Stakeholder Analysis

The field of sustainability has seen major changes in recent years. Regulations and legal requirements are increasing in number as a direct result of the EU's Green Deal, a strategy with a major impact on our business and on our customers.

As many of our customers and partners, we have committed to reducing our emissions in line with the Paris Agreement, that is we aim to reduce our emissions by 50 percent. To achieve our goal, we need open reporting based on a credible calculation of our climate footprint. And naturally, these commitments impact our business.

"Each year, we analyse what is important to our key stakeholders."

However, climate change is not the only issue important to our business, our community, and the planet. Each year, we analyse what is important to our key stakeholders. Understanding the topics impacting our stakeholders and business partners, help us determine which sustainability initiatives to prioritise.

Our efforts to align our sustainability efforts to stakeholder's priorities have paid off. Our grocery customers in Sweden rank Arvid Nordquist first for sustainability in our categories, according to the industry survey Kedjeattityder DVH Sverige 2023 by Gradient Benchmark. Among the largest grocery customers in Finland, we are ranked in the top 10 in a survey by the same company.

Our stakeholder surveys have identified the following topics as the most important:

- **Reduced carbon emissions.**
- **Reduced environmental and social impacts of primary production.**
- **Recyclable and resource-efficient packaging and the development of circular business models.**
- **Renewable transport.**
- **Responsible business practices and due diligence.**

Customers

How did we engage:

- We are an active member of our trade associations' sustainability groups (Swedish Food Federation, DLF SE, DLF NO and SVL) and of DLF SE's logistics group
- Participate in collaborative groups
- Supplier meetings
- Meetings

Key topics:

- Price offer to end customer
- Our roadmap to halving our climate footprint
- Safe products
- Need for climate footprint on product and other data to deliver on new reporting requirements
- Increased transport efficiency, packaging, boxes and pallets
- Phasing out fossil-based and non-recyclable plastic packaging
- Reduced food waste
- Increased focus on sustainability certified products
- Discontinuing use of palm oil or only using traceable certified palm oil
- Phasing out harmful chemicals and microplastics in cleaning and hygiene products. Strong focus on PFAS
- Suppliers are expected to comply with Amfori BSCI's Code of Conduct
- Developing healthier products with less salt, sugar and saturated fat

What do we do:

- We support the trade associations' roadmaps for a more sustainable industry
- Member of the Swedish drinks industry's climate initiative, DKI
- Collaboration in working groups on climate calculations
- ISO 14001 certified FSSC and IP Food certified
- Target for fossil-free business
- Investment in sustainability certifications
- Halved our food waste
- Target for recyclable packaging by 2025
- Target to halve AN Coffee's emissions
- Sustainability reporting and SBTi targets
- We have reduced food waste by 50 percent

Consumers

How did we engage:

- Brand campaigns
- Social media
- Consumer contact
- Consumer surveys
- Social media
- Interest organisations (Fairtrade, KRAV, etc.)

Key topics:

- Inflation, more expensive food
- Climate and environment
- Trust in the brand
- Health and healthy food & drink
- Interest in cooking and international cuisine

What do we do:

- Investment in sustainability certifications
- Responsive in social media channels
- Value personal contact through consumer service
- Transparent reporting under Norwegian Transparency Act in Norway
- Clear list of ingredients and dosage instructions
- Increased range of alcohol-free drinks
- Resource-efficient and climate-smart packaging
- Support the industry organisation's "Talk about alcohol" and "Drinkwise" initiatives
- Take producer responsibility through affiliation with Näringslivets Producentansvar (NPA)

Authorities & Permit issuers

How did we engage:

- Indirectly through active participation in our trade associations, through which the authorities work, and through direct contact in connection with the checks applied to Arvid Nordquist as a food producer

Key topics:

- Environmental aspects within the framework of the European Green Deal
- Responsible business (care for employees and the environment, increased responsibility in the value chain, high food safety, traceability and transparency)
- Legal compliance

What do we do:

- ISO 14001 certified
- FSSC 22000 plus IP Food certified
- Sustainability reporting
- SBTi targets
- Target to halve AN Coffee's emissions
- Transparent reporting under Norwegian Transparency Act
- Target for fossil-free business
- Development project for improved traceability

Brand owners

How did we engage:

- Business-related follow-up meetings
- Follow-up meetings on sustainability work
- Daily contact

Key topics:

- Meeting contractual requirements
- Growth, good representative of the brand
- Working preventively and having procedures and skills to handle emergencies in order to effectively reduce the extent of these and any damage to the brand
- Customer demands in the Nordic market
- Arvid Nordquist's capacity to deliver

What do we do:

- Gather information about the brand owner's sustainability work in AN's business system
- Communicate increased customer demands
- Regular follow-up meetings

Employees & future employees

How did we engage:

- Employee surveys
- Workplace union representatives
- Sustainability group
- Internal auditors
- Sports club
- Performance appraisals
- Management forum
- Conferences

Key topics:

- Arvid Nordquist relocation and construction of new roastery
- Company development
- Competitive terms
- The company's responsibility for employees and in the value chain
- Compliance with guidelines and policies related to the environment, climate, human rights and anti-corruption

What do we do:

- Protect the company's culture
- Quarterly information
- Collective agreements
- Active sustainability work
- Communication of sustainability work within the company and externally
- Clarify policies
- Sustainability training for all employees
- Internal audits
- Transparent reporting of results from employee survey
- Trade union

Trade unions

How did we engage:

- Workplace union representatives
- Direct contact on specific issues

Key topics:

- Safe and secure workplace
- Psychosocial and physical working environment
- Workload
- Ensuring that employees' interests are taken into account in the event of organisational changes
- Benefits

What do we do:

- Safety committee
- Employee survey that monitors psychosocial well-being
- Follow-up of employee attendance
- Fitness allowance for all employees
- Contributions to the company's own sports club
- Free gym access

Owners

How did we engage:

- Daily contact

Key topics:

- Conducting responsible business
- The company's relocation and construction of a new roastery
- Sustainability work at the forefront
- Improved profitability and growth
- Care for employees

What do we do:

- Strong values linked to long-term thinking, responsibility and commitment – walk the talk
- High Five strategy document with ongoing follow-up
- Guidelines and policies on responsible business
- ISO 14001 and FSSC plus IP Food certified
- Management review regarding environmental and food safety
- Project groups on relocation and information to the entire company and to the trade union workplace representatives
- Sustainability reporting
- Customer surveys on how Arvid Nordquist is perceived

Standard owners

How did we engage:

- Regular meetings and contact
- Participation as a consultation body for changes to standards
- Participation in seminars and events

Key topics:

- EU deforestation regulation
- Increased need for climate data
- Supply and demand for Rainforest Alliance certified coffee (RA)
- The tough requirements of the new RA standard
- Impact of inflation in agriculture
- Arvid Nordquist's long-term sourcing strategy and volume development
- That Arvid Nordquist acts responsibly in the market and pays fees

What do we do:

- Committed to sourcing 100 percent sustainability certified coffee beans
- Aim to grow our Fairtrade and organic certified range
- Well-developed cooperation with selected cooperatives and farms
- Projects for collecting primary data in coffee farming

Farmers and local communities in primary production

How did we engage:

- Meetings during travel and direct contact with cooperatives or farm owners
- Via standard owners and local unions
- Via trading companies
- Via NGOs

Key topics:

- Living wage and decent working conditions
- Assistance with investments and skills development
- Better paid for raw materials
- Longer contracts

What do we do:

- Committed to sourcing 100 percent sustainability certified coffee beans
- Aim to grow our Fairtrade and organic certified range
- Well-developed cooperation with selected cooperatives and farms
- Projects to promote transition

Interest organisations

How did we engage:

- We keep up with publications
- Industry organisation meetings
- Direct meetings
- Collaborations on calls for proposals

Key topics:

- The climate crisis
- The global food system
- The Sustainable Development Goals
- HREDD
- Swedish companies' responsibility in the value chain and compliance with the OECD's fundamental principles
- Deforestation and biodiversity loss
- Use of chemicals
- Circular business models

What do we do:

- Arvid Nordquist observes the Amfori BSCI's code of conduct as well as the OECD guidelines for multinational enterprises on responsible business conduct
- AN supports the call for a CSDDD and corporate responsibility in the value chain
- AN commits to buying 100 percent sustainability certified coffee through Rainforest Alliance, Fairtrade and 4C
- AN supports female coffee farmers through volume commitments and extra premiums
- AN undertakes to ensure that the palm oil in the portfolio is RSPO certified
- ISO 14001 certified
- Transparent sustainability reporting
- SBTi targets
- Halving target for AN Coffee
- Climate calculations
- Climate compensation through tree planting and forest projects
- Transparent reporting under Norwegian Transparency Act
- Target for fossil-free business

Industry organisations

How did we engage:

- Member meetings
- Participation in expert groups
- Participation in consultation groups
- Participation in seminars and industry meetings

Key topics:

- Responsible industry
- Roadmap towards fossil freedom or climate neutrality
- Helping with consultation responses
- Creating political understanding of the needs of our industry
- Skills supply

What do we do:

- Active members of the Swedish Food Federation (LI), Dagligvaruleverantörernas Förbund (DLF) in Sweden and Norway, Sveriges Sprit & Vin Leverantörer (SVL), Kemi och Hygienföretagen (KOHF) and the European Sales & Marketing Association (ESMA)
- Founder member of CEISA – Circle of Specialty Food Distributors
- Support DLF's roadmap towards a fossil-free food industry and LI's Sustainability Manifesto, as well as the cooperation project on the drinks industry's climate initiative (DKI)

Suppliers

How did we engage:

- Regular meetings
- Supplier controls

Key topics:

- Fulfilling contractual requirements
- Creating joint sustainability projects that benefit both parties
- Communication about collaboration
- Working preventively and handling emergencies in order to effectively reduce the extent of these and any damage to the brand

What do we do:

- Responsible business
- Welcome and implement joint projects, e.g. transition to fossil-free value chain, transition to fossil-free plastic, transition to biogas
- Continuous traceability tests

Academia & research

How did we engage:

- Participates in research studies in academia and student theses
- Through development projects
- Through industry organisations

Key topics:

- Tools to support the transition of the food system
- Circular business models
- Increased traceability

What do we do:

- Conducted study on climate tools for coffee farmers together with Rainforest Alliance, the ECOM trading company and the NGO Taking Root
- Several papers on Arvid Nordquist's responsibility and climate work in the coffee value chain
- Development of industry-wide method for climate carbon calculation of food
- Development project for improved traceability