

A hand holding water over a lake at sunset. The hand is positioned in the upper left, with water dripping into the lake below. The background features a calm lake reflecting the sunset, with reeds and mountains in the distance. The overall scene is peaceful and emphasizes the theme of water and sustainability.

# Sustainability report 2021

transmeri

# Sustainability report 2021

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# Sustainable at all times

**We are a 94-year-old family-owned company that had already integrated social responsibility into its value structure long before the issue was as widely discussed as it is today. Yet we feel that the work is only just beginning, and there are endless opportunities for improvement when it comes to sustainability. Continuous improvement on sustainability is also put to the test at times when there are other world events that also require our attention.**

As I write these words, we are still seeing large infection rates in the COVID-19 pandemic. Furthermore, Russia's war in Ukraine takes centre stage in our news cycles as well as our thoughts. With both tragedies we have all realised that **sustainability means concrete action.**

During the pandemic we have been a responsible employer for our 95 employees. Making their work safe was a priority, and we have succeeded quite well in this regard. Our Group was among the first companies to provide support to the victims of the war in Ukraine and through the Finnish Red Cross we donated 100 000 euros to help alleviate the suffering.

Transmeri cherishes several long-term partnerships, some of which have lasted decades. Our longest cooperative relationship is with the family-owned company SC Johnson. This partnership just reached the incredible milestone of 90 years in 2021. At the end of the year we celebrated this with our staff and representatives from SC Johnson.

Transmeri and SC Johnson share the same values as well as a concern for the seas surrounding us. To

celebrate our partnership, we chose a sustainable act to help the Baltic Sea recover; we donated 100 000 euros to the CoastClim research centre of the University of Helsinki.

In the autumn of 2019, we at Transmeri defined strategic sustainability goals as part of our efforts to develop corporate sustainability. These themes arise from the UN's sustainable development program, which provides us with a globally recognised framework. We chose **Responsible Consumption and Production** and **Climate Action** as our central goals. This Sustainability Report 2021 highlights both achieved and new goals as well as the work we are doing to develop corporate sustainability.

We wish to be the best and most sustainable home for brands both today and in the future. We welcome you along on this journey.

**Sari Rosin,**  
CEO



*"We wish to be the best and most sustainable home for brands both today and in the future."*

# Introducing the sustainability team



*"We brought sustainability to our corporate strategy and made it a priority in all of our actions. Now sustainability is a strong driver of our future and it is already a part of our everyday operations and innovations."*

**Katia Gustafsson,**  
Chief Business Officer / Oy Transmeri Ab

*Vastuullisuus ensin*



*"Our corporate communications are conducted sustainably: we wish to let our stakeholders know immediately and openly what our milestones and goals are on this exciting journey towards sustainability. The trip is just beginning, and there might be steep hills ahead, but the road seems bright."*

**Henna Mattila,**  
Sustainability and Communications Manager / Oy Transmeri Ab



# Transmeri's strategy



# Beauty for everyday life since 1928

Oy Transmeri Ab is a Finnish family-owned company founded in 1928 that imports and markets daily goods and cosmetics. We are a sales and marketing organisation, and we represent numerous world-famous brands in the Nordics and Baltics. We also aim to increase the domestic production of our own brands.

TURNOVER  
**44.1**  
MILLION EUROS

BUSINESS PROFIT  
**970**  
THOUSAND EUROS

WE EMPLOY  
**95**  
EMPLOYEES

**14.4**  
MILLION PRODUCTS  
SOLD

BRANDS  
**80**

**48 %**  
OF THE PRODUCTS OF OUR OWN  
BRANDS ARE MADE IN FINLAND

STORE VISITS  
**OVER 6 300**

**8 409**  
CONTACTS TO OUR  
CONSUMER SERVICE

# Our strategy supports sustainability

In our strategy, sustainability means focusing on business opportunities that are more sustainable for the environment, enabling a better life for humans.  
We believe this to be a necessity both today and in the future.



SUSTAINABILITY



PROFIT IN THE LONG-TERM



OWN BRANDS



"RAPID PROTOTYPING"  
COMPANY CULTURE



DIGITALIZATION



B2C



GEOGRAPHICAL EXPANSION



GROUP SYNERGIES



LOCAL PRODUCTION

A close-up photograph of a person's hands forming a heart shape. The hands are positioned in the foreground, with the sun shining through the opening of the heart, creating a bright lens flare. The background shows a serene landscape with a body of water, distant mountains, and some reeds in the foreground. The overall mood is peaceful and romantic.

# Transmeri's values



# Continuity through shared values

Our shared values – **ahead of time, together, prosperously** – steer our daily operations.  
By acting in accordance with our values we focus on continuity and profitability



# Fair business operations

Operating ethically is primary importance to us in both business operations and society at large. Our shared rules and ethical principles steer all of our work and decision-making. Our staff is 100 % committed to our ethical principles. We also aim to continue to commit our partners to ethical operations.

## EQUALITY & PARITY

Transmeri prepared a parity plan in 2012, which was complemented by an equality plan in 2019. Fair treatment of the individual and promotion of equality in working life form the starting points. A person may not be placed in an unequal position because of their personal characteristics. The realisation of equality is monitored with a staff survey every 1-2 years. Equality is also evaluated annually in meetings of occupational safety and shop steward organisations.

## CODE OF CONDUCT

We have implemented Transmeri's Ethical Principles that new employees commit to as they start at the company. We follow the realisation of these principles through our HR system on an annual basis. For work with our partners we have implemented guidelines titled the **Supplier Code of Conduct**. Our goal is that by the end of 2022, 90 % of our suppliers are committed to this Code or some other equivalent ethical principles.

## BSCI PARTNER COMPANY

Transmeri has been a member of Amfori's Business Social Compliance Initiative (BSCI) since 2017, and one of our brands, Ibero, has been a member since 2015. With the BSCI system we strive to manage our supply chain and ensure that internationally recognised employment regulations are adhered to. When operating in high-risk countries, our goal is to manufacture all of the products of our brands only in BSCI-audited factories by the end of 2022.

## WHISTLEBLOWING

Relating to the national implementation of the European Union's so-called Whistleblower Directive on the protection of persons who report illegal activities, Transmeri Group introduced a new anonymous **ethical reporting channel** in late 2021. This channel allows Transmeri employees and outsiders to report suspected misconduct. A link to the channel can be found on our website at [www.transmeri.fi](http://www.transmeri.fi).





# Our ethical principles



1. RESPECT FOR HUMAN RIGHTS AND DIGNITY



2. ADHERENCE TO LAWS AND REGULATIONS



3. PROHIBITION OF THE USE OF CHILD LABOUR



4. PROHIBITION OF FORCED LABOUR AND DISCIPLINARY ACTION



5. DECENT WORKING CONDITIONS AND WAGES



6. PREVENTION OF DISCRIMINATION



7. THE RIGHT TO ORGANIZE AND UNIONIZE



8. ENSURING OCCUPATIONAL HEALTH AND SAFETY



9. PROTECTION OF THE ENVIRONMENT



10. ENSURING DATA PRIVACY AND PROTECTION



11. ETHICAL BUSINESS PRACTICES

transmeri

# Transmeri's success factors





# Top brands as creators of success

Well-known and successful brands create great conditions for success.  
Here is a list of the brands we represent in 2021.

## COSMETICS AND HYGIENE



Chanel  
Guerlain  
Kenzo  
Oscar de la Renta  
Issey Miyake  
Narciso Rodriguez  
Givenchy  
Clean  
Hollister  
Guess  
Police  
Jeanne Arthes  
Ultrasun  
Trind  
Wella

OGX  
Maui  
Humble Brush  
Illodin  
Eau de cologne  
Replay  
So...?  
Elie Saab  
Zadig&Voltaire  
Stendhal  
Abercrombie&  
Fitch  
Zippo  
Playboy

## NATURAL COSMETICS



Madara  
Mossa  
Whamisa  
Esse  
Biosolis  
Khadi  
Novexpert  
Nurme  
Cattier Paris  
Patyka  
Haut-Ségala  
Absolution  
Alima Pure

Kjaer Weis  
Urang  
True Organic of Sweden  
Cosnature  
lavera  
benecos  
Egyptian Magic  
Sante  
Logona  
UpCircle  
GRN

## FOOD



Weetabix  
Alpen  
Weetos  
Little's  
Tony's Chocolonely  
Farm Brothers Organic Biscuit

## HOME AND GARDEN

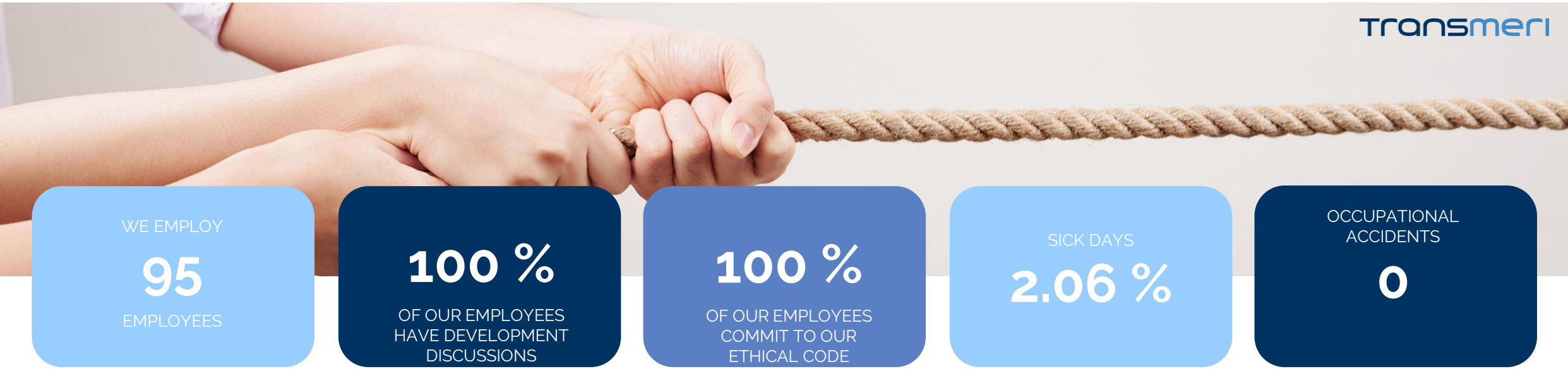


OFF!  
Raid  
Autan  
Baygon  
Roundup  
Substral  
TOMCAT  
Silvalure  
Duck  
Glade  
Mr Muscle  
Pledge  
SC Johnson  
Metallien kiillotus  
Verda

## OWN BRANDS



Taika  
Biozell  
Ibero  
Medisoft  
Jalo  
Lemon Juice & Glycerine  
Suomalainen tehopesut  
Soyappétit



## Our personnel pull together

**The year 2021 was already the second year to become strongly associated with the COVID-19 pandemic. Remote work was widely encouraged almost throughout the year, and our staff was able to adapt to the extended situation relatively well.**

The Group assembled a crisis task force to help disseminate COVID information. Occupational health care services were expanded even further and in addition to COVID tests they would now also cover COVID vaccinations. Various measures relating to occupational well-being and communal activities were taken, even though the number of in person meetings was somewhat minimized.

We were delighted to learn from the annual staff survey that the three most improved aspects of the Group's operations were occupational well-being, flow of information between departments, and clear communication of the company's values and goals.

### Remote schools support employee development

The year 2021 was also a year of staff development. Transmeri's own school Transmeri Opisto offered three month-long theme trainings on ownership strategy. These events and coaching sessions expanded on the three central themes of ownership strategy: sustainability, digitalisation and promotion of a culture of experimentation.

In addition to the above, we also entered into a partnership agreement with adult education centre Taitotalo. The specialized vocational certificate for leadership and corporate management is aimed at the Group's supervisors and the programme's 12 eager students are graduating at the end of 2022.

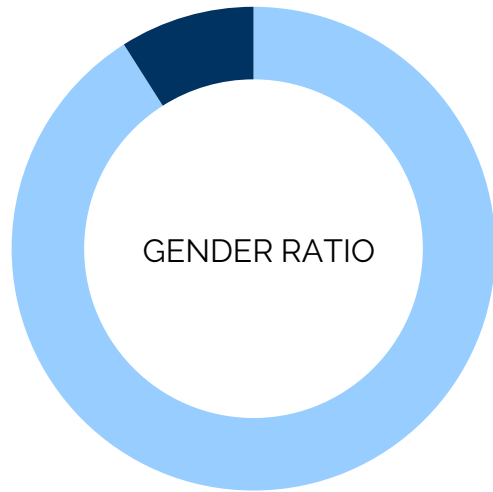
The year has demanded a lot from all of us, but I feel a tremendous pride for how we have managed. It is not operations or companies that develop, but all those people who have taken this quite exceptional journey with us this year.

***"It is not operations or companies that develop, but all those people who have taken this quite exceptional journey with us this year."***

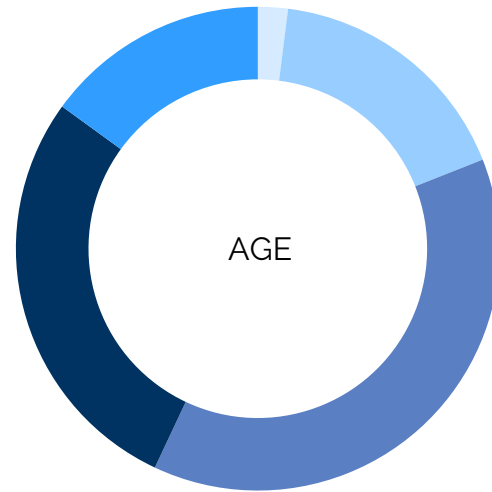
**Anne-Mari Huuhtanen,**  
HR Director



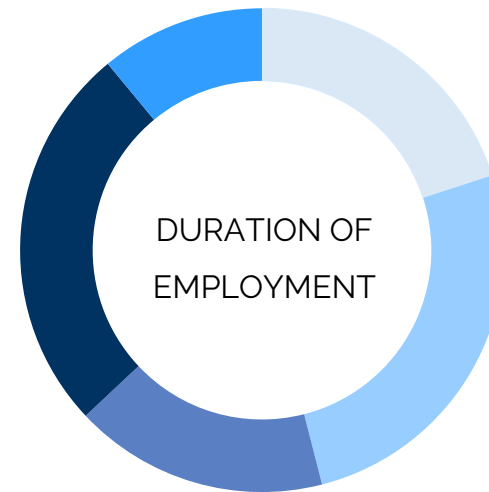
# Personnel in numbers



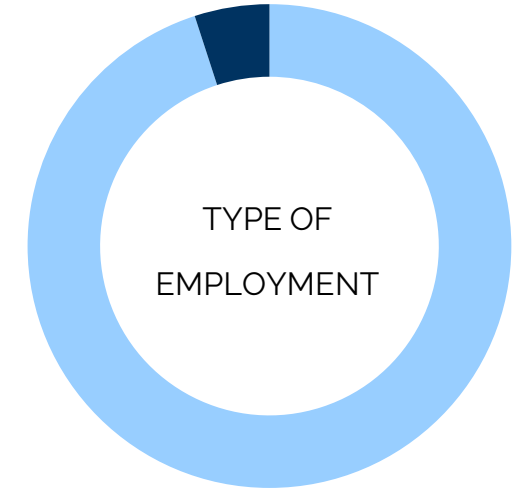
- Women: 91%
- Men: 9%



- Under 25 y/o: 2%
- 25 - 35 y/o: 17%
- 35 - 45 y/o: 38%
- 45 - 55 y/o: 28%
- Over 55 y/o: 15%



- Under 2 y: 20%
- 2 - 5 y: 26%
- 5 - 10 y: 17%
- 10 - 20 y: 26%
- Over 20 y: 11%



- Permanent: 95%
- Fixed-term: 5%

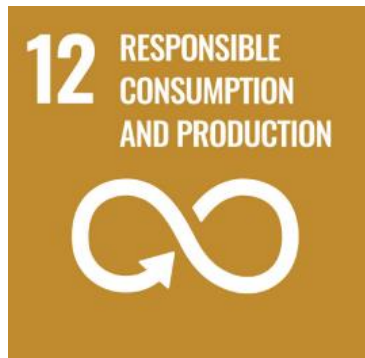
A close-up photograph of a hand holding a small amount of water, with a single drop falling into a body of water. The background shows a serene landscape with mountains and trees under a warm, golden sunset sky. The water in the foreground is calm, reflecting the hand and the sky. The overall mood is peaceful and emphasizes the theme of water and sustainability.

# Transmeri's Sustainability Program



# Sustainability Program 2020–2030

As part of our efforts to develop corporate sustainability, Transmeri defined its strategic themes for sustainability in 2019. These themes were created with existing megatrends and social expectations toward companies in our sector in mind. The themes reflect the will of the entire Group regarding sustainability. We also surveyed our most crucial stakeholders, meaning customers, clients and staff, for their views and expectations concerning corporate sustainability. We chose the internationally known UN sustainability goals 12 and 13 as the framework for our sustainability work.



## Sustainable procurement and assortment decisions

Together with our suppliers we offer consumers better choices in accordance with our Supplier Code of Conduct.

## Product safety and packaging

We prefer recyclable product packaging and manufacturing that uses recycled materials and plastic alternatives.

We minimize wastage and product recalls.



## Minimization of emissions

For properties, transportation and shipping.

## Transmeri is carbon neutral by 2030

# Transmeri's sustainability goals







# From goals into action

Work on sustainability is never done, and now it is part of our everyday operations. In our sustainability program created in 2020, we annually monitor social expectations towards companies in our sector and conduct materiality analyses with our most important stakeholder groups. We are also planning to add new UN sustainability goals to our sustainability program in the coming years. Thorough background work is required to first define and then achieve the goals. This table presents the realisation of our goals in 2021, progress made in the program as well as new goals set for the future.

UN	SUSTAINABILITY PROGRAM	SUSTAINABILITY GOAL	YEAR	ACHIEVEMENTS IN 2021 AND PROGRESS
	Sustainable procurement and assortment decisions	90% of Transmeri's suppliers are committed to the <b>Supplier Code of Conduct</b> or equivalent ethical principles by the end of 2022.	2022	Suppliers have been informed and we will continue to actively communicate the matter to them so that we will achieve this goal by the end of 2022.
		100% of own brands manufactured in high-risk countries are made in factories that are BSCI audited with a general grade of C or higher by the end of 2022.	2022	Our audited factories initiative is coming along nicely and we will be able to report on the results in our sustainability report for 2022.
		We are bringing ecological product innovations to market and <b>offering consumers more sustainable choices</b> as part of our everyday operations.	Continuous	In 2021 Transmeri's product assortment grew by a whopping <b>149 new products promoting sustainable development</b> .
	Product packaging	Wherever it is reasonable and possible, the use of <b>recycled materials</b> must be increased. In product packaging <b>we prefer plastic alternatives</b> without compromising on the quality, freshness or safety of the product.	Continuous	Our search for alternatives continues. The markets for bio-based alternatives are developing, yet plenty of work remains in the development of recycled materials.
		We set goals for <b>plastic reduction</b> and <b>the recyclability of plastic packages</b> used by our own brands for the end of 2021.	2021	We created a <b>plastics strategy</b> (page 24) for the coming years and <b>goals for plastic packages for 2025</b> .
		All products we sell have <b>recycling instructions</b> either on the packaging, on our website or on our online store by 2025.	2025	Our plastics strategy allows us to specify our recycling instructions on the packaging.

# From goals into action

UN	SUSTAINABILITY PROGRAM	SUSTAINABILITY GOAL	YEAR	ACHIEVEMENTS IN 2021 AND PROGRESS
	<b>Product safety</b>	Zero product recalls (continuous goal).	Continuous	Only one (1 pcs) product recall (Silvalure) in 2021.
		In 2021 we create <b>a wastage report</b> that specifies the place where our products ultimately end up. Based on this report we will set a goal to minimize wastage.	<b>2021</b>	The wastage report for 2021 is presented on page 27. From now on, <b>our annual maximum threshold for wastage is 0.1% of products sold.</b>
	<b>Carbon neutrality</b>	Carbon neutrality regarding <b>our properties, transportation and shipping</b> by 2030.	2030	<b>Emissions 2021: -40 %.</b> Our properties will become carbon neutral in 2022.



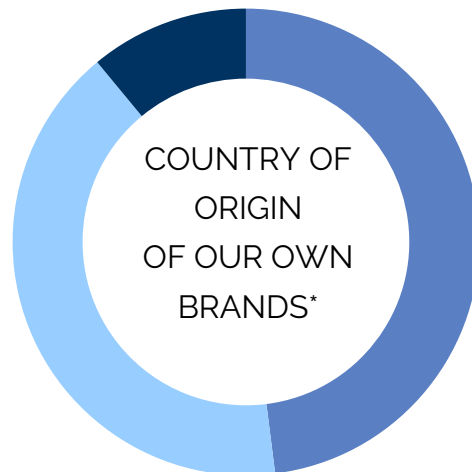




# Sustainable procurement

As a sustainable partner we strive to ensure sustainable manufacturing both domestically and in so-called high-risk countries. Our goal is that by the end of 2022:

- 90% of Transmeri's suppliers have committed to **the Supplier Code of Conduct** or equivalent ethical principles, we have begun to inform and commit suppliers in 2021 and this is to actively continue so that we achieve our goal in 2022
- When operating in high-risk countries, 100% of the products of our own brands are manufactured in **BSCI-audited factories** with an overall grade of C or better, audits of partner factories begun in 2015 and they are proceeding well, at the latest we will be able to publish results in the sustainability report of 2022



- Finland 48 %
- China 41 %
- Other 11 %

Other countries of origin: Estonia, Sweden, Poland, Italy, South Korea, Taiwan, India

\*Shares based on sales.

120

SUPPLIERS IN TOTAL

38

SUPPLIERS IN TOTAL IN HIGH-RISK COUNTRIES



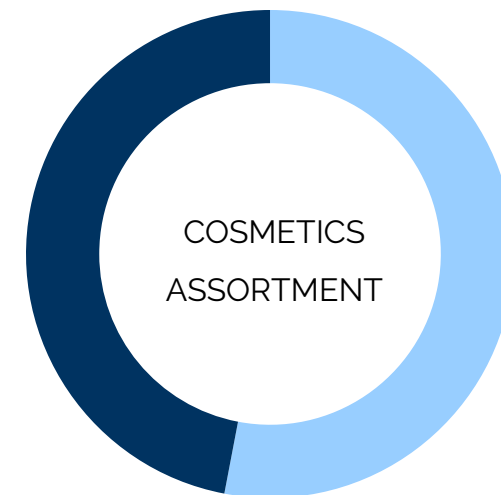
# Product assortment decisions

**Our sustainability goal is to offer consumers more sustainable alternatives. When forming our product assortment we strive to offer every product an ecological, healthy or sustainable alternative. We also bring ecological product innovations to the market.**

To make our sustainable assortment decisions more visible, we surveyed all of the products we introduced in 2021 that promoted sustainable development in some way. This could mean more responsible packaging, improved product composition or a more sustainable production method, for example. Based on our survey our product assortment grew by 149 sustainable products, a staggering number.

Of the brands we represent, Alima Pure, Esse and Lavera were carbon neutral, as was our own brand Taika. Sustainable food products included the Fair Trade -certified Tony's Chocolonely chocolate, among others.

Our online stores offer consumers a way to make sustainable choices as the product offering only contains certified natural cosmetics or cosmetics that fulfil the certification criteria for natural cosmetics. The Natural Goods Company website has now expanded its sustainable selection to also include food products and laundry detergents, as well as various everyday items such as drinking bottles and makeup brushes.



- Natural cosmetics brands 53 %
- Other cosmetics brands 47 %

Percentages calculated from the number of brands.



**80**  
BRANDS

**149**

PRODUCTS PROMOTING  
SUSTAINABLE  
DEVELOPMENT IN 2021



**25 %**

OF FOOD BRANDS  
EITHER FAIR TRADE  
OR ORGANIC



**16 %**

OF BRANDS  
MADE IN FINLAND\*



**5 %**

OF BRANDS  
CARBON NEUTRAL

\*Some or all of the brand's products are made in Finland.



# Product packaging

Our goal is to introduce better choices for the consumer. The environmental impact of product packaging is significant. To reduce this impact, we have created a strategy on plastics for the coming years.

## RECYCLABLE PLASTIC

We set goals for the end of 2021 regarding the reduction of the use of plastic and the recyclability of plastic packaging used by our own brands. Transmeri had already begun to reduce the use of plastic years earlier, and some of these first milestones are described below.

Not all plastic is bad, however, and sometimes it can even be necessary for safety. So, in accordance with the EU's goals regarding plastic use, recyclability becomes our highest priority. This means switching to using such kinds of plastic that can be recycled. With this switch our goal of including appropriate recycling instructions on all of our products by 2025 becomes an important way of informing consumers.

## PROGRESS BY OUR OWN BRANDS



The packaging for the Taika range of natural cosmetics is made of **bio-based plastic and recycled plastic**.



The **spray bottles** of Suomalainen Tehopesu are made of **100 % recycled plastic**.



The plastic bottle of the refill package for Lemon Juice & Glycerine soap was replaced by a two-bottle refill bag that **contains 80 % less plastic**.



To reduce the use of plastic in packaging, Ibero switched to using cardboard in eyewear hang tags and makeup brush packaging.

Ibero products use plastic alternatives:

**Plant fibre composite**  
makeup and hair brushes, combs, sunglasses, reading glasses

**Bamboo:**  
makeup and hair brushes, combs, hair ties and cleaning accessories

**Recycled PET bottle material:**  
hair ties, scrunchies and reusable cotton pads

**Bio-based material:**  
hair clips



# Plastics strategy 2025

Product packaging causes 2/3 of all plastic waste\*. The European Union has set a goal for the recyclability of plastics for the year 2030, by which all plastic packages should be either reusable or recyclable.

## Transmeri's sustainable packaging solutions

Transmeri's plastics strategy is based on the shared global goal of reducing the amount of plastic. At Transmeri we strive to fulfil our sustainability goals and promote plastic alternatives in the production of our own brands without compromising on product quality, freshness or safety.

We also strive to increase the share of recycled materials wherever possible. Bottles made of recycled plastic that are suitable for use in cosmetics are readily available, but there is a lot to be done regarding the development of other packaging solutions. Materials made of bio-based plastics are continuously advancing, but their use poses other challenges.

The goals set out in our plastics strategy are ambitious, but we believe we can achieve them. Materials and markets are in continuous flux as a result of more and more stringent requirements from authorities and consumers.

The first goals of our strategy focus on plastic packages. We must first get the plastic to circulate and make it reusable. We also set goals for the use of plastics in packaging materials.



2022

SETTING GOALS FOR PLASTICS IN PACKAGING MATERIALS

We chart the amount and kind of plastic used in the packaging of our own brands and set goals for reducing and replacing plastic:

- in outer packaging/covering box
- sales batch packaging

2025

PLASTIC PACKAGES\*\* 100% RECYCLABLE

Recyclable plastics:

Virginal (new) mono-plastic 01,02,04,05,06 \*\*\*

Recycled plastic

Bio-based plastic

2025

50 % OF PLASTIC REPLACED

From all of our recyclable plastic packages:

50 % are made of material that replaces virginal plastic, i.e., recycled or bio-based plastic

50 % are virginal mono-plastic

Starting point in 2021: 21 % of plastic replaced in the products of our own brands

\*Source: Website of the European Commission, EU's plastics strategy \*\*) Of our brands, the products of Ibero and Jalo are not included in plastic packaging \*\*\*) PVC plastic 03 and plastic mixtures 07 are not suitable for use in recyclable packaging.



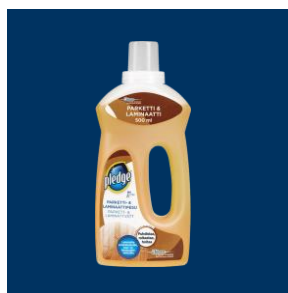
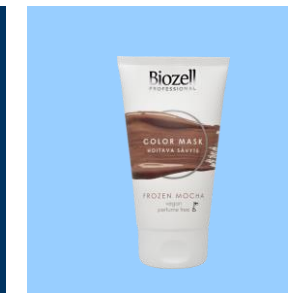
# Sustainable production and Key Flag products

**Domestic production keeps Finns employed, manufacturing transparent and working conditions controlled and sustainable. Transmeri's assortment contains several products and brands that have been awarded the Finnish Key Flag Symbol for the promotion of Finnish work.**

Transmeri's own brands Lemon Juice & Glycerine, Medisoft, Taika and Suomalainen are manufactured in Transmeri Logistics' production facility in Vantaa, Finland. The facility also manufactures licensed products from several of our international brands, which significantly reduces the carbon footprint of the manufactured goods and brings more employment to Finland. The production facility focuses on environmental factors actively and systematically. The facility is audited annually for ISO certificates (ISO 9001 quality standard, ISO 14001 environmental management system, ISO 22716 cosmetics and good manufacturing practices) and the Ecocert certification for natural cosmetics.

## DOMESTIC PRODUCTION USING GREEN ENERGY

Transmeri's production facility only uses electricity produced using renewable means and the property is heated with environmentally sound renewable heating with emissions of 0 kg/MWh. Transmeri Logistics is also committed to the Responsible Care sustainability programme coordinated by the chemical industry.



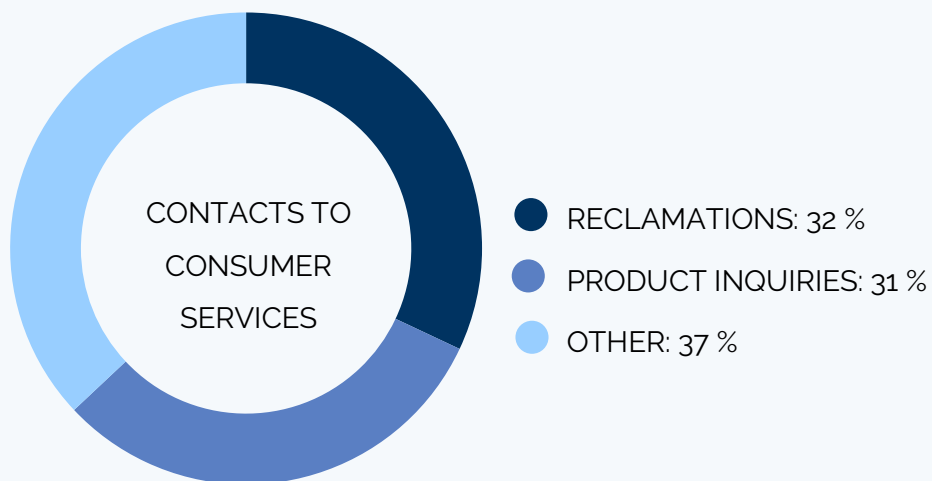
## SOME OF OUR KEY FLAG PRODUCTS

- Lemon Juice & Glycerine range of manicure and pedicure products
- Medisoft range of skincare and hand sanitizer products
- Taika range of natural cosmetics
- Biozell range of hair care and shaping products (excl. aerosols)
- Suomalainen cleaning agents
- Raid and Off! insect repellents
- Mr. Muscle and other cleaning products
- Several Pledge and Baygon products





# Safe products for consumers



## CUSTOMER SATISFACTION

- In 2021 our customer services were contacted a total of 8 409 times: Transmeri's consumer service was contacted 4 605 times while the consumer services of our online stores were contacted 3 804 times.
- Only a third of all contacts were reclamation situations, while another third consisted of product inquiries and the final third of various inquiries related to online orders and shipping.
- The especially low product return rate of the Jolie and Natural Goods Company online stores is a testament to customer satisfaction.



Transmeri is responsible for the legality and safety of the products it sells. Transmeri operates in several sectors, each of which has its own laws, regulations and standards in addition to general laws. Our consumer service helps consumers with every issue they have with our products.

Product safety requires a continuous focus on employee training and legislative changes, which our specialists must monitor closely with regard to product compositions and package markings, for example. The product safety of Transmeri's food products is ensured with thorough quality control and functional cooperation processes with food manufacturers. All cosmetics, hygiene products and household chemicals sold by Transmeri go through rigorous supervision processes by both the authorities and Transmeri's own specialists before they are allowed to be sold on the market. These practices aim to ensure the legitimacy and safety of the products in all possible ways.

Therefore, we have selected the number of store recalls as **our indicator of product safety. Our standing goal is zero product recalls.** We are moving in the right direction: the number of recalls has halved every year. In 2021 Transmeri faced only one product recall, which we fortunately managed to execute right off the loading dock without the products ever ending up in the hands of consumers.

RECALLS  
ANNUALLY





# Wastage report 2021

## MINIMIZATION OF ENVIRONMENTAL LOAD

**Transmeri has long had concerns about the environmental impacts of wastage, and now in the coming years we are seeking to halve our wastage from what it was in 2021.**

We have taken several measures to minimize wastage: we have paid special attention to assortment management and predictability systems, which play a central role in preventing wastage in the first place.

We have succeeded in reducing wastage through the introduction of both physical stores and online stores designed to reduce wastage. In 2021 this effect was up to 1%. More traditional means of reducing wastage have been the friend and outlet sales of Transmeri's online and bulk stores, as well as numerous charity targets.

In our sustainability programme we set the goal of creating a wastage report in 2021. As wastage we defined all sales articles in Transmeri's product selection that would have been usable if the reason they were destroyed did not exist. In 2021 the wastage rate was 0.2% of all products sold.

The most common reasons why a product was destroyed concerned product safety issues, such as expiration dates, spoiled batches or damaged packaging. As a manufacturer and importer of products, it is our responsibility to ensure that the customer may use our products safely.

Lilial, an ingredient in cosmetic fragrances, was banned as of March 2022 by EU decree. We acted proactively in 2021 and already recalled large amounts of fragrances using the ingredient. This is the reason why the share of scents in our wastage was so high (page 28).

We wish to prevent wastage even more efficiently in the future. We have scheduled our wastage monitoring so that we can come together to search for opportunities for waste reduction even more actively throughout the year. Furthermore, we set a concrete annual wastage goal, halving it from the year 2021 level, meaning that the annual maximum limit for wastage is 0.1% of all products sold.



- Pet supplies 8%
- Personal hygiene 10%
- Accessories and beauty tools 58%
- Cosmetics 2%
- Natural cosmetics 11%
- Foods 4%
- Home care products 7%

WASTAGE RATE OF SOLD PRODUCTS:

2021: **0.2 %**

————— **-50 %** —————>

Annual goal: **0.1 %**

# Final destination of wastage

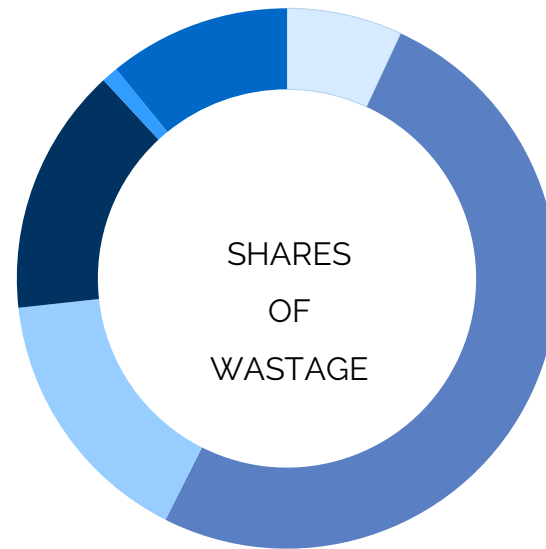
**In our sustainability goals we state that we will also be specifying the final destination of the wastage in our 2021 wastage report.**

Items that ended up as mixed wastage consisted of colour cosmetics, skincare products and beauty and pet supplies.

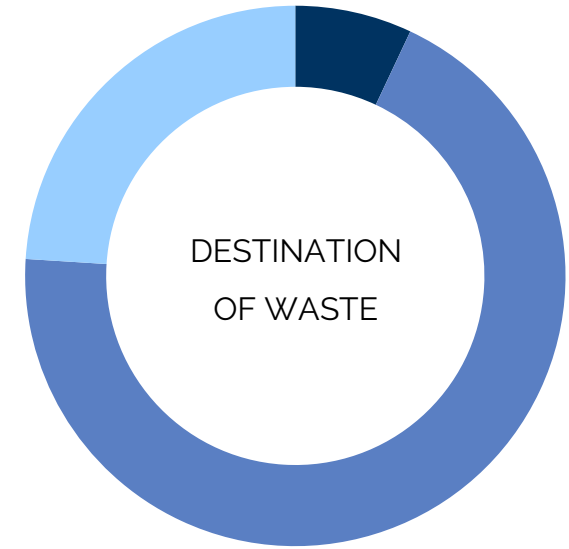
Food products were sent to be appropriately recycled as biowaste by our storage partner, and their packages were recycled as plastic and cardboard.

69 % of all wastage was hazardous waste, and out of this the share of scents (73 %) was exceptionally high as stated earlier. Other hazardous waste included repellents, home care chemicals, nail care products and aerosol bottles.

We always secure appropriate recycling and destruction for our biowaste and hazardous waste from Kierro Ympäristöpalvelut, one of our partners in the environmental sector.



- Food 7%
- Scents 51%
- Cosmetics 16%
- Repellents 15%
- Home care products 1%
- Accessories 11%



- Biowaste 7%
- Hazardous waste 69%
- Mixed waste 24%

# Carbon neutrality

**Our goal is to be carbon neutral with regard to our properties, transportation and shipping by the year 2030. Our primary goal is to reach this goal by preferring renewable energy and minimizing emissions in transportation and shipping.**

We began our emission survey in 2019, when our emissions consisted of direct Scope 1 emissions (company cars), indirect Scope 2 emissions (bought energy) and Scope 3 emissions (estimate of commuting emissions). The calculation is based on Greenhouse Gas Protocol standards and guidelines, and an external partner was consulted in the process.

With the COVID-19 restrictions, in 2020 our carbon footprint was a quarter (-25 %) smaller than the first recorded year, 2019. As the pandemic tightened its grip in 2021, our emissions were reduced even further (-40 %).

As the first pandemic year 2020 paved the way for the “new normal”, Transmeri took a sustainable step forward in the spring of 2021 by reducing its offices by approximately half and thus also reducing the emissions resulting from purchased energy. The ongoing pandemic continued to reduce emissions resulting from commuting and the use of company cars. Business travel was also almost completely absent.

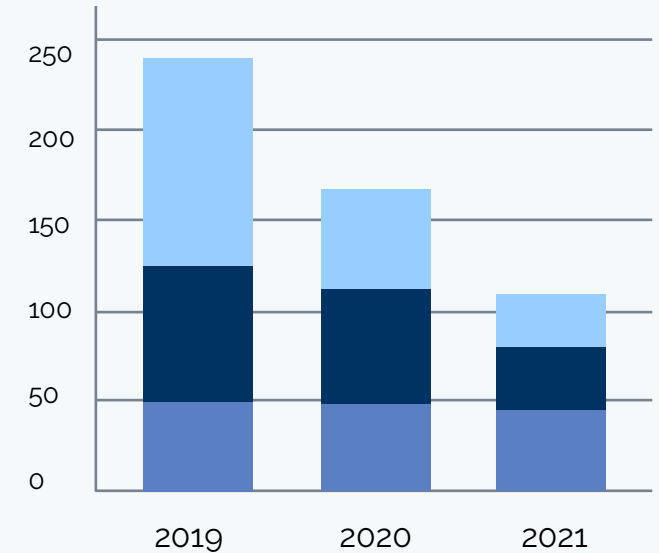
In 2021 we conducted our first staff survey on commuting (previously we had used emission estimates), and we will use the survey from now on to annually report on our indirect Scope 3 emissions.

In 2022 our goal is to expand our emission calculation to also include Scope 3 emissions, which means our carbon foot print will increase as a result of emissions from business travel and the shipping of goods. Our goal is to have a complete emission calculation by 2024 at the latest.

***“Transmeri’s office building made the transition to green energy at the beginning of 2022”***

It is clear that our carbon footprint will increase in 2022 as the world recovers from the pandemic and we return to our offices and begin to meet with our stakeholders again. Our own emission calculation will also expand with regard to Scope 3 emissions, as discussed above. There will be some emission reductions as well, as Transmeri’s office building made the switch into green energy at the beginning of 2022.

TRANSMERI’S CARBON FOOTPRINT (TCO<sub>2</sub>E)



- Commuting (Scope 3)
- Delivered energy (Scope 2)
- Direct emissions (Scope 1)

Transmeri's carbon footprint in 2021 is equivalent of  
**the annual emissions of 11 persons**  
\*) The average emissions of a single Finnish person are 10 tons / year (Source: Ilmastokauppa)





# EU taxonomy


The EU taxonomy is the EU's new classification system for sustainable funding. It aims to define what business operations may be defined as sustainable. In the spring of 2022 the reporting obligation initially only concerns large public companies and expands gradually to cover a wider range of companies. Oy Transmeri Ab is not yet counted among them, but we have already considered which of our functions the obligation to report might affect in the future.

As it stands, the taxonomy contains criteria for two environmental goals: mitigation of climate change and adapting to climate change. Companies must report on three central indicators that describe the company's adherence to the taxonomy. These indicators are turnover, investment costs (capex) and operative costs (opex).

Our business operations consist mostly of sales and marketing, and there are no published climate criteria in the taxonomy for these functions. Therefore, our turnover in 2021 did not adhere to the taxonomy.

We invest into the eco-friendliness of our operations and develop our business in order to reduce emissions even further. Our investments in 2021 are not allocated to functions highlighted in the taxonomy criteria, and therefore they do not adhere to the taxonomy. However, the taxonomy might become relevant for our company in the coming years with regard to investment costs.

As the taxonomy expands and develops we will keep reviewing our adherence to it. Even though our company does not yet fall within the taxonomy's reporting requirement, we are constantly engaged in development work to increase the sustainability of our operations.



***“Even though our company does not yet fall within the taxonomy's reporting requirement, we are constantly engaged in development work to increase the sustainability of our operations.”***

# Sustainable acts in 2021



# Transmeri's most significant sustainable act in 2021

## Finnish family business supports the recovery of the Baltic Sea - Transmeri donates 100,000 euros to CoastClim research center

With its donation, Transmeri supports interdisciplinary Baltic Sea research so that biodiversity can be preserved for future generations.



Professor Alf Norkko (University of Helsinki), CEO Kari Leimola (Oy Transmeri Group Ab), CEO Mikael Sjögren (Oy Transmeri Logistics Ab), VP Stéphane Reverdy (SC Johnson), Chancellor Kaarle Hämeri (University of Helsinki) and CEO Sari Rosin (Oy Transmeri Ab).

4.11.2021  
Martta Lindström

NEWS

DONATION CLIMATE CHANGE

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→ Read more about donating to Baltic Sea research

→ Read more about CoastClim and Baltic Sea research



# Sustainable acts from our brands in 2021



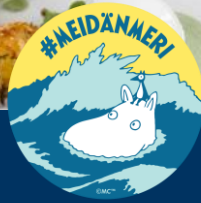
화자미  
WHAMISA

## WHAMISA

Packaging renewal reduced amount of plastic significantly.



Soyappétit



## SOYAPPÉTIT

Donation to the Baltic Sea for each purchase.



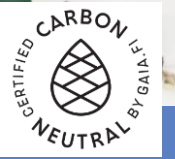
MÁDARA  
organic skincare

## MADARA

Participant in the Pink Ribbon charity drive.



TAIKA  
True natural magic



## TAIKA

Carbon Neutral -label from Gaia as the first cosmetics range.



LABORATOIRES  
NOVEXPERT  
PARIS

## NOVEXPERT

Packaging renewal reduced the amount of plastic significantly.



PATYKA  
PARIS

## PATYKA

Replacing plastic with recycled plastic in the CLEAN, HYDRA, PURE and BODY product ranges.



BIOSOLIS  
ORGANIC CERTIFIED SKINCARE



## BIOSOLIS

"1 % for the Planet" partnership: 1 % of sales donated to the protection of waterways, shorelines and coral reefs.



alima  
PURE

## ALIMA PURE

Plants a million trees by 2025.



GUERLAIN

## GUERLAIN

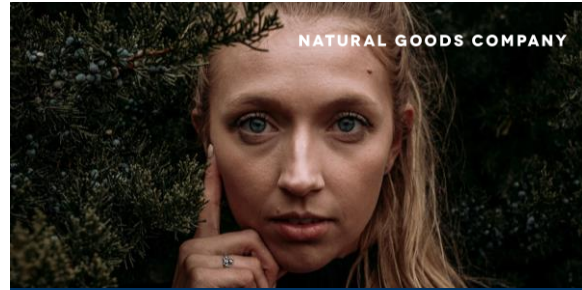
Guerlain's Abeille Royale products use sustainably produced honey from the Åland Islands.

# Sustainable acts from our brands in 2021 transmeri



## LAVERA

Basis Sensitiv Shampoo Bar: completely plastic-free and water-saving product, packaging made of 100 % recycled cardboard, zero waste -product.



## NATURAL GOODS COMPANY

Our online store for sustainable choices introduced food products, laundry detergents and everyday items.



## HUMBLE

A new kind of Black Friday campaign: one planted tree and 1 % donated for the planet for each order.



## IBERO

New products from recycled materials: hair ties, scrunchies and reusable cotton pads.



## JALO

Product donations throughout the year to various animal protection associations, such as Helsinki Humane Society HESY.



## DUCK

Active Gel toilet cleaner bottles are made with 30 % recycled plastic and the labels are made of paper.



## MR MUSCLE

An ecological new product: Probiotic drain cleaner.



## SUOMALAINEN

Effective washing of the sauna space with renewable energy and spray bottles made of 100 % recycled plastic.



## ROUNDUP

Only glyphosate-free weed killers in 2021.





# Transmeri

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