIT totalled EUR 38.0 (38.4) million, accounting for 19.5 (17.4) per cent of net sales. EBIT was EUR 57.5 (18.0) million, accounting for 29.5 (8.2) per cent of net sales. The conversion impact of the weakened British pound on the Brands Division's EBIT was EUR -1.0 million. This refers to the impact arising when subsidiaries' EBIT in pounds is converted into euros as part of the consolidated financial statements.

Benecol's EBIT was significantly down from the comparison period due to higher subcontracting costs of consumer products and the sharp world market price increase of sterols used as raw material in Benecol products, since higher costs could not fully be passed on to end product prices. During 2017, Raisio secured the availability and price level of sterols required for its production in the coming years.

Key figures for the Brands Division

2017

2016

Net sales	M€	195.1	220.1
Benecol	M€	122.5	124.0
Healthy Food	M€	72.1	69.7
Benemilk	M€	0.0	0.0
Common for the Brands	M€	0.5	26.4
Comparable EBIT	M€	38.0	38.0
Comparable EBIT	%	19.5	17.4
Items affecting comparability	M€	19.6	-20.1
EBIT	M€	57.5	18.0
EBIT	%	29.5	8.2
Investments	M€	3.0	3.9

From 1 February 2018, the new Healthy Food Division includes Benecol and the previous Healthy Food business.

Business operations

The 2017 reviews for the Brands Division's businesses are available through the following links.

[Benecol](#)

[Healthy Food](#)

[Confectionery](#)

[Benemilk](#)

Benecol

Benecol is Raisio's top innovation and our most international brand. In 2017, Benecol renewed its consumer communications to promote well-being and to respond to the lifestyles of today's consumers. Benecol also invested in the closer cooperation with health-care professionals and continued its active work to enter new markets and to expand into new product groups.

Main events in 2017

- Market share of Benecol minidrinks further strengthened in the UK and Ireland.
- In Finland, sales in Benecol products increased by +10%.
- Benecol snack bar launched first in Poland.
- Sales in the Benecol product ingredient increased especially with licensing partners in Asia.
- Consumer needs were met by launching Benecol products with no added sugar.

Financial review

Net sales for the Benecol business were slightly down from the comparison year totalling to EUR 122.5 (124.6) million. Net sales increased as a result of the Benecol product sales growth of over 10 per cent in Finland and increased deliveries of plant stanol ester, the Benecol product ingredient, especially with the licensing partners in Asia. Higher subcontracting costs of Benecol products and the world market price increase of sterols, used as raw material, could not fully be passed on to sales prices of end-products, particularly in the UK. In Poland, net sales were significantly down from the comparison year.

Benecol's EBIT declined significantly, which was mainly due to the fact that the increased sterol price and product subcontracting prices could only partially be passed on to end-product prices, especially in the UK. Moreover, the conversion impact of the UK pound on the business profitability was negative.

Raisio has secured the availability and price level of sterols required for its production in the coming years.

Business operations

Raisio is the market leader in the UK, where the availability and market position of Benecol minidrinks improved. Consumers welcomed new Benecol minidrinks with no added sugar as well as Benecol yoghurts with 30 per cent lower sugar content. Benecol carried out its Love the Taste campaign to encourage new consumers to try Benecol spreads.

Sales in Benecol products in Finland increased by some 10 per cent. Sales increased in both Benecol minidrinks and spreads. Benecol's renewed marketing communications strengthened the brand as an everyday well-being product and clearly increased the consumer interest. The availability of the Benecol products also improved. The distribution of Benecol Soft Chew expanded to the retail channel.

In Poland, in addition to Benecol spreads and Soft Chews, Benecol snack bars were launched at the end of 2017. At the same time, a test sale of the Benecol yoghurt was introduced. In November, a new Benecol Olive spread was launched and its sales increased rapidly.

The UK is the largest market for Benecol products.

Benecol products strengthened their market leader position in Ireland. Benecol minidrink packages were renewed and new flavours were launched.

Raisio's licensing partners in Asia, Europe and the USA renewed their product ranges and launched new products in their markets. Raisio renewed and strengthened cooperation with its licensing partners.

In 2018, Raisio will launch new Benecol products into existing and new product categories. Raisio provides its licensing partners with extensive expertise and support in the development, marketing and sales of Benecol products.

Benecol product range extended with new products.



Healthy Food

Raisio's well-known brands Elovena, Sunnuntai, Provena, Torino and Nordic provide consumers with familiar favourites and innovative new products. The markets of Healthy Food business include Finland, Russia, Ukraine, Sweden, Baltic Countries, Denmark and Poland. In 2017, Raisio launched many novelties of which Elovena snack ice cream was the most innovative.

Main events in 2017

- Sales in Elovena products increased by 10 per cent.
- Elovena product range expanded with the snack ice cream and overnight porridges.
- Nalle, families' breakfast and snack brand, renewed.
- Oat products were launched in Poland under the Nordic brand.
- In Russia, sales volume for Nordic products increased.

Financial review

Net sales for the Healthy Food business totalled EUR 72.1 (69.7) million. Net sales and EBIT for Northern European operations were up from the comparison year. This was mainly due to the strong sales growth in Elovena products and the flour deliveries to a major Finnish bakery customer started at the beginning of 2017.

Net sales and EBIT in euros for the Eastern European operations in Russia and Ukraine improved from the comparison year. The exchange rate development of the Russian rouble in 2017 was strongly positive for Raisio. The Eastern Europe accounted for almost 20 per cent of the Healthy Food business net sales.

Business operations

In the study carried out by a market research company Taloustutkimus, Elovena is Finland's sixth most valued brand. Elovena's brand look was renewed in 2017. Elovena's new brand communication is easy to understand. In 2017, Elovena launched new snack ice creams, overnight porridges and savoury biscuits.

Sales in Elovena products increased both in value and volume by about 10 per cent. Particularly good sales growth was seen in Elovena porridges and snack biscuits. In Finland, Elovena is the market leader in porridges and snack biscuits. In 2018, Raisio will continue to launch new Elovena products in existing and new product categories.

Elovena, Finland's 6th most valued brand.



Raisio's Nalle was completely renewed in 2017; Nalle is a breakfast and snack brand for families with children. Tightening competition affected the Nalle flake sales as the porridge range expanded sharply and retailers strongly supported the sale of their private labels. In 2018, the Nalle line will be expanded with healthy new products.

*Families' favourite brand
Nalle renewed.*

Demand for gluten-free products continued to grow and the product range in stores has expanded considerably in recent years. Gluten-free Provena oat products have gained a strong position among both celiac and other consumers following a gluten-free diet, especially in Finland. Sales in Provena products were slightly down from the comparison year.

Sunnuntai is a traditional baking brand and the market leader in Finland. Sales in Sunnuntai products did not reach the comparison year level as retailers' invested strongly in sales of their private labels. The Sunnuntai brand and product range will be renewed at the end of 2018.

Torino oat, rye and wholemeal pastas are known as healthier alternatives on the pasta shelf. Their sales were at the comparison period level.

Raisio launched renewed Nordic oat products in Poland. The brand with a message of the Nordic nature and the excellence of Finnish oat has been welcomed. Raisio continues to invest in the exports of its oat products.

Russian consumers value the Nordic products.

Raisio exports to Russia and Ukraine its Nordic flakes and snack biscuits and gluten-free Provena products, all made in Finland. In Russia, sales for Nordic products decreased in local currency while sales volume increased. In Ukraine, sales in Nordic flakes increased by about 15 per cent.





Benemilk

Raisio continued the assessment of the company's operating conditions together with Benemilk Ltd's non-controlling interest. Benemilk Ltd is a joint venture set up in 2013, which aimed at international commercialisation of the Benemilk innovation.

The international Benemilk business did not generate any net sales in the financial period 2017 and there are no ongoing negotiations to license the innovation.

At the end of 2017, Raisio plc updated its calculations on the fair values of its balance sheet items. The most significant re-evaluated balance sheet item was Benemilk Ltd's intangible fixed assets. In its consolidated financial statements, Raisio recorded impairment of EUR 7.5 million, i.e. the amount equalling the value of Benemilk's entire fixed assets, because the funds invested in the international commercialisation and protection of the Benemilk innovation can no longer be seen to involve significant revenue expectations.

Raisioagro continues the sales of Benemilk feeds in Finland, where Benemilk has an established market position.



Confectionery

On 22 December 2017, Raisio announced to divest its confectionery business to Valeo Foods Ltd. Raisio's confectionery operations in the UK and Czech Republic were transferred to become part of Valeo Foods Ltd on 29 December 2017.

In Raisio's 2017 reporting, the confectionery business is treated as a discontinued operation.

The arrangement was carried out as a share transaction and its enterprise value was EUR 100 million. The buyer paid an enterprise value of EUR 76.8 million to Raisio for the confectionery business shares. For the divestment, Raisio recorded divestment loss of EUR 38.4 million.

Raisio's divested confectionery business included six production plants in the UK and Czech Republic, as well as the brands, of which Poppets, Fox's, XXX, Just and Pedro are the best-known. The divested business was also a significant confectionery producer for its retail and industrial customers.

As a result of its UK acquisitions completed in 2010 and 2011, Raisio became a confectionery producer, too. In 2012, Raisio acquired the Czech company Candy Plus and all the Group's confectionery operations were combined into one unit.

Raisio's President and CEO Pekka Kuusniemi says that the divestment of the confectionery business was an important strategic step for Raisio on its path towards a responsibly operating forerunner focusing on healthy foods.

Raisioagro

Raisioagro includes the cattle and fish feed businesses and the grain trade. Raisioagro's key market areas are Finland and Northwest Russia. Raisioagro is a forerunner as an expert in the feeding of dairy cattle and farmed fish and an active developer of value adding digital services.

Main events in 2017

- Net sales EUR 126.3 (126.6) million.
- EBIT EUR 4.2 (3.7) million, accounting for 3.3 (2.9) per cent of net sales.
- Net sales and EBIT improved particularly due to the growth of 30 per cent in fish feed export to Russia.
- Sales in cattle feeds picked up at the end of 2017.
- Average return on restricted capital increased to 14.7 (11.3) per cent.

Financial review

Raisioagro's net sales totalled EUR 126.3 (126.6) million. Fish feed export to Russia increased by almost 30 per cent due to new capacity brought about by the new fish feed line and excellent weather conditions for fish farming. The grain trade business purchased some 10 per cent more grain for the production of Raisio's foods. On the other hand, grain exports were significantly down from the comparison year due to low world market prices. In Finland, Raisioagro's optimised cattle feed range met the diverse needs of dairy farms, but cattle feed net sales were slightly down from the comparison period. Planned sales reduction of low-margin farming supplies, such as liquid fuels and fertilisers, continued.

Finland accounted for over 75 per cent, Russia almost 20 per cent and other markets some 5 per cent of Raisioagro's net sales. Russia's share of net sales grew by almost five percentage points as a result of increased exports.

Raisioagro's EBIT was EUR 4.2 (3.7) million, accounting for 3.3 (2.9) per cent of net sales. EBIT was primarily boosted by sharply increased fish feed exports to Russia. In the last quarter of 2017, cattle feed sales picked up and profitability improved.

Raisioagro continued its determined net working capital management. Net working capital further decreased by over 15 per cent, totalling EUR 4.9 (5.8) million. Raisioagro's average return on restricted capital increased to 14.7 (11.3) per cent as a result of decreased net working capital and improved profitability.

Key figures for Raisioagro

		2017	2016
Net sales	M€	126.3	126.6

Comparable EBIT	M€	4.2	3.7
Comparable EBIT	%	3.3	2.9
Items affecting comparability	M€	0.0	0.0
EBIT	M€	4.2	3.7
EBIT	%	3.3	2.9
Investments	M€	3.3	1.9
Net assets	M€	25.6	25.7

Business operations

The 2017 reviews for the Raisioagro Division's businesses through the links provided here.

[Cattle feeds](#)

[Fish feeds](#)

Cattle feeds

Main events in 2017

- Already 230 dairy farms within the Tuotostutka® milking robot monitoring at the end of 2017.
- The launches of Kestävää tuottavuutta (the Sustainable Productivity) concept promoting responsibility and Green feeds.
- Proagria's milk yield monitoring showed that with big cattles, Benemilk feeds are in use on the two best farm out of three.
- Sales in cattle feeds turned to growth at the end of 2017.
- Significant increase in the mineral export to Russia.

Financial review

In 2017, cattle feeds accounted for almost 60 per cent of Raisioagro's net sales of EUR 126.3 million. Finland is Raisioagro's largest market for cattle feeds and the company has a market share of some 35 per cent in the cattle feeds sold in Finland.

In terms of cattle feed sales, 2017 was twofold: sales decreased at the beginning of the year, but turned to growth in the autumn. There has been no significant change in the milk producer prices and the situation has increased feed producers' competitive bidding and focused the purchasing on more affordable feeds. In the last quarter of 2017, cattle feeds sales were up from the comparison year as a result of Raisioagro's feeding expertise, the product range adapted to farmers' needs and active new customer acquisition.

Added value for customers with Tuotostutka® milking robot monitoring

Raisioagro continued its strong investment in the development of digital services. Raisioagro's strong feeding expertise is used in the company's digital services that create added value for customers with solutions analysing the data generated by dairy farms.

The number of dairy farms in the Tuotostutka® milking robot monitoring continued to grow steadily and almost 230 farms used the service at the end of 2017. In practice, some 20,000 cows, or 7.5 per cent of Finnish dairy cows, are in the monitoring that helps analyse the yield and well-being of animals and optimise the feeding. Raisioagro is constantly developing new Tuotostutka features to facilitate the production monitoring and to analyse farm profitability.

Business operations

Sales declined in Maituri compound feeds and concentrates but increased in feeds used in milking robot feeding. For Melli minerals, sales were up in Finland and exports. Raisioagro was the first Finnish feed company that completely abandoned the use of soy in its cattle feeds.

Some six per cent of the Finnish dairy cows are fed with Benemilk feeds. They have established their position and the farms using Benemilk feeds are pleased with the added value received. Proagria's milk yield monitoring has shown that with big cattles the two best farms out of three used Benemilk feeds.

Raisioagro and Helsinki University conducted a study showing that a feed containing dehulled oat enhances the protein utilisation in cattle feeding. Based on the study, we developed Kestävää tuottavuutta (the Sustainable Productivity) concept promoting responsibility and launched Green feeds. Benemilk Green and Maituri Green feeds improve the protein utilisation and feed efficiency, and reduce methane formation. Kestävää tuottavuutta (The Sustainable Productivity) concept covers the whole lifecycle of a cow. The concept is based on even more accurate feeding and feed choices for different phases of production.

Together with a local reseller and a local dairy, Raisioagro built a cooperation model in Russia. The model is based on Raisioagro's strong feeding expertise and consultative sales. Feeding expertise is on growing demand in Russia since the country is developing its own dairy production and investing in it more than before. The most exported items were Melli minerals. Compared to other business operations, exports were low, but Raisioagro's feeding expertise, additional resources for exports and the location of Kouvola factory near the east board enable strong export growth also in future years.

The Sustainable Profitability concept promoting responsibility.

Raisioagro continues its investment in exports to Russia.

Fish feeds

Main events in 2017

- Weather conditions were ideal for fish farming during the review period.
- A 30 per cent increase in exports to Russia.
- Investment in value adding digital services continued. A new tool Kasvuluotain® launched for fish farmers.
- Benella Rainbow Trout fillet launched in Kesko's Pirkka Parhaat premium product line.
- Launch of the Benella White Fish.

Financial review

The share of fish feeds of Raisioagro's net sales of EUR 126.3 million increased to about 25 per cent. The key markets for fish feeds are Northwest Russia and Finland. Almost two thirds of fish feed volume was from exports.

2017 was a record year for Raisioaqua; weather conditions for fish farming were excellent and we were able to meet the growing demand because of the new fish feed line. Exports to Russia increased by almost 30 per cent while in Finland, sales were slightly down from the comparison year.

*Benella White Fish
available in Finland.*

Added value for customers with Kasvuluotain®

Raisioaqua continued its strong investment in the development of digital services. Raisioaqua's strong feeding expertise is used in the company's digital services that create added value for customers with solutions analysing the data generated by fish farmers.

Kasvuluotain® tool was developed for fish farmers to make their everyday life easier. The tool was introduced in 2017. Kasvuluotain enables the optimisation of fish feeding and minimises the entry of nutrients into waterways as the application makes fish growth monitoring and feed dosing easier. Kasvuluotain is already in use at several fish farms.

Business operations

In January 2017, the Nordic Council of Ministers put the Benella fish, based on Raisioaqua's feed innovation, on its 25 Nordic pioneer list. The selection was based on innovativeness, sustainable development and a new business model giving the fish farmers a permission to use the Benella brand. In December 2017, Sitra put Benella fish on its list of the most interesting Finnish companies and products in the circular economy.

In Finland, Benella's success continued and Kesko launched Benella Rainbow Trout fillet in its Pirkka Parhaat premium line. Benella White Fish was launched in the autumn. In addition, the Benella concept was introduced in Russia and Sweden in 2017.

Raisioagro's fish feed business, Raisioaqua, continues its efforts to increase the Benella fish awareness and Benella product range. Benella is fresh, healthy and responsibly farmed fish from Finland.

Read more www.benellakala.fi

Sitra put Benella fish on its list of the most interesting circular economy companies.

Corporate responsibility

Responsibility contributes to the achievement of Raisio's strategic goals. For us, responsibility means particularly the development of the sustainable food chain, healthy food, and occupational safety and well-being. In 2017, we continued the determined implementation of our responsibility programme.

We achieved significant results in 2017: carbon dioxide emissions decreased by 45 per cent, healthy foods now account for 65 per cent of our product range and we engaged our suppliers to the revised Group Code of Conduct.

Responsibility at the core of Raisio

Raisio Group is an international food and feed company focusing on well-being and profitable growth. Raisio's business includes healthy and responsible branded products. Responsible approach and respect for social and environmental impacts are an important part of Raisio's activities.

Raisio's mission is the basis of the responsibility work: *Raisio makes the world a better place.*

Raisio develops its operations to become increasingly responsible. Expectations of stakeholders significant to the company operations guide this development work. Responsibility work promotes Raisio's strategic objectives and business operations.

[More about Raisio's strategy.](#)

Management of responsibility risks

Raisio has identified risks related to responsibility and assesses them systematically and regularly. The responsibility risk assessment is updated annually.

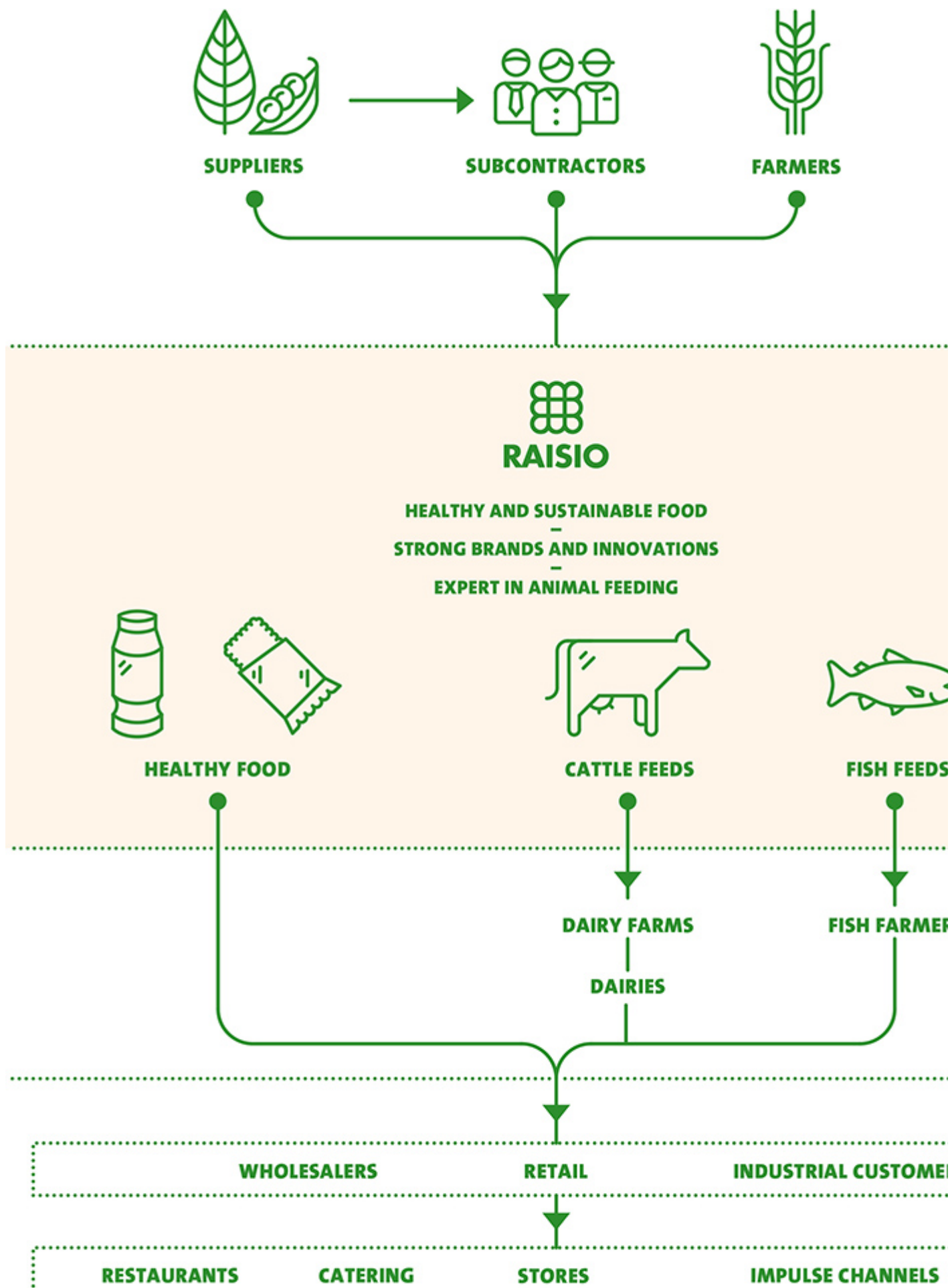
Climate change is the Group's most significant environmental risk. Changing climate may affect energy prices and farming conditions as well as the availability and prices of agricultural raw materials used by Raisio. For climate change mitigation, Raisio aims to reduce carbon dioxide emissions and to start using renewable energy whenever economically viable.

The risk survey showed that human rights risks in Raisio's operations are related to the supply chain and to the primary production of certain raw materials, such as soy, palm oil and cocoa. In terms of these raw materials, Raisio has already switched or is switching to the use of responsibility certified raw materials only. Soy, palm oil and cocoa together account for about 2 per cent of all raw materials used at Raisio.

Healthy food is one of the cornerstones of Raisio's strategy and responsibility work. Consumers are overwhelmed by conflicting food information, which may cause uncertainty about healthy choices. In its product development, Raisio consistently complies with generally accepted principles on healthy food confirmed by the food science.

As for social and personnel matters, Raisio considers workplace accidents and the availability of skilled workers as its major risks. Risks are managed by actively monitoring, for example, the number of workplace accidents, personnel turnover and personnel survey results as well as by taking measures based on the results.

Diverse value chain





Raisio's value chain extends from the primary production of food to consumers. The company's opportunity to influence and way of interacting in different parts of the value chain vary. Raisio's ability and willingness to develop responsible foods and feeds promote the sustainable food chain.

Raisio affects the beginning of the value chain, i.e., suppliers, by following its responsible procurement principles. Raisio expects its suppliers to commit to the Supplier Code of Conduct concerning, for example, environmental responsibility, working conditions in line with international regulations, prohibition of child and forced labour, and anti-discrimination. [Raisio's procurement responsibility is described in more detailed here.](#)

Some of Raisio's branded products are manufactured by subcontractors who are required to follow Raisio's operating and production practices. Raisio works closely together with the subcontractors and the agreements specify, for example, the quality requirements of raw materials used.

Raisio purchases the grain from suppliers near its production facilities. Almost all Raisio's grain products are made in Finland, and some 95 per cent of the grain is Finnish. Raisio's contract farmers commit themselves to adopt environmentally-friendly farming practices.

Understanding consumer needs and eating habits plays the key role in the development of the product range. Raisio is constantly examining changing consumer needs and behaviour. This way, Raisio can provide retailers with interesting and reliable branded products in line with consumer wishes. The company also invests in its brands to keep them commercially interesting. Trade organisations, catering companies and industrial customers set us criteria regarding the product responsibility and require reporting of responsibility issues.

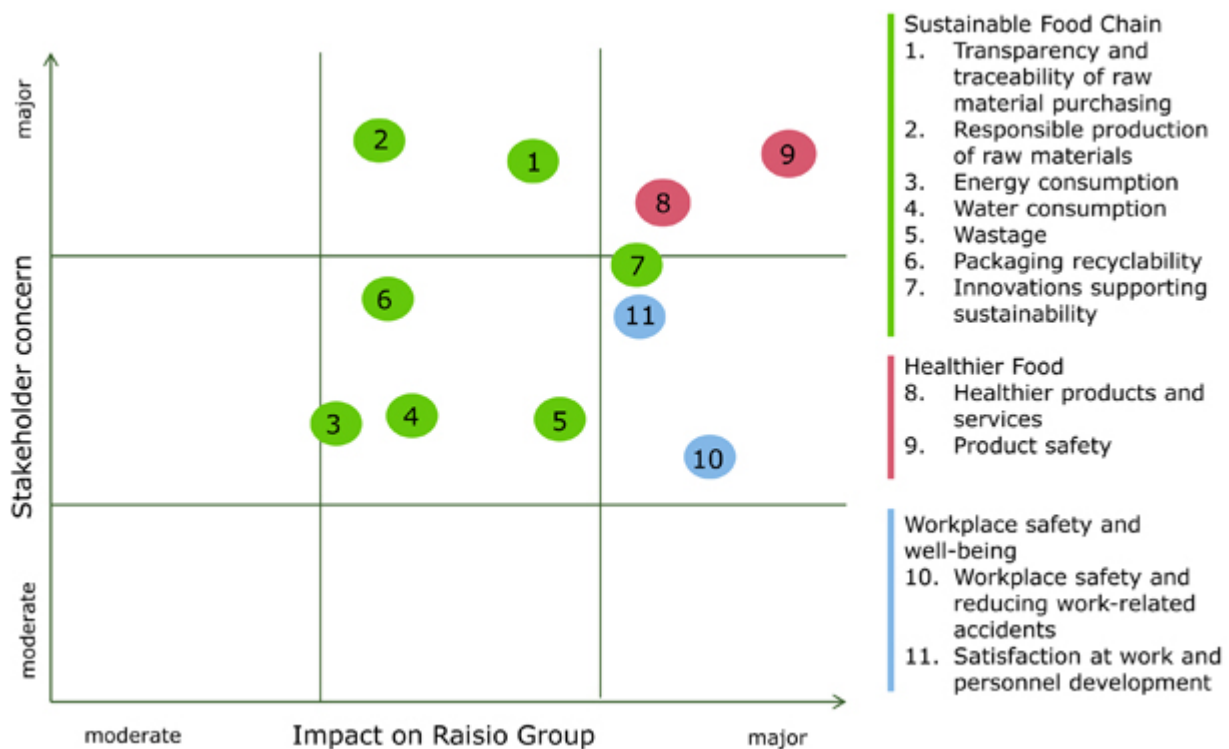
At the higher end of the consumer products value chain, Raisio influences consumers communicatively, for example, through nutritional guidance, environmental labels, recipes and tips how to use the products. Raisio is engaged in a continuous dialogue with consumers in social media and customer service channels, among other things. Consumers are interested in the responsibility of Raisio's brands, for example, the origin of raw materials.

Raisio influences dairy and fish chains by providing producers feeds promoting profitable and sustainable agriculture. Raisio's feeding solutions improve the yields and affect the animal welfare. Innovations related to the farmed fish feeding have significantly reduced the environmental impact of the fish chain.

Raisio plc's shares are listed on NASDAQ OMX Helsinki Ltd. The company has over 39,000 shareholders and about 400 employees. Raisio operates in 11 countries and has production plants in four towns in Finland.

Raisio divested its confectionery business to Valeo Foods Ltd on 29 December 2017. The divested confectionery business included six UK and Czech production plants with some 1,000 employees. In the Corporate Responsibility Report, we report the results and key figures of Raisio's continuing operations only.

Materiality Assessment shows the key responsibility themes



Based on the views of the businesses and stakeholders, key responsibility aspects were identified and prioritised, and grouped in the matrix below. Material aspects concern the entire Raisio Group. Raisio's Materiality Assessment guides the company's responsibility work and reporting. This Materiality Assessment was prepared in 2015 and it forms the basis for Raisio's current responsibility programme for the period 2016-2018. The responsibility programme sets targets for promoting the themes considered important by the stakeholders.

In the autumn of 2017, Raisio conducted an extensive stakeholder questionnaire in order to further develop its responsibility. A total of 1,400 consumers, customers, employees and investors filled in the questionnaire. Based on the questionnaire, Raisio prepared a new Materiality Assessment, which will be used to prepare the company's new responsibility programme during 2018.

Target-oriented Responsibility Programme

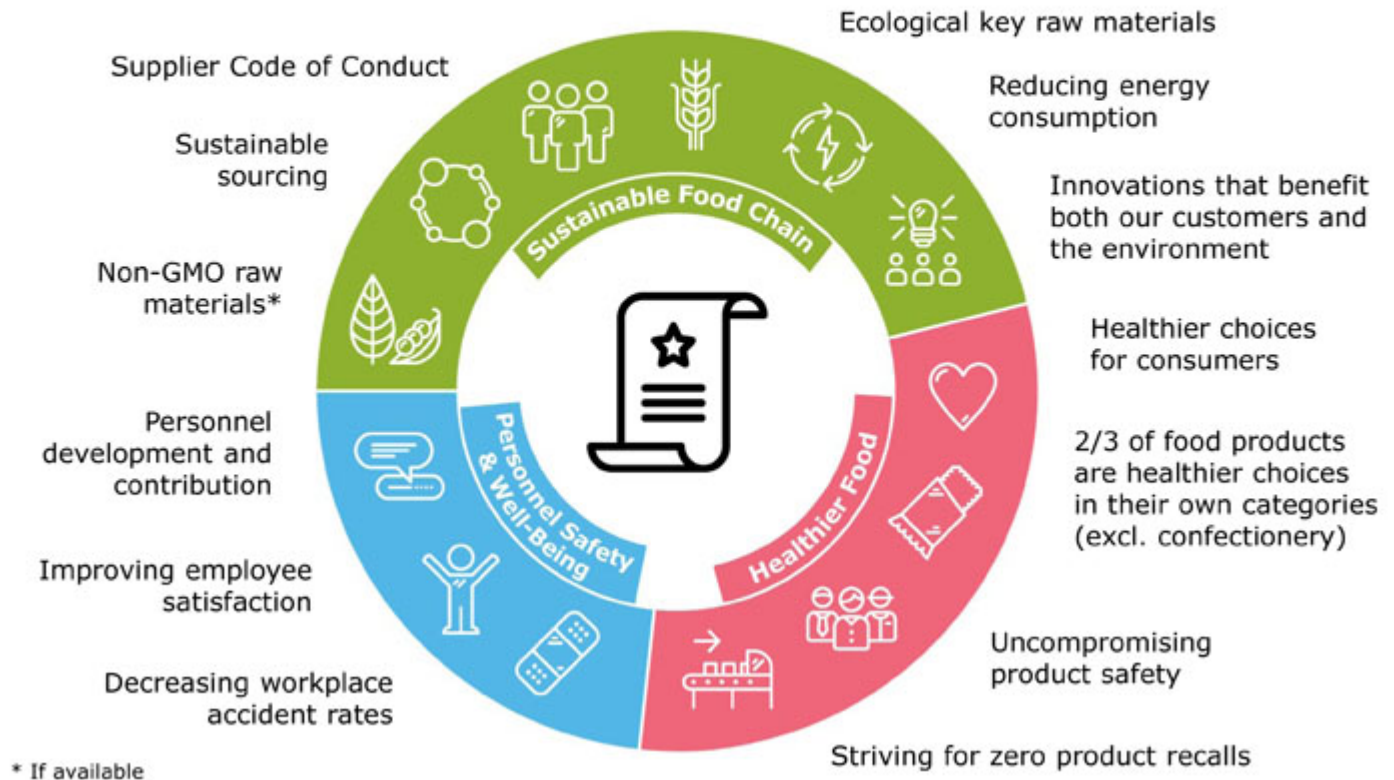
Raisio's Responsibility Programme for 2016 – 2018 sets objectives and indicators for the selected, material sustainability themes. In 2017, Raisio determinedly promoted the targets of the responsibility programme throughout the Group.

Objectives of the Responsibility Programme support the implementation of Raisio's business strategy. Responsibility Programme is a practical tool to be used in Raisio's responsibility work: it sets targets and indicators for important responsibility themes to the company management and personnel. All businesses are committed to the implementation of the programme.

The Group's Responsibility Programme has three themes that are material to every business. To promote these themes, concrete goals and indicators were determined to monitor the progress.

Raisio's Responsibility Programme supports the business strategy and is focused on material responsibility issues. Key parts of Raisio's value chain are matters related to responsible raw material procurement, environmental responsibility, and health and safety at work. Since these themes were also highlighted in Raisio's Materiality Assessment, they are also the key themes of our Responsibility Programme.

Raisio's corporate responsibility programme 2016 - 2018



Key themes in Raisio's Responsibility Programme

Sustainable food chain

- Ethical and environmental aspects are related to the raw material procurement. The management of these aspects is material to Raisio. In addition, Raisio aims to reduce the environmental impact of its production and affects the sustainability of milk production and fish farming through its feed innovations.

Healthier food

- Healthy food is at the core of Raisio's strategy and meaningful to consumers. Raisio never compromises on product safety.

Safety and well-being at work

- Safety and well-being of the personnel are of prime importance for Raisio. Committed personnel ensure the quality of products, the reliability of processes, and the ability to develop new products that interest consumers and customers.

Raisio has also identified other responsibility-related issues on which the company is actively working. The Responsibility Programme brings together all responsibility themes material to the whole Group. Raisio's focus is

on these themes 2016 - 2018.

For the second year priorities in the Responsibility Programme, we chose the development of responsible procurement, healthy foods and the personnel training on responsible practices. Part of the programme implementation is continuous work and quality assurance.

Objectives of Raisio Group's Responsibility Programme 2016-2018

The targets of Raisio's Responsibility Programme are under three material themes. The situation with our goals at the end of 2017 is presented below. In this Responsibility Report, we describe the progress of our Responsibility Programme in more detail.

Sustainable food chain 2016 – 2018

Objective	Status
We will further develop the responsible procurement of our key raw materials. Raw materials that we use the most include grains, particularly oats and wheat, and rapeseed.	Work underway
We require our suppliers to operate in accordance with the company's ethical guidelines (Supplier Code of Conduct).	75 per cent of the value of Raisio's raw materials was acquired from suppliers who had committed to the company's Code of Conduct in writing.
We require that the suppliers to complete a Supplier Self-Assessment Questionnaire at least every three years.	Work underway
We continue to purchase Proterra or RTRS certified soy.	Achieved
We are committed to the use of GMO free raw materials.	Achieved
We use only responsible palm oil. The responsibility of palm oil used in foods is improved by transferring to the use of physically traceable palm oil.	Work underway
We use only UTZ certified cocoa in our foods (excl. confectionery).	Work underway
We continue to reduce raw material purchases from risk countries.	Work underway
We will improve energy efficiency	Work underway

We will perform energy audits at all our production plants at least every two years.	Work underway
We will analyse material efficiency in terms of raw materials and other production inputs. We will decrease waste at our production plants.	Work underway
We will use recyclable materials in our product packages.	Work underway
We continue to develop and commercialise innovations that benefit the environment and our customers.	Work underway

Healthier food 2016 - 2018

Objective	Status
2/3 of our foods are healthier alternatives in their own categories.	65% of our foods are healthy
We will develop cattle and fish feed innovations promoting well-being of people and animals.	Work underway
We will maintain the BRC certification at our food sites.	Achieved
Raisioagro aims at an excellent recipe accuracy in its feeds.	Work underway
The number of product recalls will be zero.	Achieved

Safety and well-being at work 2016 – 2018

Objective	Status
Continuous reduction in the frequency of workplace accidents	Work underway
Continuous reduction in sickness absences	Work underway
Improved employee satisfaction	Work underway
Continuous development of employees and the scope of performance appraisals toward the target of 100 per cent.	The scope of performance appraisals was 91 per cent.

Responsible Code of Conduct and Policies

Promoting responsibility and responsible way of operating are part of each Raisio employee's work. Raisio's vision and strategy guide Raisio's responsibility work and its priorities are defined in our Materiality Assessment. In addition, Raisio follows principles and policies defining responsible practices.

Raisio Group Code of Conduct

Policy on quality, environment, health and safety

Raisio Group's Supplier Code of Conduct

Raisio Code of Conduct applies to all the Group's operations, employees, management as well as the Board of Directors and Supervisory Board. Raisio Code of Conduct guides our day-to-day work and sets a foundation for profitable and responsible operations.

Raisio is committed to the UN Global Compact sustainability initiative and its ten principles concerning human rights, labour practices, environment and corruption.

Raisio also has internal policies on anti-bribery and avoiding conflicts of interest.

Consultation related to the ethics and legality of operations

Our ethical code is defined in Raisio Code of Conduct and our employees are provided regular training on these issues. Online training on Raisio Code of Conduct for employees and management was completed at the end of 2017. The training is compulsory for all Raisio people and available in four languages. Staff in Finland was the first to take the new training.

Raisio employees have support in matters related to corporate ethics and legal compliance, primarily from their own superiors and the company's legal department.

Employees can report possible and suspected misconduct to the immediate superior or his/her superior.

Employees can also report their suspicions of misconduct using a separate e-mail address; all the reports are investigated with absolute confidentiality, taking into account the requirements of local legislation. Raisio has its a separate policy for reporting of misconduct.

Responsibility management model

The table below presents the roles and responsibilities in Raisio's responsibility work.

Board of Directors	Monitoring the implementation of responsibility and confirming the material themes.
Group Management Team	Confirming responsibility objectives. Dealing regularly with the progress of the Responsibility Programme and the Materiality Assessment.
Business Divisions	Organisation and implementation of practical measures related to the Corporate Responsibility.
Responsibility Working Group	Management and development of the Raisio Group's corporate responsibility work and related practices. Consulting and helping the businesses to develop their responsibility in line with Raisio's Responsibility Programme. Responsibility for the corporate responsibility reporting and communications

Continuous dialogue with stakeholders

Raisio is engaged in a continuous dialogue with its stakeholders. Based on this dialogue, the Materiality Assessment is reviewed annually. Continuous open interaction is a vital part of management, implementation and planning of Raisio's Corporate Responsibility.

The table below shows Raisio's key stakeholder groups and the ways we communicate with them. The groups selected to the Table have been identified in the workshops together with the businesses.

In the autumn 2017, Raisio conducted an extensive stakeholder survey; 1,400 consumers, customers, employees and investors filled in the questionnaire. The results of the survey provide a basis for our new Responsibility Programme, which will come into effect at the beginning of 2019.

STAKEHOLDER	WAY OF ENGAGEMENT
Personnel	Continuous and open interaction in the work community, performance appraisals, staff info, superior letters, intranet, opinion surveys, Cooperation Working Groups
Consumers	Consumer service, product demonstrators, Sunnuntai and Elovena Clubs, social media, brand websites and sustainability communications online, newsletters, advertising, consumer surveys
Customers (foods); e.g. retailers, wholesalers, bakeries and industry, catering, exports, partners	Direct customer contacts, websites, extranet, events, fairs and exhibitions, online store
Customers (Raisioagro) Livestock producers, dairy and fish farmers, farmers, Raisio's contract farmers	Direct contacts, events for producers and farmers, Contract Farmer Days, fairs and seminars, cruises for customers, websites, online store, customer magazines Agro- and AquaMakasiini, extranet
Owners	Meetings, events, annual general meeting, stock exchange releases and publications, annual report and corporate responsibility report, interim reports, websites
Institutional investors and analysts	Roadshows, meetings and events for investors, Capital Markets Day, stock exchange releases and publications, interim reports, annual report and corporate responsibility report

Financiers	Meetings, stock exchange releases, publications, financial statements, interim reports
Authorities	Meetings, influencing in organisations, Raisio's memberships
Subcontractors	Direct contacts, meetings, audits, Supplier Code of Conduct, Supplier Self-Audit
Partners	Direct contact, meetings
Suppliers	Direct contacts, meetings, audits, Supplier Code of Conduct, Supplier Self-Audit
Media	Direct contacts, meetings, interviews, press conferences, seminars, releases, social media, websites
Local communities	Events, company visits, websites, projects (e.g. Me & MyCity, Southwest Finland)
Schools and institutions	Sponsor schools, speaker visits, company visits, projects
Universities	Personal contacts, research cooperation, projects, cooperation through Raisio's Research Foundation
Organisations and memberships	Joint seminars and events, Raisio's representation and memberships in organisations, websites, cooperation with, e.g., WWF
Food, nutrition and health experts	Meetings, newsletters, brochures
Trade unions	Meetings, agreements, cooperation with other companies, development projects

Raisio's memberships of associations

Raisio plc or its subsidiaries are members of following associations:

- The Finnish Food and Drink Industries' Federation (ETL)
- ETS, Elintarviketieteiden Seura
- CLC, Climate Leadership Coalition
- FBTA, Finnish Business Travel Association
- FEFAC, European Feed Manufacturers' Federation
- Functional Foods Forum
- Gafta, The Grain & Feed Trade Association
- The National Emergency Supply Agency (NESA)
- ICC, International Chamber of Commerce
- International Plant Sterols and Stanols Association (IPSSA)
- Water Protection Association of Southwest Finland
- VYR, The Finnish Cereal Committee
- Pro Ruis ry
- RTY, The Association of Clinical and Public Health Nutritionists in Finland
- RTRS, Roundtable of Responsible Soy
- RSPO, Roundtable on Sustainable Palm Oil
- The Association for Finnish Work
- FACG, The Finnish Anti-Counterfeiting Group
- Finnish Fish Farmer's Association
- The Finnish Oat Association
- LOGY, The Finnish Association of Purchasing and Logistics
- The Scientific Agricultural Society of Finland
- The Finnish Packaging Association
- STY, The Finnish Association for Industrial Property Rights
- Turku Chamber of Commerce
- Turun Kauppa- ja Korkeakouluseura ry
- Ålands Fiskodlarförening rf



Work for the development of the responsibility of the entire supply chain

Raisio's products are made of responsibly produced raw materials. Sustainable raw material choices and the commitment of the supply chain to our Code of Conduct promote the responsibility of the whole food chain. In 2017, Raisio continued its long-term work to develop responsible procurement.

Main events in 2017

- Raisio's suppliers were committed to the company's revised Supplier Code of Conduct: 75 per cent of the value of Raisio's raw materials was acquired from suppliers who had committed to the company's Code of Conduct in writing.
- UTZ certified cocoa was introduced in the Elovena, Nalle, Sunnuntai and Provena products containing cocoa.
- Nokia Mill received the RSPO Supply Chain certificate for responsible palm oil.
- Raisio's cattle feeds are now soy-free.

In the development of responsible procurement, our key tools include engaging suppliers in the Raisio Supplier Code of Conduct, supplier audits, ensuring traceability and reducing purchases from risk countries. We report

raw materials for our own production as well as critical raw materials (palm oil, soy and cocoa) for subcontracted products.

Most of Raisio's raw materials are acquired from Northern and Central Europe. Raisio's most significant raw material group is grains. 95 per cent of our grains are acquired from Finland, mainly directly from farmers.

For the assessment of responsibility risks, we use the BSCI risk country classification that guides us to procure from low-risk countries. Due to availability, we procure a small part of our raw materials from countries with higher risk. We then operate with long-standing and reliable partners.

Long-term subcontractors manufacture part of Raisio's branded products. Our subcontractors are required to commit to Raisio Supplier Code of Conduct and the quality criteria for the product raw materials are defined in contracts. All Raisio's subcontractors operate in Europe.

We ensure responsibility with certifications

The production of palm oil, soy and cocoa involves social and environmental aspects, which is why Raisio has set goals related to the responsibility certification.

We only use RSPO certified responsible palm oil in our foods. The physically traceable (mass balance or segregated) palm oil accounted for some 60 per cent and RSPO Book & Claim certified palm oil for some 40 per cent. Our goal is to increase the use of traceable, certified palm oil. Last year, we managed to increase the palm oil used in biscuits to the mass balance level. Palm oil accounts for less than one per cent of Raisio's raw materials.

We use soy mainly for fish feeds and it accounts for about one per cent of all raw materials. All the soy used in our fish feeds is either ProTerra or RTRS certified. Our cattle feeds became soy-free in 2017.

We started to use UTZ certified cocoa in our Elovena, Nalle, Sunnuntai and Provena products. Responsibility certified cocoa is used, for example, in our Elovena Dark Chocolate snack biscuit, one of the most sold biscuits in Finland, in Elovena overnight porridges and Nalle chocolate semolina. Our goal is that cocoa used in all our branded products is certified by the end of 2018. Cocoa accounts for about 0.02 per cent of the raw materials in our branded products.

Origin of the fishmeal and oil used in fish feeds is always known and no endangered fish species are used in the manufacturing of these feeds. We primarily used fishmeal made of the Baltic herring and sprat. According to the Natural Resources Institute Finland, strong herring and sprat stocks in the Baltic Sea have been found to be sustainable, so the local feed production is not harmful to natural fish stocks.

Certified raw materials account for about two per cent of our raw materials; in addition to certified palm oil, soy and cocoa, they include organic grains. There are not comprehensive responsibility certifications available for all Raisio's raw materials. For example with grains, there are only organic certifications available.

Objectives for 2016-2018

- We will further develop the responsible procurement of our key raw materials. Raw materials that we use the most include grains, particularly oats and wheat, and rapeseed.

- We require our suppliers to operate in line with the company's Supplier Code of Conduct.
- We require that the suppliers complete a Supplier Self-Assessment Questionnaire at least every three years.
- We continue to purchase Proterra or RTRS certified soy.
- We are committed to the use of GMO free raw materials.
- We only use responsible palm oil. The responsibility of palm oil used in foods will be improved by transferring to the use of physically traceable palm oil.
- We only use UTZ certified cocoa.
- We will further decrease our raw material acquisitions from the countries classified as risk countries.



Sustainable production – smaller environmental impact

Raisio uses renewable raw materials in its products and develops its production in a sustainable way taking environmental impacts into account. The key goals of Raisio's environmental responsibility are the improvement of energy efficiency and reduction of carbon dioxide emissions.

Main events in 2017

- Significant investment in renewable energy: Raisio's own bioenergy plant completed in Raisio's industrial area in the summer 2017.
- The Group-level carbon dioxide emissions decreased by 45 per cent.
- Almost 70 per cent of the energy used at Raisio was carbon neutral.
- Raisio achieved its goal and no longer produces any landfill waste.
- Nearly 80,000 kilos of phosphorus and 400,000 kilos of nitrogen were removed from the Baltic Sea with fishmeal used in the Baltic Blend fish feeds.
- Sustainably produced Benella White Fish launched
- The Kestävää tuottavuutta (Sustainable Productivity) programme decreases environmental impacts of dairy farms.

In 2017, the Group's energy supply changed considerably when the new bioenergy plant was introduced in the Raisio industrial area. The impacts of the plant on Raisio's operations are extensive. The use of self-generated bioenergy reduces carbon dioxide emissions significantly, increases the share of renewable energy of the total energy use and reduces the amount of purchased energy.

Raisio's operations cause environmental impacts both through product manufacturing and throughout the life cycle of products. The carbon footprint label on about 20 product packages shows the size of these impacts. The environmentally friendly Baltic Blend fish feed and the Kestävää tuottavuutta (Sustainable Productivity) programme for dairy farms also lower the environmental impacts of the fish and milk production.

Raisio reports the environmental impacts arising from its production for continuing operations. In 2017, Raisio had six production plants, all in Finland. The confectionery business divested in December 2017 is treated as a discontinued operation.

Raisio operates in accordance with the rules and regulations. No significant environmental damages were identified in the Group's offices and the Group received no fines or sanctions for violations of environmental legislation in 2017.

Raisio's production plants are not located in protected areas or in areas of high biodiversity value, or in their immediate vicinity. All Raisio's production plants have the ISO 14001 environmental certification.

Goals for 2016-2018

- Improving the recyclability of product packaging.
- More efficient energy use.
- Reducing carbon dioxide emissions and favouring carbon neutral energy.
- Improving material efficiency.
- Continuing the development of innovations with benefits to the environment and customers.

Environmental impacts

Raw materials and material efficiency

Raisio uses only renewable raw materials in its products. To lower environmental impacts, the amount of loss and waste is reduced in a goal-oriented way. Some Material flows are recycled and used in the Group's businesses and 97 per cent of the waste is recyclable.

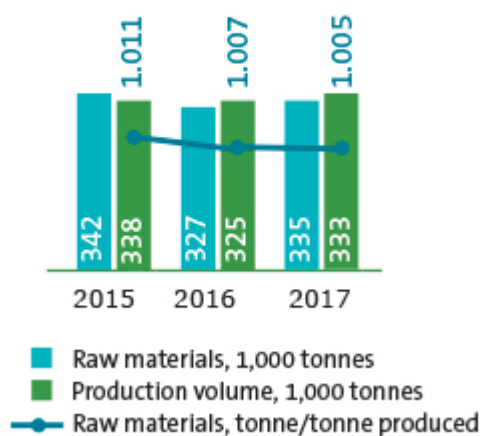
In 2017, Raisio's total production volume increased by 2.5 per cent and the use of materials around two per cent, which means that material efficiency slightly improved from last year.

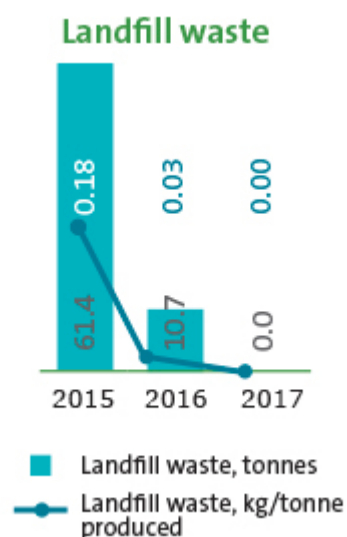
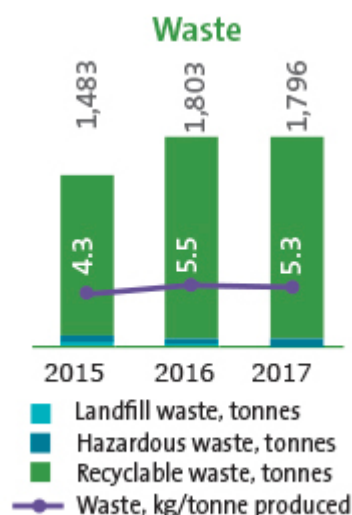
Scope of reporting: The Group's continuing operations 2015 - 2017. Water use for products is not included in the raw material quantities shown below.

Waste

Raisio has reduced the amount of landfill waste year by year. In 2017, the company achieved its long-term objective and got completely rid of landfill waste. Moreover, the amount of waste per tonne of product fell by nearly three per cent. The total amount of waste remained almost at the previous year's level. Most of Raisio's waste is recyclable.

Production, raw material use

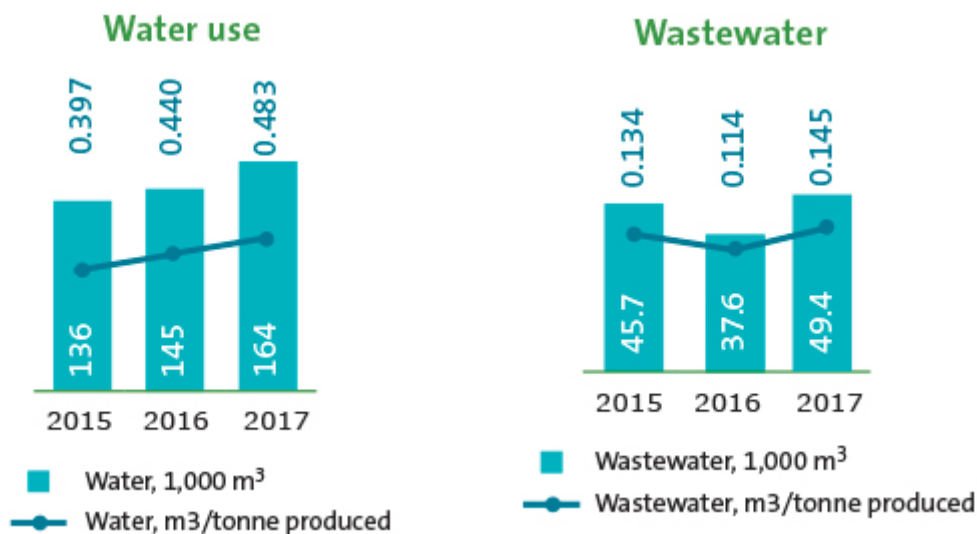




Water

At Raisio, water is used in the product manufacturing, industrial steam production, cooling stages and heating. Water use and the amounts of waste water are monitored and actively reduced.

In 2017, Raisio's water consumption was up from 2016, which was mainly due to the construction work of the bioenergy plant and test runs related to the plant introduction. The amount of waste water also increased due to the renovation and construction work related to the production line at the fish feed factory.



Energy

In 2017, the total energy consumption slightly decreased at Raisio in spite of the increase in the production volume. As a result, energy efficiency, which was already at a good level, improved by over three per cent on the previous year. As the bioenergy plant was introduced, self-generated energy accounted for 50 per cent of heat production and the share of renewable energy of the total consumption increased to some 30 per cent.

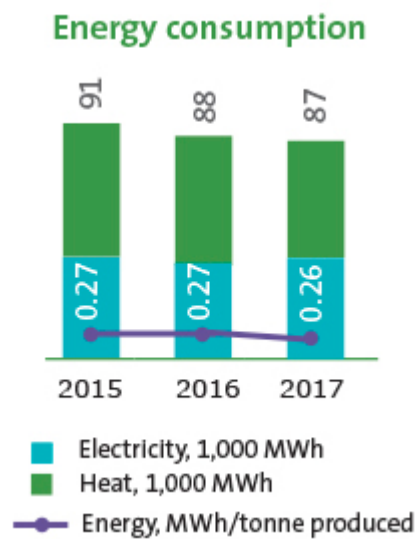
Raisio's electricity consumption totalled 39,000 (2016: 37,000 and 2015: 39,000) megawatt hours; the consumption increased by six per cent compared to 2016. The heat and steam consumption declined by about five per cent on the previous year, totalling some 48,000 (2016: 51,000 and 2015: 52,000) megawatt hours. Electricity purchased by Raisio is eco-labelled, which means that its production causes no carbon dioxide emissions.

During 2017, the share of carbon neutral energy of Raisio's total energy consumption increased to almost 70 per cent.

Energy efficiency

Raisio's objective is to continuously improve its energy efficiency. To achieve this, energy consumption is closely monitored. Raisio is also committed to the Finnish Energy Efficiency Agreement. To identify possible energy saving targets, energy audits were carried out at Raisio's production plants in 2017. As a result, the temperature in the production facilities was lowered. In addition, switching lighting to energy-efficient LED lights was continued in office and production premises.

All Raisio's electricity is purchased energy. The share of self-produced energy of the heat production is about 50 per cent.



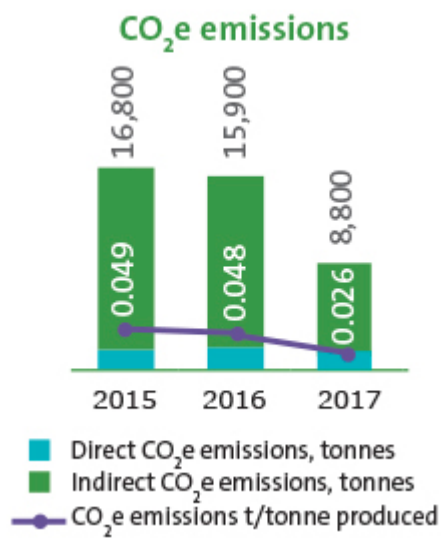
Emissions from energy production

Raisio reports the direct greenhouse gas emissions from its operations as well as indirect emissions from purchased energy as CO₂e values. CO₂e or carbon dioxide equivalent describes the total climate warming effect of all greenhouse gases.

In 2017, Raisio's carbon dioxide emissions totalled 8,800 (2016: 15,900 and 2015: 16,800) tonnes of CO₂e. The total emissions declined 45 per cent compared to previous year. Raisio's direct emissions from its own energy production were only 1,400 (2016: 1,600, 2015: 1,400) tonnes of CO₂e, or over 10 per cent less than in 2016.

Raisio's indirect carbon dioxide emissions from purchased energy were 7,400 (2016: 14,300, 2015: 15,400) tonnes of CO₂e, meaning a 45 per cent decline from 2016. Emissions generated in Raisio's production are calculated while for the purchased energy, emissions are defined as CO₂e values of emissions reported by suppliers.

With the bioenergy plant introduced, the share of carbon neutral energy increased to almost 70 per cent.





Food and feeds with renewable energy

In the summer 2017, Raisio Group took a big leap towards carbon neutrality when its new bioenergy was introduced in Raisio's industrial area. With the new plant, heat energy used in the production of plant stanol ester - Benecol product ingredient, Sunnuntai flours, Torino pastas and Baltic Blend fish feeds is generated sustainably with wood chips.

The value of the investment was approximately eight million euros. The construction of the bioenergy plant is part of the Group's goal to replace fossil fuels with renewable energy whenever it is ecologically and economically viable.

The 9.5 MW bioenergy plant uses an average of three truckloads of wood chips per day. The plant produces steam and district heating for Raisio's industrial area.

A significant reduction in carbon dioxide emissions

Shift to bioenergy has a significant impact on Raisio's carbon dioxide emissions. Industrial steam produced using fossil fuels is replaced with energy generated by the bioenergy plant. The investment saves approximately 7,500 tons of carbon dioxide annually equalling, for example, the average carbon footprint of some 700 Finns a year.

On the Group level, the completion of the bioenergy plant reduced the carbon dioxide emissions by about 45 per

cent in 2017. The more accurate overall impact on annual carbon dioxide emissions will be seen later when the plant has been in use for the whole calendar year.



Sustainable productivity for dairy farms

With the programme Kestävää Tuottavuutta (Sustainable Productivity) launched by Raisioagro in the autumn 2017, the productivity on dairy farms improves and environmental impact decreases. Carefully designed cattle feeding improves animal welfare, which leads to higher milk yield and improved feed efficiency. It also reduces methane formation and enhances nitrogen utilisation.

The Kestävää Tuottavuutta programme is based on more accurate cattle feeding and feed choices for different production stages. The programme covers the whole life cycle of a cow. It begins from the calf and heifer growth and continues throughout the milking period with optimised feeding and care. The aim is to improve the well-being of dairy cows and the amount of milk produced during their lifetime.

In 2017, the focus of Raisioagro's feeding guidance was on the calving period feeding. Hidden diseases during the calving period may take a large part of the production profitability, so the disease prevention is the basis for sustainable production.

With healthy cows, milk yield and feed efficiency are higher whereas the environmental impact of milk production is lower. Methane, nitrogen and phosphorus emissions per litre of milk decrease as a result of effective and accurate feeding.

Nitrogen and methane emissions lowered with Green feeds based on the oat

innovation

Green feeds with Finnish dehulled oat increase the milk production of cows. The Green feeds designed for the Kestävä Tuottavuus feeding programme enhance the efficiency of energy and protein in the cattle feeding, resulting in lower nitrogen and methane emissions. Oily fat of dehulled oat makes milk fat softer and reduces methane formation in the cow's rumen. Four to seven per cent less methane is generated per milk kilogram than before.



Well-being from healthy and tasty food

Healthy food is Raisio's core business. Cholesterol-lowering Benecol products and Elovena, Nalle and Provena wholemeal products make healthy eating easy and tasty. With our healthy products, we promote consumers' well-being in a natural way.

Main events in 2017

- 65 per cent (63 per cent in 2016) of Raisio's foods were healthy alternatives in their own categories, i.e they met Raisio's health criteria.
- Sugar levels were reduced in many Elovena instant porridges.
- New Benecol yogurt drinks with no added sugar were launched.
- The amount of salt was reduced in many products.
- In terms of flavours and colouring agents, we prefer natural alternatives.
- Sustainably farmed, healthy Benella White Fish was launched in the autumn 2017.
- Raisioagro's feeding programme Kestävää tuottavuutta (Sustainable Productivity) enhances the cow well-being.

Comprehensive healthiness

Instead of focusing on individual raw materials or nutrients, Raisio wants to emphasise the comprehensive

healthiness and flavour of the products. As we develop our healthy products, we pay special attention to the amount of wholemeal and fibre, the quality of fat and the amount of sugar and salt. Raisio has defined health criteria for each of its product categories; the criteria takes into account the essential health matters in each category. The limit values of nutrients are based in the expert group recommendations, such as The Heart Symbol and Nyckelhålet criteria.

Our goal is that 2/3 of our foods meet our health criteria by the end of 2018. We have been resolutely moving towards our goal by sharpening the recipes of our existing products and by launching healthy new products. In 2017, already 65 per cent of our foods were healthy alternatives in their own categories as the starting point was 61 per cent in 2015.

Consumers show a very strong interest in food and nutrition. Different, even conflicting, and frequently changing messages of what to eat may confuse consumers who want to eat healthy. With the product development, Raisio consistently complies with generally accepted principles on healthy food confirmed by the food science.

Health claims communicate reliability

Raisio's products have many EU-approved health claims that require strong scientific evidence of health benefits. In our marketing and labelling, we follow the EU guidelines on health and nutrition claims.

Cholesterol-lowering Benecol products are functional foods. EU has granted plant stanol ester, the Benecol product ingredient, a disease risk reduction health claim. According to the claim, plant stanol ester is proven to lower serum cholesterol levels. High cholesterol is a risk factor for coronary heart disease.

Benecol affects the heart health of millions of consumers. Its daily use effectively lowers serum cholesterol already in 2 - 3 weeks. In the UK, the biggest Benecol market, the products are used by some two million households. Benecol product marketing highlights the importance of a healthy lifestyle in cholesterol lowering.

Whole grains have several studied health benefits. For example, oat has three EU-approved health claims: it lowers blood cholesterol, reduces the increase of blood sugar after meals and promotes digestion. Raisio's grain products are known as Elovena, Nalle, Sunnuntai, Provena, Torino and Nordic products. Healthy whole grains contain natural vitamins, minerals, fibres and good fats. Together with the Turku and Helsinki Universities and Technical Research Centre of Finland (VTT), Raisio participates in a study further investigating the health effects and features of oats.

New products 2017

- Elovena snack ice cream contains sugar only moderately, just a bit of hard fat and plenty of wholegrain oats. The snack ice cream was awarded for the Innovation of the Year in the Itälehti's Golden Pepper competition.
- Elovena overnight porridge mix makes it easy to prepare the trendy overnight oatmeal.
- Oaty, low-sugar Nalle Strawberry-Cocoa Biscuit Muesli complements the Nalle product line promoting especially children's healthy diet.
- Benecol minidrinks with no added sugar are new products desired by consumers.

Cooperation with organisations

- Raisio cooperates with several organisations promoting heart health, such as European Atherosclerosis Society, Heart UK and Finnish Heart Association.
- Raisio and the Finnish Athletics Federation (SUL) continued their long-term cooperation in the children's nutrition and physical education. Elovena Power Days were organised in primary schools around Finland.
- Raisio continued its cooperation with WWF Finland aiming to make responsible consumer choices easier, ensure the environmentally responsible raw materials and promote sustainability of Finnish fish farming, among other things.
- With its Pink and Blue Bales campaign, Raisioagro raised a total of EUR 25,000 to the Breast Cancer Association Europa Donna Finland and Eturauhassyöpäyhdistys Propo ry. In the campaign, we sold pink and light blue bale wraps and part of the proceeds was donated to the support activities of the cancer associations.

Objectives for 2016-2018

- 2/3 of our foods are healthier alternatives in their own categories.
- We continue to reduce the amount of added sugar in our products.
- We will launch healthy foods that meet consumers' changing needs.
- We will develop cattle and fish feed innovations promoting well-being of people and animals.



Ensuring product safety is continuous work

Raisio does not compromise on product safety. Product safety is ensured in all stages of the supply chain from the product development and procurement to the production and distribution. The quality and safety of products are enhanced with certifications, audits, staff training and effective processes.

Main events in 2017

- At the production plants, several external and internal audits were conducted related to the certification, product quality and traceability of raw materials.
- The quality of the supply chain was ensured through several supplier audits.
- The quality of Raisio's products remained at an excellent level and no public recalls were made.

Raisio aims to produce safe products of high-quality so that product recalls are not necessary. However, if a product quality problem is detected, the recall is made without delay and reasons leading to the situation are examined carefully.

Certifications of Raisio's production sites

- Quality management system ISO 9001
- Environmental management system ISO 14001

- The BRC certification (level AA) of product safety and quality at the food production plants
- Organic production certificate at the food production plants
- Kosher certificate at the food production plants
- Kosher and halal certificates in the Benecol ingredient production

Certifications and quality systems support the safety of production. The systems ensure, for example, the functionality of our traceability processes.

Objectives for 2016-2018

- BRC certification of at least level A at the food production plants
- Development of Raisioagro's recipe accuracy
- The number of public recalls will be zero



No added sugar in new Benecol minidrinks

Minidrinks have long been the most popular Benecol products. They provide the consumers a convenient way to get their daily dose of cholesterol-lowering plant stanol ester. In 2017, the range of Benecol minidrinks was expanded with new products with no added sugar.

Raisio studied the consumer segments of cholesterol-lowering products in 2017. The study showed that consumers are interested in healthy lifestyles, and want to have easy solutions for cholesterol lowering. Healthy diet is an essential part of the promotion of heart health and in addition, many consumers try to reduce the amount of added sugar in their diets.

Understanding the changes in eating habits has a key role in the development of Benecol products. Strong popularity of convenient Benecol minidrinks continued and new alternatives containing sugar only from fruit and milk diversify the range and respond well to consumer demand.

In addition to familiar flavours, three new products with no added sugar were launched at the end of 2017. The products were first available in the UK and will be launched in other markets at the beginning of 2018. Consumers have welcomed the new products and Benecol has also got new users thanks to the novelties.



Healthy, convenient porridges to meet consumer wishes

Porridge is not just for breakfast anymore. It is increasingly eaten as a snack and for lunch. Instant and overnight oats have diversified the range and uses of oatmeals. In 2017, Raisio sold flakes and instant oats for almost 450 million porridge bowls.

Wholegrain oats are naturally rich in fibre, vitamins and minerals. The easiest way to enjoy the health benefits of oats is to eat porridge. The success of porridges is linked to their naturalness and to the growing number of consumers interested in wellbeing.

Sugar content reduced in instant oatmeals

Two-thirds of the Elovena instant oats have the Finnish Heart Symbol indicating that the products are a healthier choice. To meet the consumer wish, we have reduced the amount of sugar in four of our Elovena instant oats. These flavoured porridges contain natural sugar that comes from oatmeal and from fruit and berries.

Breakthrough for overnight porridges in 2017

No-cook overnight porridges increased their popularity. As it is eaten cold, prepare your oatmeal in the fridge the night before and it will be ready to enjoy next morning. Overnight porridge is mostly made of oat flakes, berries and yoghurt or quark.

Raisio launched Elovena Overnight Oats Mixes in the spring 2017. With these products, making overnight porridge is even easier as berries and fruits are included in the mix. These porridges come in two flavours: cranberry-coconut and orange-ginger. This novelty made overnight porridge better known and attracted new porridge eaters.



Raisio's personnel 2017

In 2017, Raisio continued to focus on the foods and feeds promoting well-being. Competent personnel make change and success possible. More than half of Raisio's employees have a university degree and the competence is continuously developed according to the business needs.

Main events in 2017

- At the end of 2017, the Raisio Group employed 399 people (1,405 in 2016).
- The decrease in the number of employees is mainly due to the divestment of Raisio's confectionery business in December 2017. Some 1,000 employees were transferred to the new owner with the business.
- The online training on the Raisio Code of Conduct was launched for all Raisio employees at the end of 2017. Staff in Finland was the first to take the new training.

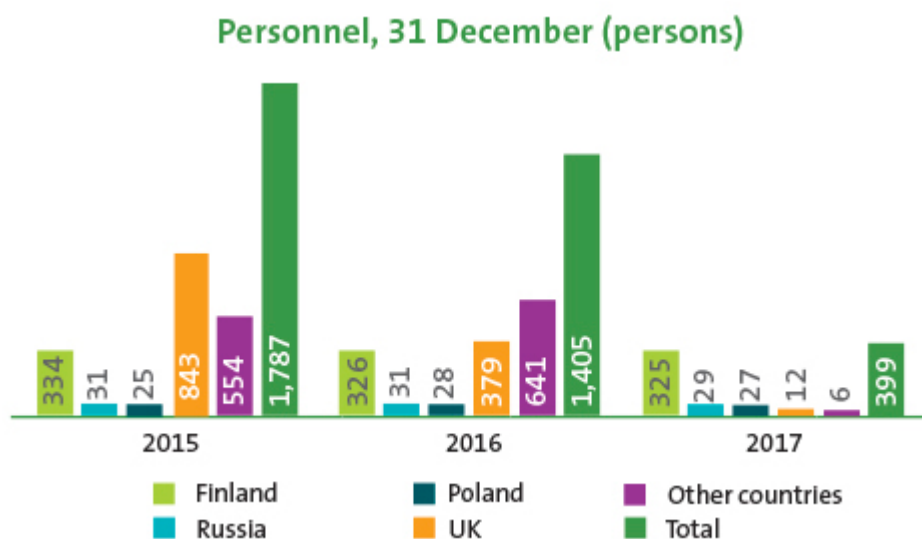
The structure of Raisio's personnel changed significantly as a result of the confectionery business divestment. Most of confectionery business employees worked in the production. Raisio employees are now even more educated; for example, the relative share of people with a university degree increased by 31 percentage points and the share of secondary school graduates and employees with comprehensive school background decreased by 19 percentage points. High level of education promotes Raisio's strategic goal to grow profitably.

According to the Raisio Code of Conduct, the Group complies with the regulations of the International Labour Organization (ILO) and with local collective agreements, regulations and laws related to work in the countries where the company operates.

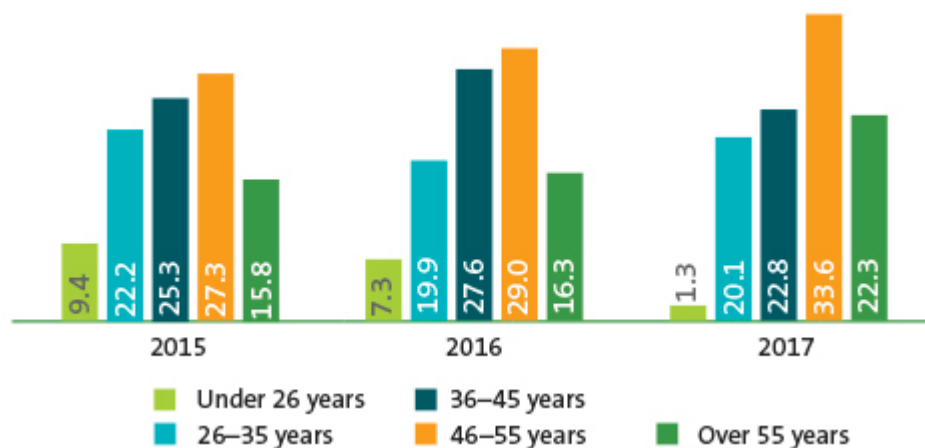
As for social and personnel matters, Raisio considers workplace accidents and the availability of skilled employees matching the company needs as its major risks. Risks are managed by actively monitoring, for example, the number of workplace accidents, personnel turnover and personnel survey results as well as by taking measures based on the results.

Raisio regularly reviews market salaries in order to maintain its competitiveness. Raisio's wages and fees in continuing operations in 2017 totalled EUR 28.9 million (50.6 million including also discontinued operations) including other personnel expenses. The ratio of CEO's pay to that of the average worker in continuing operations was 10:1. Out of the total personnel, some 50% are covered by collective agreements.

The figures in the graphs below also include Raisio's discontinued operations, such as the confectionery business divested in December 2017.



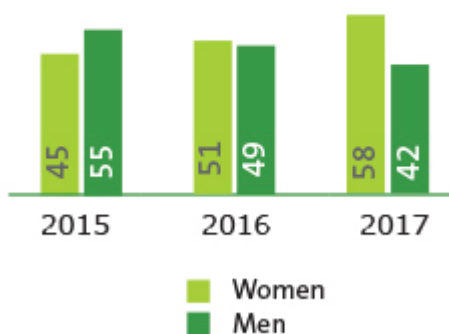
Age distribution of personnel (%)



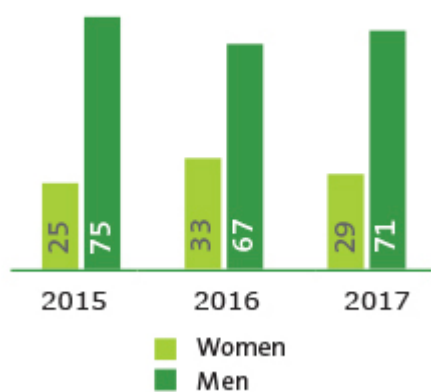
Personnel by countries (%)



Gender distribution of personnel (%)



Gender distribution in group management team



Average age of personnel (years)



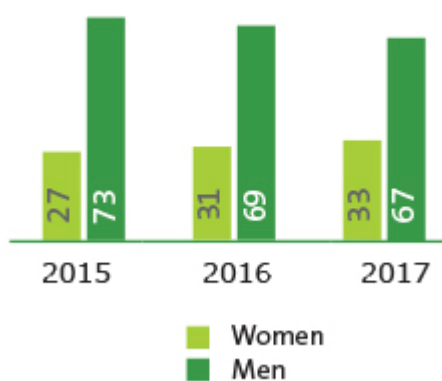
The average age of Raisio Group personnel is 46 years.

Number of employees by business (%)

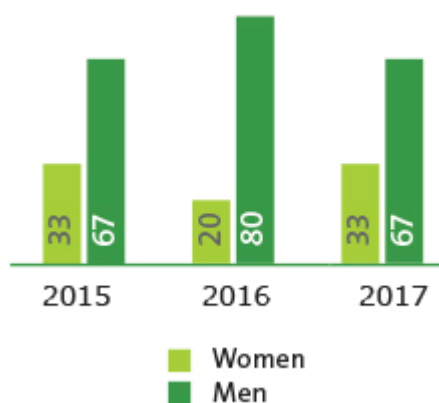


Brands 60%
Raisioagro 25%
Service functions 15%
Total 399 persons

Gender distribution in managerial positions (%)



Gender distribution in Board of Directors (%)

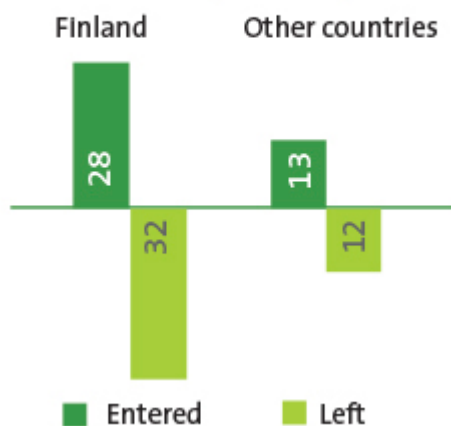


Average age of personnel by gender (years)



The average age of women working for Raisio Group is 45.9 and that of men is 46.1 years.

Personnel turnover 2017 (persons)





Well-being at work and competence development

We take care of employee well-being by focusing on good leadership and supervisory work, on effective interaction and internal communications, and by promoting a trusting work environment. We prepared development plans based on the personnel survey conducted in the autumn. We continuously develop personnel competence with the annual HR reviews.

Main events in 2017

- Based on the personnel survey, we prepared development plans to further develop well-being at work for 2018.
- Well-being at work was promoted with various events and trainings.
- In the competence development, in addition to occupational training, we focused on employee well-being, digitalisation, data security, nutrition and development of superior work.
- The Group spent EUR 387,000 (2016: EUR 420,000) on the training of its employees. Employees were also provided with several internal training events.
- The scope of performance appraisals was 91 per cent.

Development through personnel survey

We carried out a renewed employee survey in the autumn 2017. The results showed that Raisio's employee satisfaction is at good levels. Our employees were particularly satisfied with the content of their work, their teams, and superior work. Based on the results, the units prepared development plans, which will be implemented during 2018.

Especially smooth everyday work, good work atmosphere and cooperation affect the work satisfaction. We also promoted work well-being by organising various staff events. On Valentine's Day, employees were encouraged to give positive feedback to their workmates. In the autumn, we participated in the event Unelmien työviikko; employees were offered, for example, factory rounds and well-being lectures. The UK Benecol team participated in charity events, such as Heart UK's walking event.

With our Age Programme, we want to support the well-being of older workers and their career extension. Last year, we promoted Raisio employees of over 55 years with the Terveenä eläkkeelle programme including, for example, personal physical examinations, keep-fit classes and gym exercises.

Versatile competence promotion

We develop our employees' competence annually based on the business needs, assessment of personnel resources and personnel survey. In addition, we agree on personal development plans in the performance appraisals.

In 2017, we organised staff training on, for example, digitalisation, work well-being, communication and interaction skills, innovation activities, data security, nutrition and development of superior work. Remote connections allowed broad participation. In Finland, Raisio's superiors and experts together with participants from other companies attended the Future Excellence training focusing on the business management and development.

Sales staff in Finland and Poland implemented together a Retail Clinic where they developed good practices for cooperation with retailers.

In Finland, Raisio's cooperation with schools and institutes continued in the form of practical training periods and final projects, particularly among students working in the ordering and supply chain. In addition, Raisio continued as a partner in the sixth graders' Me & MyCity project and started cooperation also with the ninth graders.

Objectives for 2016-2018

- Improved employee satisfaction
- Continuous development of employees' competence
- Development of superior and workplace skills
- The scope of performance appraisals toward the target of 100 per cent

The figures in the graphs below include Raisio's continuing operations only.

Number of permanent and fixed-term employment relationships



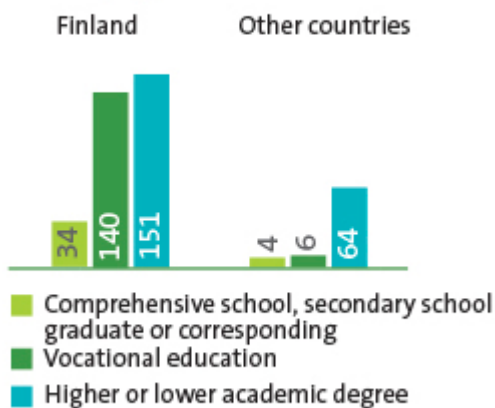
97% of Raisio's employment relationships are permanent and 3% of fixed-term nature.

Number of full-time and part-time employment relationships

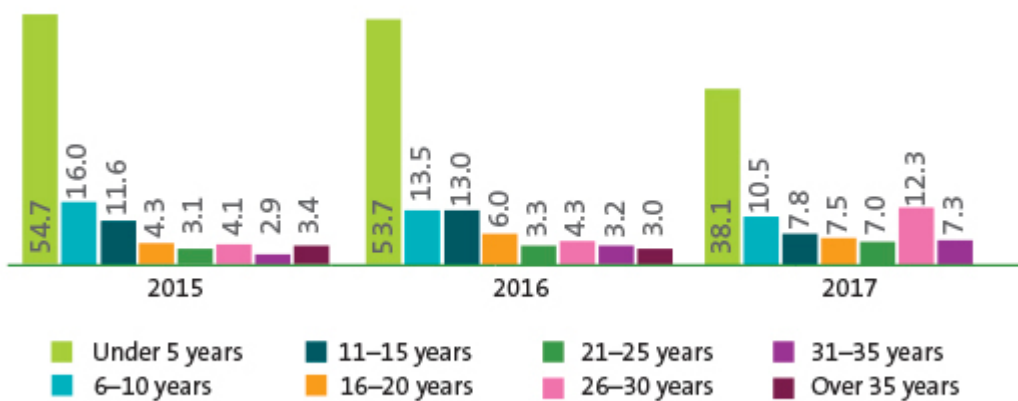


95% Raisio's employment relationships are full-time and 5% are part-time nature.

Employees' education



Lengths of employment relationships (%)



The average length of employment is 15.6 years.



Safety at work and reduction of accidents

We are committed to the active development of safety at work. Accident prevention is the priority in our safety work. During 2017, we harmonised our safety practices and developed our safety culture.

Main events in 2017

- The Group's safety practices were harmonised.
- A new system was introduced in the accident reporting.
- Work safety remained at a good level. The figures of Raisio's workplace accidents and sickness absences are significantly lower than the Finnish food industry average.
- With sickness absences, we moved to the self-certification practice.

We make annual action plans to improve workplace safety. Raisio has established safety organisations. In addition, we conduct occupational health and safety inspections and rounds, and investigate each accident in accordance with our guidelines.

In 2017, we encouraged the staff also to report positive safety observations and near miss cases. [More information about the safety project started in 2017 here.](#)

Raisio started the use of self-certification practice with short sickness absences at the beginning of 2017. If an

employee is suddenly taken ill and the sickness does not require medical appointment, a phone call to the superior is sufficient and the employee can start his/her sick leave. With the phone call, an employee is allowed to stay at home one day at a time but not more than three days. We have received positive feedback from our employees and superiors on this practice. The self-certification practice is now also experimented with the sickness cases of children under 10 years of age. The Group's average number of sickness absences amounted to 2.8 per cent of theoretical working time, which was almost at the last year's level for the continuing operations.

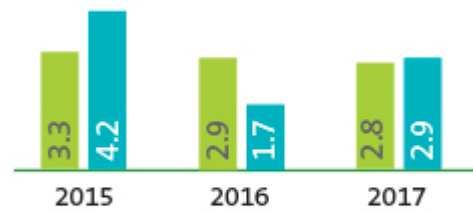
Objectives for 2016-2018

- Continuous reduction in the frequency of workplace accidents
- Ensuring uniform reporting of occupational accidents
- Continuous reduction in sickness absences

The figures in the graphs below include Raisio's continuing operations only.



Absences due to illness of theoretical working hours (%)



■ Finland ■ Other countries

Employees' absence due to illness on average in 2017 was 2.8%.



Accident prevention as the priority in Raisio's safety work

In 2017, Raisio Group started to harmonise and develop its workplace safety culture. The aim was to standardise safety practices and to emphasise the importance of preventive safety work. Safe working environment is of paramount importance for all Raisio's employees. Our staff are encouraged to pay attention to accident prevention, for example, by making safety observations and by reporting near miss incidents.

The safety project launched in 2017 has increased the employee awareness of safety matters. Already making the issue visible improves safety and reduces accidents. Uniform procedures concerning the whole Group help identify targets for development and build on what is already good. They also make the implementation of good practices easier in all units.

Attention to good practices

Raisio's safety terminology was harmonised. We introduced the concept of positive safety observations referring to safety-enhancing actions or matters already in order, such as workplace cleanliness or exemplary use of personal protective equipment. In the future, Raisio will be also monitoring good practices related to safety.

For safety development and accident monitoring, Raisio introduced a new safety system to record all accidents and safety observations. The system was already launched in Finland January 2018.

As an important part of its safety culture development, Raisio started safety training for all its employees at the

Raisio Annual Review / Työturvallisuus ja -hyvinvointi / Case: Turvallisuustyön painopisteenä tapaturmien ennaltaehkäisy

— end of 2017. The training will be continued in 2018.



Boosting employee satisfaction with common efforts

Raisio is experimenting with new operating models to promote employee well-being in the workplace. A group called A Great Workplace started in the spring 2017 in Raisio's Healthy Food business. The inspired group has come up with new ideas and already implemented several improvements. Employee satisfaction of the Healthy Food business was found to be the best within the Group.

To improve job satisfaction, the Great Workplace group members first surveyed the staff's wishes. Superior work, internal cooperation and competence development were chosen as priorities for the development work.

Forward with solution-focused approach

The Great Workplace group found many solutions that could be immediately implemented. Information flow practices were speeded up and allocated to superiors, function presentations were started in connection of staff meetings, and opportunity for distant participation was improved.

Raisio's employees are interested in health and well-being. The company has supported employees' spare time activities with, for example, Sport and Culture Vouchers. Team Elovena has attended various competitions, such as Venla Relay, FightBackRun and Ruissalojuoksut events. In addition, Raisio people participated in Unelmien työpäivä (A Workday of your Dreams) event in the autumn 2017.

Many small acts as well as changes in common practices have increased our employees' well-being. For example, we have been encouraged to give feedback and to make better use of the feedback. In addition, we have clarified common ground rules, strengthened internal recruitment, and organised trainings on employee well-being.

The Great Workplace group members also reminded us all about the importance of giving thanks. We have now, all together, celebrated our achievements and positive outcomes.

Financial responsibility

Information about Raisio's financial performance:

[Raisio's financial review](#)

[Raisio's Financial Statements 2017](#)

Reporting period and the scope of reporting

Raisio reports on its corporate responsibility performance as a Group and the reporting covers all the Group's continuing operations. The Group's boundaries include the parent company, Raisio plc, its subsidiaries and the subsidiaries owned by them that are listed in the notes to the financial statements. Key figures concerning food industry are reported without Raisioagro. Any deviations in the boundary are reported in connection with the key figures.

Raisio's Corporate Responsibility Report includes the effects of the Group's own operations. We report on corporate responsibility once a year in connection with the Annual Report. This report concerns the financial period of 2017. Raisio's previous Corporate Responsibility Report was published in March 2017.

Raisio plc's headquarters is located in Raisio, Finland.

Contact information

Please send your inquiries regarding the Corporate Responsibility Report at [communications \(at\) raisio.com](mailto:communications@raisio.com).

GRI index

Raisio's Corporate Responsibility Report complies with the Global Reporting Initiative GRI Standards for core-level reporting. The report has not been assured by a third-party.

CODE	GRI CONTENT	LOCATION	FURTHER INFORMATION	UN GLOBAL COMPACT
	Organisation profile			
102-1	Name of the reporting organisation	Scope of reporting		
102-2	Primary brands, products and service	Benecol Healthy Food Raisioagro		
102-3	Location of the organisation's headquarters	Scope of reporting		
102-4	The countries where the organisation operates	Benecol Healthy Food Raisioagro		
102-5	Nature of ownership and legal form	Corporate governance		
102-6	Markets served	Benecol Healthy Food Raisioagro		
102-7	Scale of the organisation	Financial Statements		
102-8	Information on employees and other workers	Personnel		
102-9	Supply chain	Diverse value chain		
102-10	Significant changes to the organisation and its supply chain	Financial Statements		
102-11	Precautionary principle or approach	Risk management		
102-12	External initiatives	Code of Conduct and policies		
102-13	Memberships of associations	Memberships of associations		
	Strategy			

102-14	Statement from the senior decision-maker	Chief Executive's review		x
102-15	Key impacts, risks and opportunities	Responsibility management Diverse value chain		
	Ethics and integrity			
102-16	Values, principles, standards and norms of behaviour	Code of Conduct and policies		x
102-17	Mechanisms for advice and concerns about ethics	Code of Conduct and policies		x
	Governance			
102-18	Governance structure	Corporate governance Responsibility management model		
102-19	Delegating authority	Corporate governance Responsibility management model		
102-20	Executive-level responsibility for economic, environmental and social topics	Responsibility management model		
102-21	Consulting stakeholders	Continuous dialogue with stakeholders		
102-22	Composition of the highest governance body	Board of Directors		
102-23	Chair of the highest governance body	Board of Directors		
102-24	Nominating and selecting the highest governance body	Corporate Governance Statement		
102-25	Conflicts of interest	Corporate Governance Statement		
102-26	Role of the highest governance body in setting purpose, values and	Corporate Governance Statement Responsibility management		

	strategy	model		
102-27	Collective knowledge of the highest governance body	Corporate Governance Statement		
102-28	Evaluating the highest governance body's performance	Corporate Governance Statement		
102-29	Identifying and managing economic, environmental and social impacts	Materiality assessment		
102-30	Effectiveness of risk management processes	Responsibility management model		
102-31	Review of economic, environmental and social topics	Responsibility management model		
102-33	Communicating critical concerns	Responsibility management model Code of Conduct and policies		
102-35	Remuneration policies	Remuneration Statement		
102-36	Process for determining remuneration	Remuneration Statement		
102-38	Annual total compensation ratio	Personnel		
	Stakeholder engagement			
102-40	List of stakeholder groups	Continuous dialogue with stakeholders		
102-41	Collective bargaining agreements	Personnel		
102-42	Identifying and selecting stakeholder	Continuous dialogue with stakeholders		
102-43	Approach to stakeholder engagement	Continuous dialogue with stakeholders		
	Reporting practice			
102-45	Entities included in the consolidated financial statements	Financial Statements		
	Defining report content and topic			

102-46	boundaries	Materiality assessment		
102-47	List of material topics	Materiality assessment		
102-48	Restatements of information	No restatements.		
102-49	Changes in reporting	No significant changes in the scope and aspect boundaries.	Raisio reports continuing operations.	
102-50	Reporting period	Scope of reporting		
102-51	Date of the most recent report	Scope of reporting		
102-52	Reporting cycle	Scope of reporting		
102-53	Contact point for questions regarding the report	Scope of reporting		
102-54	Claims of reporting in accordance with the GRI Standards	GRI Index		
102-55	GRI content index	GRI Index		
102-56	External assurance	GRI Index		
	Economic impacts			
201-1	Direct economic value generated and distributed	Financial responsibility		
204-1	Proportion of spending on local suppliers	Responsible procurement	We report grain purchases from Finnish farmers.	
205-2	Communication and training about anti-corruption policies and procedures	Financial Statements		x
	Environmental impacts			
301-1	Materials	Responsible procurement Environmental impacts	We report raw materials used in our products.	x
302-1	Energy consumption	Environmental impacts		x

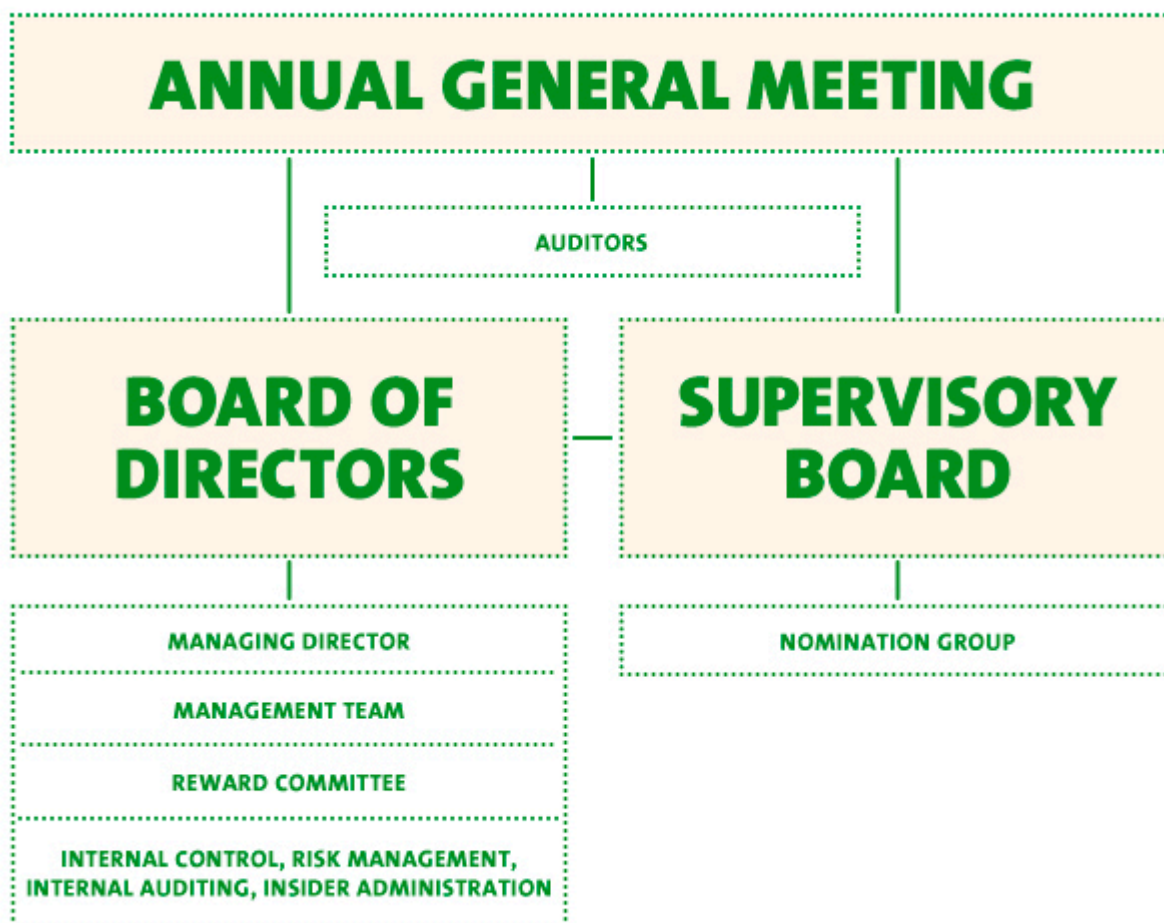
302-3	Energy intensity	Environmental impacts		
302-4	Reduction of energy consumption	Environmental impacts		x
303-1	Water consumption	Environmental impacts		x
304-1	Operational sites in areas of high biodiversity value	Environmental responsibility		x
305-1	Direct GHG emissions	Environmental impacts		x
305-2	Energy indirect GHG emissions	Environmental impacts		x
305-4	GHG emissions intensity	Environmental impacts		x
305-5	Reduction of GHG emissions	Environmental impacts		x
306-1	Water	Environmental impacts		x
306-2	Waste	Environmental impacts		
307-1	Non-compliance with environmental laws and regulations	Environmental responsibility		x
	Social impacts			
401-1	New employees hires and employee turnover	Personnel		x
403-2	Injuries and occupational diseases	Safety at work and reduction of accidents	No distribution by gender.	x
404-3	Development discussions	Job satisfaction and competence development		x
405-1	Diversity of governance bodies and employees	Personnel	No distribution by gender.	x
	Food processing, sector disclosures			
FP1	Compliance with responsible procurement principles	Responsible procurement		x
FP2	Certified raw materials	Responsible procurement		x
	Products manufactured in certified			

FP5	sites	Product safety		
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Corporate Governance

Raisio plc's Corporate Governance Model

Raisio plc has some 39,000 shareholders.



Investor relations

Investor relations policy

Raisio's Investor Relations is responsible for providing Finnish and foreign investors with reliable, timely information to support their decision-making. The target is fulfilled with written materials, such as financial statements bulletin and interim reports, annual report, corporate responsibility report, stock exchange and press releases and website, as well as materials related to investor and analyst meetings. The main task of Investor Relations is to ensure that the markets have correct and sufficient information to determine the value of Raisio shares.

In all of its communications, Raisio complies with the requirements as defined by the Securities Markets Act, the rules of the Nasdaq Helsinki Ltd and any other applicable regulation concerning prompt and simultaneous disclosure of information.

Investor Relations activities

Raisio's Group Communications coordinates all Investor Relations activities of the company. This ensures simultaneous disclosure of information as well as equal access to meet the company's management. Raisio's Investor Relations strives for accurate, transparent and high-quality service.

Silent period

Raisio observes a period of silence before the Group's financial results are published. Raisio observes a six-week silent period before the publication of its financial statements bulletin and four-weeks before half-year financial report and interim reports. During this time, the company does not meet with capital market representatives or comment on its finances. This applies to meetings, telephone conversations and other forms of communication.

Analysts

A list of banks and analysts following Raisio can be found on the company's website, Investors section, at www.raisio.com under heading Investors, or by clicking on the link below

[Link to analysts list](#)

Contact information

Communications and IR Manager

Tel. +358 50 567 3060

email: heidi.hirvonen@raisio.com

Information to shareholders

Annual General Meeting (AGM)

Raisio plc's Annual General Meeting will be held on Wednesday, 21 March 2018 at 2 p.m., Finnish time, in the Turku Fair and Congress Centre. The address is Messukentäntäkatu 9-13, 20210 Turku.

Registration

A shareholder who is registered in the share ledger kept by Euroclear Finland Ltd on 9 March 2018 can attend the AGM. Shareholders who wish to attend the AGM should notify the Company no later than 3.00 p.m. on Thursday 14 March 2018 by

- email at [osakaspalvelu\(at\)raisio.com](mailto:osakaspalvelu(at)raisio.com), or
- phone at +358 50 386 4350, or
- fax at +358 2 443 2315, or
- a letter to Raisio plc. Address: Share issues, P.O. Box 101, 21201 Raisio

The notification shall include the shareholder's name, personal or corporate identification number, address and phone number, the name of any possible assistant as well as the shareholder's possible intention to use a proxy, and the proxy's name and personal identification number.

Under the Companies Act, shareholders have the right to have a matter falling within the competence of the general meeting dealt with by the general meeting, provided that the shareholder so demands in writing from the Board of Directors well in advance, so that the matter can be included in the meeting notice.

Dividend payment

Raisio's Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.17 per share be paid for the financial period 2017. The dividend will be paid to a shareholder who is registered in the share ledger kept by Euroclear Finland Ltd on the record date 23 March 2018. The payable date is 5 April 2018.

Change of address

Raisio's shareholders are kindly requested to report changes of address to the bank where they have their book-entry account.

Raisio's financial reviews in 2018

PUBLICATIONS	PUBLICATION DATES
Interim Report January-March 2018	Friday 4 May 2018
Half-Year Report January-June 2018	Wednesday 8 August 2018

Interim Report January-September 2018

Wednesday 7 November 2018

Publication of financial information

Raisio publishes its interim reports, half-year report, annual review, corporate responsibility report and stock exchange releases in Finnish and in English. Raisio's annual review will be published on line. Corporate Responsibility Report is part of Raisio's annual review.

Financial reports and releases can be found on Raisio's web site
www.raisio.com.

You can also subscribe to Raisio's releases to your e-mail using the link
www.raisio.com/en/subscribe-releases.

Board of Directors 31 December 2017



Chairman of the Board

Matti Perkonoja

Born 1949

Place of residence: Mynämäki, Finland

Education: Business college graduate

Key employment history: HKScan Oyj: CEO 2009 –2012, CFO 2000-2009

Board membership: Member since 2011 and the Chairman since 2013

Other simultaneous positions of trust: LTP Group Oy: Chairman of the Board of Directors

Meeting attendance: Board 22/22, Remuneration Committee 17/17

Holdings in Raisio: series V 29,249



Deputy Chairman

Michael Ramm-Schmidt

Chairman of the Board, Oy Executive Leasing Ab

Born 1952

Place of residence: Espoo, Finland

Education: B.Sc. (Econ. & Bus. Adm.)

Key employment history: Oy Executive Leasing Ab 2004-, Hackman Oyj Abp: President & CEO 2004, Hackman Metos Oy Ab: CEO 1995-2004, Hackman Designor Oy Ab: CEO 1989-1994, International Masters Publishers Inc.: CEO 1986-1989, Skandinavisk Press AB: CEO 1984-1986

Board membership: Member since 2005, Deputy Chairman since 2006

Other simultaneous positions of trust: Levanto Oy: Member of the Board of Directors, Stala Oy: Member of the Board of Directors, Stalatube Oy: Chairman of the Board of Directors, Stiftelsen Svenska Handelshögskolan: Member of the Delegation, Menumat Oy: Member of the Board of Directors

Meeting attendance: Board 21/22, Remuneration Committee 9/9, Audit Committee 6/6

Holdings in Raisio: series V 59,135



Erkki Haavisto

Farmer

Born 1968

Place of residence: Raisio, Finland

Education: M.Sc. (Agr. & Forestry)

Key employment history: Farm owner 1993-

Board membership: member since 2004

Other simultaneous positions of trust: Lounametsä Forestry Association: Deputy Chairman of the Board of Directors, Raisio plc Research Foundation: Member of the Board of Directors, Salaojituksen Tukisäätiö s.r.: Deputy Chairman of the Board of Directors, Turun Seudun Osuuspankki: Member of the Board of Directors, The University of Turku: Member of the Consultative Committee

Meeting attendance: Board 22/22, Remuneration Committee 10/10

Holdings in Raisio: series K 364,940 and series V 146,684



Ilkka Mäkelä

Born 1957

Place of residence: Tampere, Finland

Education: Mechanical Engineer, eMBA

Key employment history: Saarioinen Ltd: CEO 2007-2016, Saarioisten Säilyke Ltd: CEO 1997-2006, Plant Manager 1992-1997, Saarioinen Ltd: Production Manager 1985-1992, Nokia Kaapeli: Production Engineer 1981-1985

Board membership: Member from 23 March 2017

Other simultaneous positions of trust: Eräkontti Oy: Chairman of the Board of Directors, D.J. Waden Fund: Member of the Board of Directors, 4H Foundation: Chairman of the Board of Directors, Kalaliike V. Hukkanen Oy: Member of the Board of Directors, Finland Chamber of Commerce: Member of the Redemption Board, Mutual Employment Pension Insurance Company Varma: Employers' Consultative Committee Member, Suomen Metsästäjäliitto: Deputy Chairman of the Board of Directors, The Unemployment Insurance Fund: Member of

the Supervisory Board, Sallila Energia Oy: Member of the Supervisory Board

Meeting attendance: Board 15/16, Audit Committee 6/6

Holdings in Raisio: series V 11,605



Leena Niemistö

Vice Chairman of the Board, Senior advisor, Pihlajalinna Group

Born 1963

Place of residence: Helsinki, Finland

Education: MD, Specialist in Physical and Rehabilitation Medicine

Key employment history: Pihlajalinna Group: Deputy CEO, EVP in Private Clinics and Specialized Care 2013-2016, Dextra Oy: CEO 2003-2016, Invalid Foundation Rehabilitation Orton: Specialist in Physical and Rehabilitation Medicine 1997–2004

Board membership: Member from 23 March 2017

Other simultaneous positions of trust: Stockmann Oyj: Vice Chairman of the Board of Directors and member of the Nomination and Remuneration Committee, Pihlajalinna Oyj: Vice Chairman of the Board of Directors and member of Audit Committee, Elisa Oyj: Member of the Board of Directors and member of the Nomination and Remuneration Committee, The Finnish Fairs Corp: Member of the Board of Directors, Finnish National Opera and Ballet s.r.: Chairman of the Board of Directors, Finnish National Opera and Ballet Foundation s.r.: Chairman of the Board of Directors, Henna and Pertti Niemistö Art Foundation s.r.: Vice Chairman of the Board of Directors and Chairman of the Jury, The National Defence Course Association: Member of the Board, Finnish Cultural Foundation s.r.: Member of the Supervisory Board, Finnish Medical Foundation s.r.: Member of the Advisory Board, Scout Foundation (Finland): Member of the Advisory Board, Research foundation for Orthopaedics and Traumatology s.r.: Member of the Supervisory Board

Meeting attendance: Board 15/16, Audit Committee 6/6

Holdings in Raisio: series V 1,605



Ann-Christine Sundell

Senior Advisor

Born 1964

Place of residence: Parainen, Finland

Education: M.Sc BioChemistry

Key employment history: Perkin Elmer Oy: President, Strategic Business Enterprise (SBE) Genetic Screening 2000-2010; Segment Manager, Sales & Marketing Manager 1999-2000; Marketing Manager 1999; Product Line Manager 1996-1998

Board membership: Member since 2015

Other simultaneous positions of trust: Oy Medix Biochemica Ab: Chairman of the Board of Directors, Oy Medix Ab: Member of the Board of Directors, Minerva Foundation: Member of the Board of Directors and Member of the Finance Committee, Serres Oy: Chairman of the Board of Directors, Ledil Oy: Member of the Board of Directors, Ledil Group Oy: Member of the Board of Directors, Revenio Group Oyj: Member of the Board of Directors, Immunovia Ab (Sweden): Member of the Board of Directors, Blueprint Genetics Oy: Member of the Board of Directors

Meeting attendance: Board 22/22, Remuneration Committee 10/10

Holdings in Raisio: series V 4,374

Supervisory Board 31 December 2017

MEMBER	DOMICILE (FINLAND)	MEMBER SINCE	END OF TERM
Paavo Myllymäki, <i>Chairman</i> , born 1958	Mynämäki	1998	2020
Holger Falck, <i>Deputy Chairman</i> , born 1957	Sipoo	2006	2018
Henrik Brotherus, born 1981	Hausjärvi	23 March 2017	2020
Mårten Forss, born 1955	Kemiönsaari	2015	2018
John Holmberg, born 1964	Raasepori	2016	2019
Mikael Holmberg, born 1961	Parainen	2012	2018
Markku Kiljala, born 1971	Reisjärvi	2012	2020
Timo Könttä, born 1968	Masku	2011	2020
Linda Langh, born 1983	Kaarina	2016	2019
Tuomas Levomäki, born 1971	Loimaa	2015	2018
Pirkko Lönnqvist, staff representative, born 1955	Turku	2012	2018
Juha Marttila, born 1967	Simo	2013	2020
Ilkka Mattila, born 1962	Pori	23 March 2017	2020
Jukka Niittyöja, born 1966	Ylöjärvi	2016	2019
Jyrki Nurmi, staff representative, born 1957	Turku	2008	2018
Yrjö Ojaniemi, born 1959	Lapua	2002	2020
Heikki Pohjala, born 1959	Harjavalta	2006	2018
Olli-Pekka Saario, born 1957	Turku	23 March 2017	2020
Juha Salonen, born 1973	Kaarina	2010	2019
Jari Sankari, staff representative, born 1957	Kaarina	2007	2018

Matti Seitsonen, born 1975	Kouvola	2016	2019
Urban Silén, born 1959	Salo	2003	2019
Mervi Soupas, born 1968	Sauvo	2013	2019
Rita Wegelius, born 1960	Hattula	2006	2018
Tapio Ylitalo, born 1955	Turku	2006	2018

Management Team 31 December 2017



Pekka Kuusniemi

Born: 1968

Place of residence: Turku, Finland

Education: M.Sc.(Econ.)

Key employment history: Raisio plc 2017-, Hansa Armaturen GmbH, Germany 2014-2017: CEO, Oras Group: President & CEO of the Group 2008-2017, Sales & Marketing Director 2006-2007, Marketing Director 2002-2006, Tunturi Oy Ltd 1998-2001, R.J. Reynolds Finland Oy 1996-1998, Unilever Finland Oy Lever 1994-1996

Key positions of trust: The Finnish Food and Drink Industries' Federation (ETL): Member of the Board of Directors; Turku Chamber of Commerce: Member of the Board of Directors, Raisio plc's Research Foundation: Chairman of the Board of Directors

Holdings in Raisio: series V 2,000



Perttu Eerola

Born: 1972

Place of residence: Naantali, Finland

Education: M.Sc. (Econ.)

Position at Raisio: Managing Director, Raisioagro

Key employment history: Raisioagro Ltd 2014-2017: Finance Director; Suomen Lauttaliikenne Oy 2010-2014: CFO; Flander Oy (later Symbio S.a.r.l.) 2009-2010 VP Finance, Europe and 2005-2009: CFO; Lounet Oy 2001–2005: Financial manager and 2000-2001 Accounting manager; KPMG Oy Ab 1996-2000: Auditor

Management Team membership: Member from 20 March 2017

Positions of trust: Vihervakka Oy, Deputy Chairman of the Board of Directors

Holdings in Raisio: series K 1,430



Antti Elevuori

Born: 1979

Place of residence: Naantali, Finland

Education: M.Sc. (Econ.)

Position at Raisio: Chief Financial Officer

Key employment history: Raisio plc 2003-: different positions in financial administration and business development

Management Team membership: Member since 2014

Positions of trust: -

Holdings in Raisio: series V 21,549



Jukka Heinänen

Born: 1972

Place of residence: Espoo, Suomi

Education: M.Sc. (Eng.), M.Sc. (Econ.)

Position at Raisio: Vice President, Operations

Key employment history: Raisio plc 2017-; Teknos Group Ltd 2011-2016: CEO and 2007-2016: Director, production and logistics; Huhtamäki plc 2005-2006: Plant manager

Management Team membership: member from 15 May 2017

Positions of trust: -

Holdings in Raisio: -



Sari Koivulehto-Mäkitalo

Born: 1974

Place of residence: Masku, Finland

Education: Master of Laws, trained on the bench

Position at Raisio: Vice President, Legal Affairs

Key employment history: Raisio plc 2006-; Schering Oy 2001-2006: lawyer;
Konecranes Plc 2000-2001: lawyer

Management Team membership: Member since 2013

Positions of trust: Turku Chamber of Commerce: Member of Law Committee

Holdings in Raisio: series V 30,276



Merja Lumme

Born: 1961

Place of residence: Masku, Finland

Education: Engineer, eMBA

Position at Raisio: Vice President, Human Resources

Key employment history: Raisio plc 2003-; PerkinElmer/Wallac 1992-2003: Quality management, HR management and administration; Aimo Virtanen Oy 1991-1992, Saloplast Oy 1988-1992: Quality management.

Management Team membership: Member since 2003

Positions of trust: Foundation of Adult Education Turku: Member of Delegation;

Turku Chamber of Commerce: Member of Education and Labour Committee

Holdings in Raisio: series V 145,744



Vincent Poujardieu

Born: 1967

Place of residence: Brussels, Belgium

Education: Graduated EDHEC business school (Lille, France)

Position at Raisio: Vice President, Benecol and Business Development

Key employment history: Raisio plc 2007-; Altadis SA, Brussels 2000-2007: Regional Director Benelux and then North Europe; Altadis SA, Paris 1994-2000: Business Development Manager; French Embassy, Nicaragua 1992-1994: Commercial Adviser; Arthur Andersen, Lyon (France) 1989-1992: financial auditor

Management Team membership: Member since 2007

Positions of trust: -

Holdings in Raisio: series V 231,820

Corporate Governance Statement 2017

RAISIO PLC



Remuneration Statement 2017

RAISIO PLC



Board of Directors' Report and Financial Statements 2017

RAISIO PLC



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