

# Sustainability Indicators 2014



**Appendix to Lantmännen's  
Annual Report including  
Sustainability Report**

Version 2015-03-09





Lantmännen is an agricultural cooperative and northern Europe's leader in agriculture, machinery, bioenergy and food products. Owned by 29,000 Swedish farmers, we have 8,000 employees, operations in over 20 countries and revenues of SEK 33 billion. With grain as our basis, we process arable land resources to make farming thrive. Some of our best-known food brands are AXA, Kungsörnen, GoGreen, Korvbrödsbagarn, Schulstad and Gooh. Our company is founded on knowledge and values built up through generations of owners. With research, development and operations throughout the chain, together we can take responsibility from field to fork.

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# Introduction

This appendix is a supplement to Lantmännen's Annual Report including Sustainability Report and contains the key figures and other performance indicators that describe Lantmännen's responsibility and performance from a sustainability perspective. Learn more about how we work on each of the questions and their governance [lantmannen.se/responsibility](http://lantmannen.se/responsibility).

The appendix follows the structure of the Global Reporting Initiative (GRI) guidelines (G4), but also includes some Lantmännen-specific indicators and key figures.

## Materiality analysis – selection of aspects and indicators

In fall 2014, Lantmännen carried out a materiality analysis aimed at identifying priority issues and areas for reporting. The analysis was conducted in an internal process with specialists and key personnel from different parts of the organization. An overview of the results is set out below, and more information about the analysis can be found on pages 22-23 of Lantmännen's Annual Report including Sustainability Report.

Based on the analysis, we have chosen to report indicators for the following GRI elements:

### Economic

Economic performance  
Procurement practices

### Environment

Materials  
Energy  
Water  
Emissions  
Compliance  
Transport

### Labor practices and decent work

Occupational health and safety  
Training and education  
Diversity and equal opportunity

### Human rights

Non-discrimination  
Risk assessment

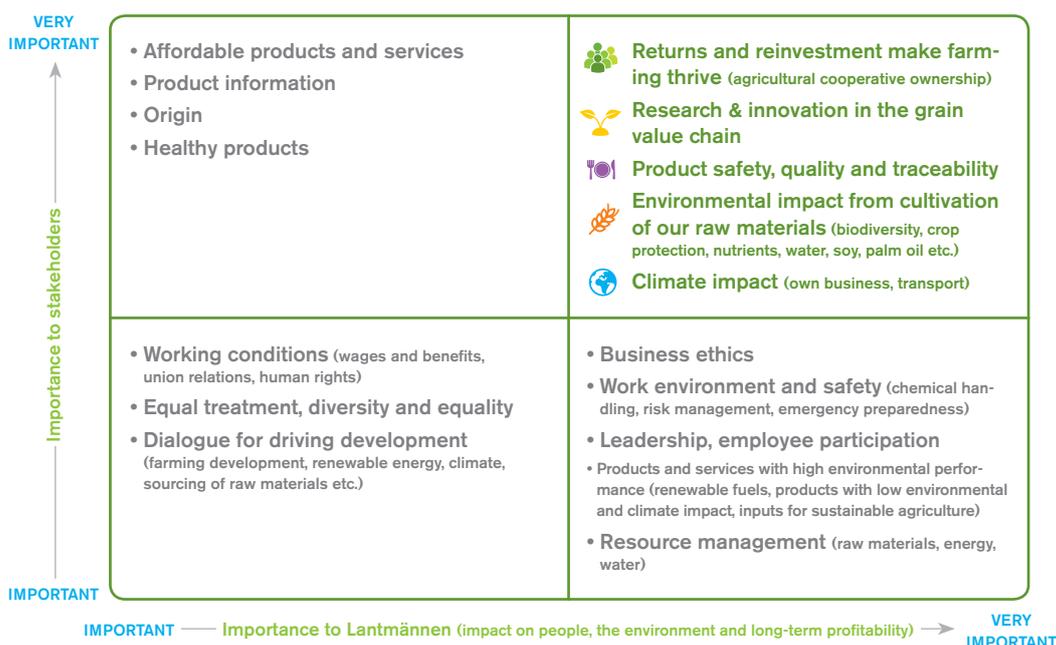
### Society

Anti-corruption

### Product responsibility

Customer health and safety  
Labeling  
Compliance

## Materiality analysis





### **Global Reporting Initiative (GRI)**

Lantmännen has been applying the GRI guidelines for several years, including the Food Processing sector supplement. For the 2014 report, we have elected to apply GRI's new G4 guidelines, core level, for the first time. Learn more about GRI at [www.globalreporting.org](http://www.globalreporting.org)

### **Global Compact**

In 2009, Lantmännen signed the Global Compact, the UN initiative for responsible business, thereby committing itself to implement ten principles into its operations. The Global Compact also requires annual disclosure of progress and performance in the form of a COP (Communication on Progress). Lantmännen's Annual Report including Sustainability Report, together with information on our website, is structured in such a way as to meet these requirements. Learn more about Global Compact and COP at [www.unglobalcompact.org/](http://www.unglobalcompact.org/)

### **The indicators in this appendix**

This appendix describes the name, definition and outcome/result of each indicator, with applicable comments on special assumptions, and known deficiencies in the calculations or explanations. If an indicator has not been fully reported in accordance with GRI, and the omitted/missing information is considered relevant and significant to Lantmännen, this is indicated and explained.

The indicators are divided into the following areas: Sourcing (SOU), Economic (EC), Environmental (EN), Labor Practices and Decent Work (LA), Human Rights (HR), Society (SO) and Product Responsibility (PR). Indicators specific to the food sector are marked FP (Food Processing).

Visit our website: [lantmannen.se/responsibility](http://lantmannen.se/responsibility) for more information about our work in the area of responsibility or to download the full Annual Report including Sustainability Report. You will also find a full GRI index there.

### **Contact information for questions about the Sustainability Report**

Claes Johansson  
Director Sustainable Development  
Telephone: +46 (0)10 556 00 00  
[claes.johansson@lantmannen.com](mailto:claes.johansson@lantmannen.com)

# Economic

## Economic performance

### Direct economic value generated and distributed (EG4-C1)

Definition according to GRI: G4-EC1

#### Reporting:

Economic value created by Lantmännen for various stakeholders

MSEK	2014	2013	2012	2011
Products and services sold	32,666	33,802	36,526	37,896
Employees (payroll expenses)	4,741	4,938	5,322	5,419
Owners (dividend)	178 <sup>1</sup>	171	168	230
Owners (refund and final price adjustment) <sup>1</sup>	135	129 <sup>2</sup>	120	110
Suppliers (goods and services purchased)	26,645	27,392	30,265	30,770
State (taxes paid)	177	104	117	106

<sup>1</sup> According to Board's proposal for 2014.

<sup>2</sup> Actual outcome, compared with estimated value MSEK 127 in the previous report.

More information about the economic value generated is described in the financial part of Lantmännen's Annual Report and Sustainability Report 2014, from page 66 onwards.

### Financial implications and other risks and opportunities for the organization due to climate change (G4-EC2)

Definition according to GRI: G4-EC2

Reporting: The Annual Report including Sustainability Report 2014 describes climate-related risks and opportunities in the following sections: "External trends" pages 18-19, "Important issues for responsible business" and the subsequent sections Business development, Dialogue and Ensuring responsibility pages 22-27, and "Strategic risks" page 29.

## Sourcing

### Percentage of purchased volume from suppliers compliant with organization's sourcing policy (G4-FP1)

Definition according to GRI: G4-FP1

Lantmännen defines "compliant" as the supplier having the Supplier Code of Conduct (SCoC) in its contract and having an approved self-assessment and/or audit system.

#### Objective:

1. All suppliers have SCoC in their contract.
2. All suppliers (annual purchase volume over MSEK 1) are followed up with self-assessment and/or audit.

#### Outcome:

	2014	2013
Proportion of purchasing volume from approved suppliers	76 %	93 %

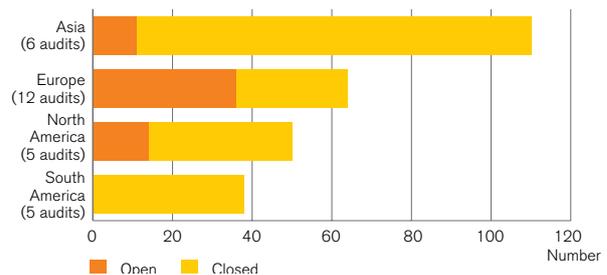
The decline in the proportion of approved suppliers in 2014 was due to an increased number of new suppliers and the new requirement for active approval by the buyer. Our supplier procedures are described in more detail on page 27 of the 2014 Annual Report including Sustainability Report and at [lantmannen.se/responsibility](http://lantmannen.se/responsibility)

### Conducted audits based on Supplier Code of Conduct and number of non-conformances

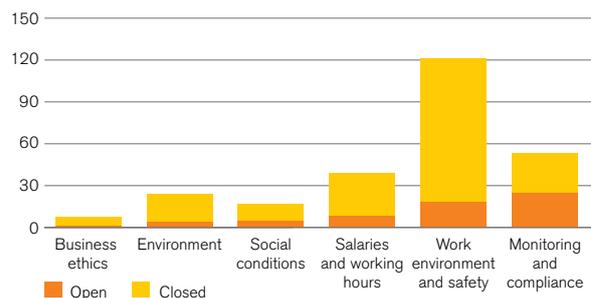
Definition: Number of audits conducted according to the procedure for supplier audits. Number of identified non-conformances by geographical region and SCoC area. Reported non-conformances are accepted by the audited supplier. Non-conformances must be corrected by the supplier within an agreed timetable.

#### Outcome:

Number of audits and identified non-conformances by region



Number of non-conformances in conducted audits



**Comments:** Lantmännen has conducted 28 (24 +4) supplier audits in Europe, Asia and North and South America since 2010. Four audits (2 in Sweden, 1 in Austria, 1 in Italy) were conducted by Lantmännen Cerealia in 2014. The audits were system audits focusing on traceability/origin and how suppliers ensure compliance with our requirements further along the supply chain. One of the reasons was that there are trading houses supplying us with several different food products from many different sub-suppliers.

It is Lantmännen's goal for all non-conformances found during audits to be corrected and closed by the supplier within one year. The chart shows total non-conformances in our audits and the number that were corrected and closed, and open at year-end. Most of the non-conformances we have found have been attributable to suppliers in Asia and the area of Work environment and safety.

### Percentage of purchased volume verified as being in accordance with internationally recognized responsible production standards (G4-FP2)

**Definition according to GRI:** G4-FP2

Lantmännen reports the indicator for two of our commodities, soy and palm oil. For these, we use RTRS and RSPO as standards for responsible production

### Soy Proportion of RTRS\*-certified soy as ingredient in feed

**Definition:** Purchased certificates for RTRS soy, tonnes/ total purchased soy, tonnes \* 100 = % RTRS soy.

\* RTRS = Round Table on Responsible Soy.

**Objective:** 100% by 2015

**Outcome:**

	2014	2013	2012
Purchased volumes of RTRS-certified soy (ingredient in feed, tonnes)	66,000	58,000	45,000
Proportion of RTRS certificates, %	60 %	50 %	37 %

**Comments:** Lantmännen continues to drive the progress towards more sustainable soy production. Lantmännen was one of the first companies in the world to buy RTRS-certified soy when it first came on the market in 2011. In 2014, representatives from the entire Swedish food

chain came together to make a collective appeal for responsibly cultivated soy according to RTRS.

Lantmännen has signed the Swedish agreement, whereby 100 percent of the soy used in food must be covered by RTRS certification by 2015. More information on the Round Table on Responsible Soy can be found at [www.responsiblesoy.org](http://www.responsiblesoy.org)

Our work in the area of soy is described further at [lantmannen.se/soja](http://lantmannen.se/soja)

### Palm oil: Proportion of RSPO\* certified palm oil as an ingredient in food

**Definition:** Purchased volumes of RSPO-certified palm oil, tonnes/total purchased palm oil, tonnes) • 100 = % RSPO-certified palm oil.

\* RSPO = Roundtable on Sustainable Palm Oil.

**Outcome:**

	2014	2013	2012	2011	2010
Purchased volumes of palm oil as an ingredient in food, tonnes	6,700	7,900	7,000	6,900	5,500
Proportion of RSPO-certified (Book & Claim), %	100 %	100 %	100 %	100 %	17 %
Purchased volumes of oil palm by-products (palm kernel expeller) as ingredient in feed, tonnes	9,650	18,200	16,900	22,600	8,800

**Comments:** Our palm oil strategy is to ensure responsibly produced palm oil. We do this by only purchasing RSPO-certified palm oil. We also work to speed up the transition together with industry colleagues and stakeholders.

The goal is to buy traceable and certified palm oil for 100 % of the volumes of our food products in 2015 according to RSPO Segregated. The goal does not refer to other oil palm by-products that are ingredients in animal feed.

For oil palm by-products used in feed production and other areas, the market for certified raw materials is not yet as well developed. Lantmännen engages in dialogue with other industry players to drive development.

For more information about the Roundtable on Sustainable Palm Oil, visit [www.rspo.org](http://www.rspo.org) and for certificate trading, see [www.greenpalm.org](http://www.greenpalm.org)

# Environmental

## Materials

### Materials used by weight or volume (EN1fp)

Definition according to GRI: G4-EN1

Lantmännen reports on the use of our significant raw materials: grain, soy and palm oil. Reported volumes and proportions are based on tonnage.

#### Outcome:

	2014	2013	2012	2011
Total volume of weighed grain, thousand tonnes	2,500	1,800	1,950	1,770
of which Premium <sup>1</sup> grain, %	7.7	9.1	8.2	2.0
of which organic grain, %	2.8	3.1	3.0	2.9
of which standard quality, %	89.5	87.8	88.9	
Feed raw materials originating <sup>2</sup> from				
Sweden, %	58	58	56	58
Rest of EU, %	24.7	26.7	26.5	
Non-EU, %	17.3	15.4	17.5	
Proportion of RTRS-certified soy as ingredient in feed, %	60	50	37.1	22.6
Volume of imported GMO soy <sup>3</sup> for direct sale to customers	0	0	0	0
Proportion of RSPO-certified palm oil as ingredient in food, %	100	100	100	100

**Comments:** Due to the record high harvest in 2014, the proportion of premium<sup>1</sup> grain fell and the percentage of organic grain showed a slight decline from the previous year. However, in absolute figures, volumes increased in 2014. This is a trend that is expected to continue in 2015, as the market's interest in different added values associated with grain as a raw material is gradually increasing. The sharply increasing consumer interest in organic products in the retail sector in 2014 has not yet fully materialized in the cultivation stage in the form of increased demand. Based on the current market situation, keener buying interest and signals of higher prices for growers, there is potential for increasing organic farming. The indicator covers the Agriculture Sector's weighed grain.

More information on our grain concepts can be found at [lantmannenlantbruk.se](http://lantmannenlantbruk.se)

<sup>1</sup> Grain that meets customer-specific requirements.

<sup>2</sup> For some raw materials, the origin is both Swedish and EU. In these cases, an estimate of the dominant origin has been made. Quantitatively small materials and feed additives with different origins have not been included.

<sup>3</sup> Sales of GMO soy to farmers ceased in 2011. We ensure that soy is GMO-free by signing agreements on non-GMO soy and analyzing the received product.

## Energy

### Energy consumption within the organization (divided into renewable and non-renewable energy sources) (G4-EN3)

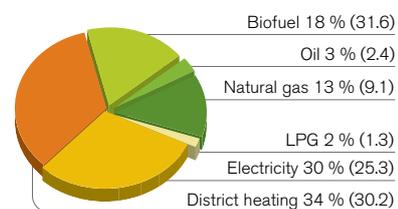
Definition according to GRI: G4-EN3

The indicator includes all of Lantmännen's production facilities. Real estate operations and machinery workshops are not covered. Collection of environmental and energy data is on an annual basis. The reference document for the calculations is the Greenhouse Gas Protocol.

#### Outcome:

	2014		2013		2009	
	TJ	GWh	TJ	GWh	TJ	GWh
Non-renewable fuels	922	256	928	258	1,366	379
Oil	139	39	175	49	498	138
Natural gas	696	193	659	183	745	207
LPG	87	24	94	26	111	31
Town gas	0	0	0	0	11	3
Renewable fuels	942	262	2,276	632	2,201	611
Indirect energy cons.	3,379	939	4,003	1,112	4,079	1,133
District heating	1,801	500	2,179	605	1,937	538
Electricity	1,578	438	1,824	507	2,142	595
Sold electricity and heating	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
<b>Total net energy consumption</b>	<b>5,244</b>	<b>1,457</b>	<b>7,206</b>	<b>2,002</b>	<b>7,646</b>	<b>2,124</b>

#### Energy consumption in 2014, by energy type



**Comments:** The use of fossil fuel, electricity and district heating has decreased as a result of energy efficiency measures and sales of operations. The decline in the proportion of biofuel is because Agroenergi previously accounted for a large volume, but from 2014 is no longer a consolidated subsidiary and is therefore not included in the reporting

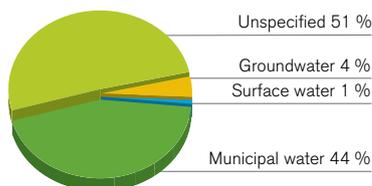
## Water

### Total water withdrawal by source (G4-EN8)

Definition according to GRI: G4-EN8

Outcome:

	2014 m <sup>3</sup> /year
Municipal water supply	634,957
Groundwater from own source	64,675
Surface water from own source	13,605
Unspecified	740,963
Total water withdrawal	1,454,200



**Comments:** Collection of data is not yet complete for this indicator. The high figures for “Unspecified” are due to some missing data. However, the assessment is that the majority of this category is from the municipal water supply.

### Water sources significantly affected by withdrawal of water (G4-EN9)

Definition according to GRI: G4-EN9

**Outcome and comments:** Lantmännen has conducted risk screening for impacts on water supplies at all of its facilities using WBSCD’s Water Tool.

Four facilities are located in high-risk areas with regard to water consumption – a seed plant and a work-shop in Sweden, and two bakeries in the UK.

## Emissions into the air

### Direct greenhouse gas emissions (Scope 1) (G4-EN15) and Energy indirect greenhouse gas emissions (Scope 2) (G4-EN16)

Definition according to GRI: G4-EN15 and G4-EN16

Lantmännen reports direct emissions of carbon dioxide from heating and its own vehicles, and indirect emissions from use of electricity and purchased transportation.

**Outcome:** See under G4-EN18 below.

### Greenhouse gas emissions intensity: Carbon dioxide emissions in relation to value added and sales (G4 EN18)

Definition according to GRI: G4-EN18

Lantmännen reports this as

- CO<sub>2</sub> emissions, total, tonnes per MSEK value added<sup>1</sup>
- CO<sub>2</sub> emissions, tonnes per MSEK net sales

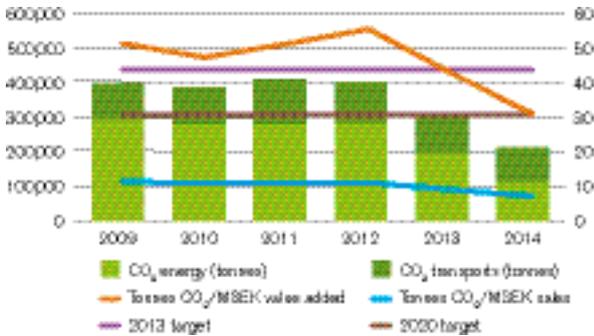
**Objective:** To reduce carbon dioxide emissions by 40 % in relation to sales and value added between 2009 and 2020.

**Outcome:**

	2014	2013	2012	2011	2010	2009
CO <sub>2</sub> energy consumption (thousand tonnes)	113	194	280	279	279	289
CO <sub>2</sub> transport (thousand tonnes)	103	106	120	130	106	106
tonnes of CO <sub>2</sub> /MSEK value added	30.1	42.9	55.6	51.3	47.4	51.4
2020 target	30.8	30.8	30.8	30.8	30.8	30.8
tonnes of CO <sub>2</sub> /MSEK net sales	6.6	8.9	11.0	10.8	10.7	11.3
2020 target	6.8	6.8	6.8	6.8	6.8	6.8

<sup>1</sup> Value added = EBITDA plus employee benefits expense.

CO<sub>2</sub> emissions – outcome and target levels



**Comments:** Overall CO<sub>2</sub> emissions have fallen by over 40 % in both absolute and relative figures since 2009. Several years of focused work on increased energy efficiency and phasing-out of fossil fuels have contributed to the result – for example, use of heating oil has declined by over 70 %.

However, a significant proportion of the CO<sub>2</sub> reduction in recent years has had extraordinary causes. The number of Group companies and production facilities has declined as a result of sales or mergers, which has reduced total energy consumption and therefore also the reported emissions. In 2014, it was decided to purchase origin-labeled renewable electricity for the entire Scandinavian operations. This has a significant effect on Lantmännen's carbon footprint, with a reduction equivalent to 50,000 tonnes or 19 %.

Even though the 2020 climate target has been reached, there is a continuing ambition and the potential to further reduce the climate impact through efficiency and reduced use of fossil fuels.

## Products and services

Set out below are some Lantmännen-specific key figures regarding our products, with a link to the environmental impact in the cultivation stage:

### Cadmium in phosphate fertilizer

**Definition:** X ppm Cd in phosphorus = grams/tonne phosphorus (in fertilizer) =  $\sum$  (tonnes of phosphorus purchased • cadmium content, grams/tonne)/total tonnes of phosphorus (in fertilizer).

**Outcome:** 4.1 grams of cadmium per tonne of phosphorus in fertilizer in 2014.

### Cadmium

Grams per tonne of phosphorus



**Comments:** Cadmium content in mineral fertilizers remains low, well under the statutory limit value of 100 mg Cd/kg phosphorus. It is important to ensure minimal cadmium input to Swedish arable land.



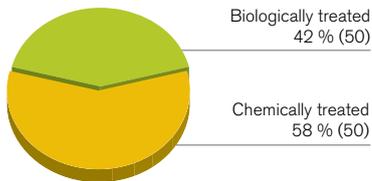
## Share of biologically treated seed

**Definition:** (Biologically treated + untreated grain seed, tonnes/total grain seed produced, tonnes) • 100 = % biologically treated.

*Biologically treated means that the seed has been treated using natural microorganisms (Cedemon) or heat treatment (ThermoSeed) to achieve increased resistance to pests.*

**Objective:** To continue developing biological seed treatment in order to reduce use of chemical treatment.

**Outcome:** The proportion of untreated and biologically treated seed was 42 % in 2014 (50 % in 2013, 61 % in 2012, 68 % in 2011, 63 % in 2010).



**Comments:** Germinating capacity tests for seed are now the optimum treatment method for each batch of spring barley, oats and spring wheat. The germinating capacity test provides an estimate of field emergence which is close to real conditions during the spring planting season.

The annual variation and an increase in quality monitoring have resulted in a reduction of Cedomon and Cerall treated seed. The quantity of ThermoSeed treated seed has risen as a result of increased capacity now that Lantmännen has two facilities, one in Skara and one in Eslöv, from fall 2014. In 2015, both facilities will be used throughout the year, which will probably result in an increase in the proportion of ThermoSeed-treated seed.

## Proportion of organic seed

**Definition:** Sales of organic seed, tonnes/total sales of seed, tonnes • 100 = % organic seed

**Outcome:**

	2014	2013	2012	2011	2010
Proportion	9.2 %	8.1 %	7.6 %	7.3 %	6.5 %

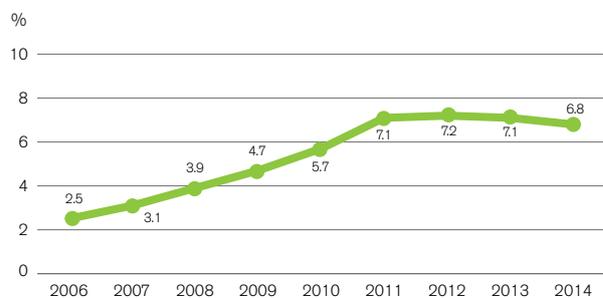
**Comments:** Sales of organic seed are increasing, partly driven by increased consumer demand for organic products. Lantmännen also has a variety portfolio customized for organic farming and its cultivation conditions. As sole supplier, we are also able to effectively eradicate seed-borne infection with the ThermoSeed technology, which is approved for organic farming.

## Proportion of organic animal feed

**Definition:** (Sales of organic feed, tonnes/total sales of feed, tonnes) • 100 = % organic feed.

**Outcome:** : 6.8 % in 2014 (7.1 %).

**Organic feed**



**Comments:** Lantmännen continues to have a high market share of organic feed. As in conventional production, the proportion of concentrate has increased, partly as a result of the good grain harvest, which is why the volume trend is not reflected in the market trend.

## Compliance

**Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations (G4-EN29)**

**Definition according to GRI: G4-EN29**

**Outcome:** No significant fines or non-monetary sanctions in 2014.

## Transport

**Significant environmental impacts of transporting products and other goods, and transporting members of the workforce (G4-EN30)**

**Definition according to GRI: G4-EN30**

Lantmännen's boundary is purchased transport of goods; business travel is not reported.

**Reporting and outcome:** : Lantmännen's different business areas are working closely with carriers and customers to improve the efficiency of freight transport and move to environmentally friendly fuels. The trend towards centralization with fewer plants means increased transport, which is a challenge from an environmental perspective.

For CO<sub>2</sub> emissions from transport (per thousand tonnes), see the outcome under the indicator "Carbon dioxide emissions in relation to value added and sales" above.

As the work on transport is primarily conducted locally in different parts of the business, complete data is not available. Reported transport emissions at the Group level are partly based on extrapolation and flat rates.



# Labor Practices and Decent Work

## Occupational health and safety

### Extent and type of occupational injuries, accidents and sickness absence (G4-LA6)

Definition according to GRI: G4-LA6

Reporting and outcome:

#### Sick leave, Group total

Sick leave (% of normal working hours)				
%	2014	2013	2012	2011
Group, total	3.8	3.7	3.8	3.7
Agriculture Sector	2.8	3.1	2.3	2.6
Machinery Sector	3.1	3.2	3.1	2.9
Food Sector	4.6	4.5	4.6	4.5
Energy Sector	1.9	2.5	2.3	1.5
Real Estate	1.9	0.4	0.3	

Sick leave (% of normal working hours)				
% of total working hours	2014	2013	2012	2011
Women	4.9	4.7	4.7	4.7
Men	3.3	3.4	3.5	3.3
Total	3.8	3.7	3.8	3.7

#### Accidents and Incidents

Boundaries:

**Target group accidents:** The total workforce in each Sector and country, and independent contractors working at the workplace whose organization is responsible for the overall working environment and safety.

**Target group incidents:** The total workforce in each Sector and country.

Outcome:  
Accidents and Incidents

	2014	2013	2012	2011	2010
Number of fatalities due to work-related injuries	0	0	0	0	0
Number of accidents <sup>1</sup>	228	262	327	313	326
Injury rate <sup>2</sup>	16.8	17.6	20.2	24.4	22.0
Number of reported incidents <sup>3</sup>	2,900	2,488	1,555	915	1,005
Number of incidents per accident (lost-time)	12.7	9.5	4.8	2.9	3.1

<sup>1</sup> Work-related accident resulting in at least one day's absence after the accident occurred. Travel accidents (to and from work) are not included.

<sup>2</sup> Injury rate is defined as the number of accidents per million working hours (actual hours worked).

<sup>3</sup> Incidents are defined as unintended events that could have resulted in ill health or an accident.

**Comments:** The number of reported lost-time accidents in 2014 was 228, which is a decline of about 13 % from 2013. Falls are the most common type of accident. The results show a positive trend and should also be seen in the context of the year's initiatives in training and risk assessment, and a well-functioning work environment network/process team. Lantmännen's injury rate is now 16.8 (17.6), which compares well with Swedish industry statistics, where, for example, the 'Food, beverages and tobacco' category has an injury rate of 27 (2012).

Lantmännen's target is at least 10 reported incidents per accident. Incident reporting increased by about 16 % in 2014, rising from 2,488 in 2013 to 2,900. This corresponds to 12.7 (9.5) reported incidents per accident, and is very positive result for the accident-prevention efforts.

However, the number of reported incidents are unevenly distribution in the operations. It is generally the case that where there is a strong focus on risk observations, incident reporting and systematic work environment initiatives, there is also a strong focus on improvements. The most common incident category is Lantmännen's type 2 category – an incident assumed to be caused by equipment, apparatus, machinery, a product, materials or maintenance.

## Health screening

**Definition & boundaries:** Employees in Lantmännen's Swedish operations are offered regular health screening. The health screening results provide a basis for developing Lantmännen's strategic and targeted health and work environment initiatives. Employees can also use the results as a basis for their personal health and wellbeing goals.

*The Balance Barometer* is an index based on wellbeing, relationships, recovery, sleep, energy, enjoyment and stress. The Barometer shows the proportion of employees rating their health as very good/excellent or good with room for improvement in the survey.

*The Health Staircase* is based on lifestyle with regard to physical activity, eating habits, stress, tobacco and alcohol. The Staircase shows the percentage of employees who consider their lifestyle creates very good/excellent conditions for staying healthy in the future or whether there is an increased risk of ill health and sickness.

**Target group:** A total of 2,732 employees in Lantmännen's Swedish operations responded in 2013 and 2014. All employees in the Swedish operations are offered a survey at least once during a period of three years.

**Outcome** (according to most recent health screening): The survey response rate was 81 %.

According to the *Balance Barometer*, 28 % of the employees who responded to the survey in 2013-2014 perceived their health as excellent. 62 % perceived their health as good, but with room for improvement, while 10% of employees felt a need to improve their health.

According to the *Health Staircase*, 30 % of the employees who responded to the survey in 2013-2014 perceived their lifestyle as excellent and with the conditions to stay healthy in the future. 42 % perceived their lifestyle as good, but with room for improvement, while 28 % felt a need to change their lifestyle.

Various health-related activities are implemented at the organization level and at the individual level to allow employees to maintain and improve their health.

In 2013, Lantmännen changed its model for the survey. Consequently, the results of the 2013 and 2014 surveys are not comparable with the results from previous health screenings.

## Skills development

### Percentage of employees receiving regular performance and career development reviews (G4-LA11)

**Definition according to GRI:** G4-LA11

All managers at Lantmännen are required to have a performance appraisal with their employees at least once a year. This applies to all employees in the Group and is followed up in the *Insikt* (Insight) employee survey.

**Outcome:** The survey conducted in 2013<sup>1</sup> shows that 76 % (2011: 75 %) of employees have had performance appraisals. Although most of them are satisfied with the quality of the appraisal, this will continue to be a priority area for development.

<sup>1</sup> *Insight survey is carried out every other year. The most recent results are from 2013.*

## Diversity and equal opportunity

### Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership and other indicators of diversity (G4-LA12)

**Definition according to GRI:** G4-LA12

Lantmännen reports on gender representation in the Board of Directors and Management groups. For more information on the composition of the workforce with regard to gender and age distribution, see the Annual Report including Sustainability Report, pages 32-34. Lantmännen does not report distribution based on minority group membership and other indicators of diversity

**Outcome:**

	Women	Men	Women, %
Group Board	3	11	21 %
Group Management	2	8	20 %
Agriculture Sector	4	5	44 %
Energy Sector	1	7	12 %
Machinery Sector	2	11	15 %
Lantmännen Cerealia	2	3	40 %
Lantmännen Unibake	0	7	0 %
Lantmännen Doggy	3	5	38 %
Lantmännen Real Estate	0	6	0 %

# Human Rights

## Training and education

### Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained (G4-HR2)

Definition according to GRI: G4-HR2

Lantmännen reports the percentage of employees who have completed e-learning in the Code of Conduct. Our Code of Conduct contains general guidelines on corporate responsibility. Work environment and social conditions, including freedom of association, working hours, salaries, forced labor, child labor, discrimination and oppression, are included as one of five areas. All employees must undergo training in the Code of Conduct. E-learning is available in seven languages and includes exercises that reflect potential dilemmas and situations.

**Objective:** All new employees at Lantmännen are required to undertake e-learning in our Code of Conduct within three months of their appointment.

**Outcome:** 78% of employees have completed training in Lantmännen's Code of Conduct (80 % in 2013, 88 % in 2012, 93 % in 2011 83% in 2010).

**Comments:** The percentage that have completed the training decreased a little during the year.

## Non-discrimination

### Total number of incidents of discrimination and corrective actions taken (G4-HR3)

Definition according to GRI: G4-HR3

**Outcome:** No cases of discrimination were reported.

## Risk assessment

### Total number and percentage of operations that have been subject to human rights reviews or impact assessments (G4-HR9)

Definition according to GRI: G4-HR9

Lantmännen conducts overall risk assessments for all of the Group's operations. Risk assessment is based on available and independent international risk indexes for the area (see references<sup>1</sup> below) and is updated annually. Based on these independent international risk indexes, Russia, Ukraine and Latvia have been identified as high-risk countries in terms of human rights. Some of our food business is in these countries, but we do not have any indications of problems or breaches of the code of conduct in terms of human rights.

Regular monitoring of work environment programs has been in progress since 2009 at all our operations. Just over 50 loss prevention on-site inspections are conducted annually at Lantmännen's production facilities, with the primary focus on financial risks, although there is also a focus on work environment.

A whistleblower function was introduced in the Swedish operations in 2012 and is also in place in other Nordic countries and the UK. This gives employees an anonymous and safe way of reporting circumstances in our operations that are contrary to laws, regulations and the guidelines in our code of conduct. 2014 saw the start of the implementation of a web-based tool enabling all employees in all countries to anonymously report a whistleblowing case. The tool can be used from January 2015.

#### <sup>1</sup> References

*Global Freedom of Association Score, Freedom House. These scores in turn are determined by the sum of the scores for three sub-indicators:*

- 1) *Freedom of assembly, demonstration and open public discussion;*
- 2) *Freedom for nongovernmental organizations;*
- 3) *The right of trade unions to exist independent of the state and the existence of effective collective bargaining.*

<http://www.freedomhouse.org/report-types/freedom-world>

*Maplecroft, Child Labour Index*

*An index guided by relevant ILO conventions on child labour to enable companies to identify and evaluate risks relating to child labour within their supply chains, operations and distribution networks. Maplecroft also recognises the vulnerability of 15-18 year olds whose work is illegal under international law if it is hazardous to health and well-being and captures this within this index if the datasets are available.*

<http://maplecroft.com/about/news/child-labour-index.html>

[www.maplecroft.com](http://www.maplecroft.com)

*The countries are categorized based on different aspects such as the Human Rights Risk Index, Human Rights Complicity Risk Index, Human Security Risk Index, Labour Rights and Protection Risk Index and Civil Liberties Risk Index. The assignment has since been compared with the Transparency International index of country risk for corruption and a country categorization from FTSE4Good IBEX Index [www.ftse.com](http://www.ftse.com) concerning the risk of human rights.*

# Society

## Anti-corruption

### Total number and percentage of operations assessed for risks related to corruption (G4-SO3)

**Definition according to GRI:** G4-SO3

Business ethics is included as an area of Lantmännen's Code of Conduct. We conduct annual comprehensive risk assessments based on available and independent international risk indexes.

**Reporting:** Comprehensive risk screening of Lantmännen's operations was carried out during the year. The results were reported to Lantmännen's Group Management and Board. From now on, a risk analysis relating to business ethics will be conducted by all business areas, and followed up annually during the business review.

Based on the overall risk screening of Lantmännen's operations, the emphasis of operations is in countries and industries with relatively low risks. However, we have food operations in Russia and Ukraine, which, according to the risk index, have been identified as high-risk countries in terms of corruption.

Prevention measures in the form of Code of Conduct training, targeted information and competition law training have been implemented. Systematic follow-up of compliance with the anti-corruption policy is conducted annually by requesting the companies to answer a number of questions. 33 out of 35 surveyed companies answered questions relating to the year 2014. Risk management and control is described in more detail on pages 26-30 of the 2014 Annual Report including Sustainability Report.

#### Reference

*Transparency International's worldwide corruption perception ranking of countries.*

<http://www.transparency.org/research/cpi/overview>

### Communication and training on anti-corruption policies and procedures (G4-SO4)

**Definition according to GRI:** G4-SO4

**Outcome:** 78 % (80 % in 2013) of employees have completed training in Lantmännen's Code of Conduct.

The Code contains general guidelines on corporate responsibility. Business ethics, including anti-corruption, is included as one of five areas. Training is available in seven languages.

In August 2012, the Lantmännen Group Board also adopted a Group-wide anti-corruption policy. The policy is being implemented into the business operations. Training programs are held regularly, with a focus on key employees and particularly vulnerable positions and countries. In 2014, 57 % of companies indicated that they have "identified and trained such employees that are in need of training in order to prevent corruption".

Lantmännen's supplier code of conduct is communicated to all suppliers and included in all contracts.

### Confirmed incidents of corruption and actions taken (G4-SO5)

**Definition according to GRI:** G4-SO5

**Outcome:** Isolated cases have been identified and handled within the framework of the operational activities.

## Compliance

### Monetary value of significant fines and number of non-monetary sanctions for non-compliance with laws and regulations (G4-SO8)

**Definition according to GRI:** G4-SO8

**Outcome:** Lantmännen was not fined any significant amounts in 2014.



## Healthy and affordable food

### Programs and activities to promote a healthy lifestyle (FP4)

#### Definition according to GRI: FP4

**Reporting:** Lantmännen's green sprout on the packaging is a guarantee of good food. We want to contribute to more sustainable food consumption by developing its products and range, and by spreading knowledge and inspiration.

The focus is on foods that promote good health and wellbeing.

We conduct leading-edge research in areas such as the health effects of eating habits, carbohydrates and fiber. Our involvement throughout the chain also gives us unique scope for traceability, which means that consumers receive enhanced product information and particularly pure and quality-assured food – for medicinal use, for example.

We also contribute to increased knowledge and consumer awareness by disseminating information about nutrition, health and the environment in different ways.

Some examples of the results of our work to date:

- Gooh – Ready-made dishes that lead the way
- 100% Pure oats
- Axa Sports Club
- Inspiration campaigns for consumers – Leftovers Dating, the Pizza Model, Food Waste Campaign and more

More information can be found at [lantmannen.se/ansvar](http://lantmannen.se/ansvar)

\* *Lantmännen invests a total of about MSEK 300 per year on research and development. Health and food is a priority area. Learn more about different areas of research and projects at [www.lantmannen.se/omlantmannen](http://www.lantmannen.se/omlantmannen)*



# Product Responsibility

## Customer and consumer health and safety

### Percentage of production volume manufactured in sites certified according to food safety standards (FP5)

Definition according to GRI: FP5

**Outcome:** All of Lantmännen's food production facilities are certified according to international standards for food safety, such as ISO 22000 or BRC, and are audited by an independent third party.

### Type of product information required and percentage of products subject to such information requirements (G4-PR3)

**Definition:** G4-PR3 is defined according to GRI.

**Reporting:** Information about the nutritional content and ingredients can be found on all of Lantmännen's food and feed products. Information about the origin of the ingredients can be found on some of the products. Climate declarations have been produced for several food products. Information about packaging recycling and sorting can be found on all consumer packaging.

## Product information

### Policies and practices on communication to consumers about ingredients and nutritional information beyond legal requirements (FP8)

Definition according to GRI: FP8

**Reporting:** All of Lantmännen's product marketing must be correct and in compliance with existing legal frameworks and other guidelines. The governing documents are Lantmännen's Nutrition Policy and Guidelines for additives and certain ingredients. Added value in the form of health-promoting or environmental benefits is communicated only when these benefits are well documented and scientifically proven.

## Compliance

### Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services (G4-PR9)

Definition according to GRI: G4-PR9

**Outcome:** Lantmännen was not fined any significant amounts in 2014.



## Good food from Lantmännen

The green sprout emblem on our packaging guarantees responsibly produced food. Food that we make an effort to provide in a sustainable manner, from field to fork.

Read more about good food on [www.lantmannen.se/en](http://www.lantmannen.se/en)

Follow us on [facebook.com/jordtillbord](https://facebook.com/jordtillbord) and [twitter.com/lantmannen](https://twitter.com/lantmannen)

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