

## United Nations Global Compact Message from our CEO and Group President

Lantmännen is owned by 25 000 Swedish farmers and our business concept is to responsibly develop and process farmland resources with the customer in focus. Through action and knowledge along the entire chain from field to fork, Lantmännen aims to be a leader and driving force in the development of both sustainable energy- and agriculture systems and healthy foods. Sustainable development is part of our strategy for longterm growth and increased profitability.

In April 2009 Lantmännen signed the UN Global Compact, confirming that we support the ten principles with respect to human rights, labor, environment and anti-corruption and are committed to make them part of our strategy, culture and day-to-day operations.

With this letter in 2017, I am pleased to confirm our continued support for the Global Compact and renew our ongoing commitment to the initiative and its principles. During 2016, Lantmännen has assessed the Agenda 2030 goals in the light of our responsibility and role and to what extent relevant goals are integrated in our strategies and business operations.

We continuously work to integrate social and environmental responsibility and sustainability in all parts of our operations, and put effort in maintaining an open dialogue with our stakeholders.

I would like to give some highlights from 2016 with regards to the UN Global Compact principles:

- Focus on farming concepts with added sustainability values and the launch of more flour products with 20% less climate impact
- Steady increase in volumes and sales of products with sustainable added value
- Development of new target for decreasing our climate impact through fossil free production, energy efficiency, investments and improvements within transports
- New strategy for organic products
- Continuous production of ethanol with 95% climate reduction and cooperation for development of fuel for sustainable fleet transports

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- Start of production of generation 2 bioethanol based on usage of a circular system of food waste
- Launch of digital tools to strengthen farmers' productivity
- Implementation of system for follow up on health and safety
- Continuous effort on training of all employees in the Code of Conduct
- Continued implementation of the business-ethics compliance program
- Risk assessment of suppliers and commitment to our Supplier Code of Conduct
- Commitment to Sustainable Development Goals 2, 7, 12, 13, 15; Zero hunger, Affordable and clean energy, Responsible consumption and production, Climate action, Life on land.

We can summarize and conclude that we are working well in line with our strategy and towards targets set on Group and Business level.

We are continuously working to further accelerate the implementation of our commitments in relation to the UN Global Compact principles:

- Implementation of our strategy for sustainable business development and by that continue to increase volumes and sales of products with sustainable added values
- Realization of our climate and sustainability strategies
- Further implementation of the Supplier Code of Conduct and follow up on compliance
- Reaching 100% palm oil from the RSPO category Segregated
- Continuous efforts to be a responsible employer and business partner.

More practical actions taken by our group to implement the Global Compact principles, as well as measurements of outcomes in the last year 2016, are described in our Annual Report with Sustainability Report 2016. The report and Appendix - Sustainability Management and Indicators are available on <a href="https://www.lantmannen.com">www.lantmannen.com</a>.

Sincerely yours,

Mr Per Olof Nyman

CEO and Group President

March 2017