

Sustainability-related Indicators

Appendix to Lantmännen's Annual Report including Sustainability Report

Version February 22, 2013



Lantmännen

Lantmännen's mission is to contribute to the profitability of its owners' farms and maximize the return on their capital. The foundation for our ownership model is an efficient agricultural business.

By owning a profitable industrial business, we are able to channel profits back to us farmers through a higher value added. The income from industrial operations can also be used for research and to develop new business opportunities.

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Global Reporting Initiative (GRI)

For the eighth time, Lantmännen is giving an account of its sustainability work in an external report. Our report has been compiled according to the Global Reporting Initiative's (GRI) Level B on a self-assessment basis. GRI is an independent global organization that develops frameworks for sustainability reporting. Application of the GRI's sector-specific framework for the food processing sector (GRI Food Processing sector supplement) ensures relevant and clear disclosure of sustainability work. www.globalreporting.org

Global Compact

The Annual Report including Sustainability Report also meets the requirements laid down in the UN's Global Compact "Communication on Progress" (COP), i.e. reporting on the work of implementing the Global Compact's principles for corporate social responsibility. Lantmännen signed the Global Compact in 2009 and has thus committed itself to publishing a COP. www.unglobalcompact.org/

Sustainability-related Indicators

This appendix describes the name, definition and outcome of each indicator, along with any comment on special assumptions, known shortcomings in the calculations, or explanations. The indicators are divided into the following areas: Sourcing (SOU), Economic (EC), Environment (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). The GRI indicator concerned is stated in parentheses.

- = fully reported in accordance with GRI
- ◐ = partially reported in accordance with GRI

Please visit our website, www.lantmannen.com for more information about how we work with our responsibility, or to download the complete Annual Report including Sustainability Report.

Questions relating to the Sustainability Report

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Sourcing

Percentage of purchased volume from suppliers compliant with company's sourcing policy (FP1)

● Fully reported in accordance with GRI

Definition: FP1 is defined according to GRI. We define "compliant" as the supplier having the Supplier Code of Conduct (SCoC) in its contract, having been risk assessed and having an approved self-assessment if they are a medium or high-risk supplier.

Objective: All suppliers have the SCoC in their agreement. All suppliers with an annual purchase volume over MSEK 1 have been followed up by the end of 2012.

Outcome:
The procedure has been in place since in 2009

	2012	2011
Proportion of purchasing volume that meets the SCoC	84 %	66 %

Proportion of suppliers of a purchasing volume exceeding MSEK 1 followed up with a risk assessment and/or self-assessment

Definition: Suppliers of an annual purchasing volume exceeding MSEK 1 which are risk assessed and followed up according to the following Supplier Code of Conduct (SCoC) method.

Objective:
1) Risk assessment of all suppliers (exceeding MSEK 1) based on the SCoC by the end of 2012.
2) Self-assessment of all medium and high-risk suppliers (exceeding MSEK 1) by the end of 2012.

Outcome:

	2012	2011
Proportion of suppliers (exceeding MSEK 1) followed up with risk assessment and/or self-assessment	79 %	20 %

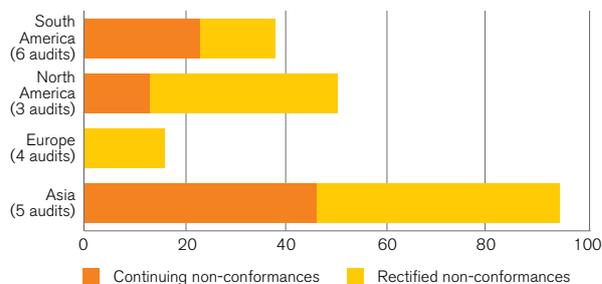
Work with our suppliers is described further on page 29 of the 2012 Annual Report and at www.lantmannen.com

Proportion of audits conducted based on the Supplier Code of Conduct and number of identified non-conformances by region

Definition: Audit conducted according to the procedure for supplier audits. Identified non-conformances are always accepted by the audited supplier.

Outcome: In 2012, 4 supplier audits were carried out. Total number of audits since 2009 are 18.

Identified non-conformances by region



Percentage of purchased volume which is verified as being in accordance with credible, internationally recognized responsible production standards (FP2)

Partially reported in accordance with GRI

Definition: FP2 is defined according to GRI. We report the indicator for two of our commodities – soy and palm oil.

Proportion of RTRS-certified soy as ingredient in feed

Definition: Purchase of RTRS soy, ton/Total purchased soy products, tons) * 100 = % RTRS soy. RTRS = Round Table on Responsible Soy.

Objective: 50 % RTRS-certified soy by 2013.

Outcome: 37.1 % in 2012 (22.6 % in 2011, 0 % in 2010, not on the market that year).

Comment: Lantmännen continues to drive the development of 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 and increased the proportion of certified soy to 37 % in 2012 as another of our suppliers was able to provide RTRS certificates for the soy they supplied to us. The goal is 50 % by 2013. We only trade in other volumes from companies that are members of the RTRS. More information on the Round Table on Responsible Soy can be found at www.responsiblesoy.org Our work with soy is described further at www.lantmannen.com/soja

Proportion of RSPO certificates for palm oil as an ingredient in food

Definition: Purchase certificate for RSPO palm oil, tons/Total purchased palm oil products, tons) * 100 = % RSPO palm oil certification.

Objective: 100 % RSPO certification for palm oil as an ingredient in food achieved in 2011.

Outcome: 100 % RSPO certification in 2012 (100 % in 2011).

Comment: The objective encompasses palm oil as an ingredient in food, not oil palm products included as an ingredient in animal feed. Our policy for the purchase and use of palm oil and products from oil palm was adopted on December 10, 2007. For more information about the Roundtable on Sustainable Palm Oil, see www.rspo.org and for certificate trading see www.greenpalm.org



Economic

Direct economic value generated and distributed (EC1)

● Fully reported in accordance with GRI

Definition: According to GRI, EC1 is defined as "Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings and payments to capital providers and governments."

Outcome:

Economic value created by Lantmännen for various stakeholders

MSEK	2012	2011	2010
Products and services sold	36,526	37,896	35,988
Employees (payroll expenses)	5,322	5,419	5,502
Owners (dividend)	287	230	245
Owners (refund and final price adjustment)	120	110	95
Suppliers (goods and services purchased)	30,265	30,770	28,696
State (taxes paid)	117	106	76

For more information about economic value generated for our stakeholders, see the Board of Directors' Report in the 2012 Annual Report.

Financial implications and other risks and opportunities for the organization's activities due to climate change (EC2)

● Partially reported in accordance with GRI

Definition: EC2 is defined according to GRI.

Outcome: Risk management and control is described on pages 30-34 of the 2012 Annual Report and our climate strategy is described on pages 38-39.

Coverage of the organization's defined benefit plan obligations (EC3)

● Fully reported in accordance with GRI

Definition: EC3 is defined according to GRI.

Outcome:

Defined benefit pension plans

MSEK	2012	2011
<i>Funded plans</i>		
Defined benefit obligations according to Swedish PRI Pensionsgaranti plans	2,032	1,862
Other defined benefit obligations	144	128
Fair value of plan assets	-1,783	-1,680
Total net value of funded plans	393	310
<i>Unfunded plans:</i>		
Other unfunded obligations	39	37
Total, unfunded plans	39	37
Provisions for pensions, net value	432	347

Additional information on defined benefit pension plans is described in note 23 on page 112 and note 47 on page 121 of the 2012 Annual Report.

Significant financial assistance received from government (EC4)

● Fully reported in accordance with GRI

Definition: EC4 is defined according to GRI

Outcome:

Government grants

MSEK	2012	2011
Received contributions recognized as revenue	7	3
Received contributions that reduced expenses	18	14
Total	25	17
Contributions received during the year that reduced the value of non-current assets		
	0	0
Received contributions recognized as deferred income at the closing date		
	0	6

Environment

Materials used by weight or volume (EN1 fp)

Partially reported in accordance with GRI

Our primary priority raw materials are summarized in the table and defined and reported in greater detail below. Other types of materials used in operations, such as packaging materials, are not currently reported.

Indicator	2012	2011	2010	2009
Proportion of Premium grain, %	8.2	2.0	4.6	9.1
Proportion of organic grain, %	3.0	2.9	2.5	2.7
Proportion of Swedish feed commodities, %	56	58	58	58
Proportion of RTRS-certified soy as ingredient in feed, %	37.1	22.6	0 ¹	0 ¹
Proportion of total soy volume that is GMO soy purchased for direct sale to customers	0	0	3.8	3.6
Proportion of RSPO-certified palm oil as an ingredient in feed, %	100	100	17	0

¹ First available on the market in 2011.

Proportion Premium¹ grain

Definition: (Premium, tons/Total weighed, tons) * 100 = % Premium.

Outcome: 8.2 % in 2012.

Proportion	2012	2011	2010	2009	2008
	8,2 %	2,0 %	4,6 %	9,1 %	10,2 %

¹ Grain that meets customer-specific requirements.

Comment: Increased customer interest in Premium¹ as soon as the use of the straw shortening agent, Moddus, was permitted in wheat and oats from the 2012 harvest. It had previously only been approved for rye. The indicator includes weighed grain for the Agriculture Sector. More information about our grain concept can be found at www.lantmannenlantbruk.se

Proportion of organic grain

Definition: (Organic grain, tons/Total weighed, tons) * 100 = % Organic grain.

Outcome: 3.0 % in 2012.

Organic grain	2012	2011	2010	2009
Proportion	3.0 %	2.9 %	2.5 %	2.7 %

Comment: The organic grain harvest was normal in 2012 and demand was stable.

Proportion of Swedish feed commodities

Definition: (Origin, tons/Total, tons) * 100 = % of each origin.

Outcome: 56 % in 2012 (58 % in 2011, 2010 and 2009).

Comment: The proportion of Swedish raw materials is largely unchanged at 56 % (58 %), EU 26.5 % (24 %) and 17.5 % (18 %) outside the EU. For some raw materials, the origin is both Swedish and EU. In these cases an estimate has been made of the dominant origin. Quantitatively small raw materials and feed additives with different origins have not been included.

Imported GMO soy for sale direct to the customer, volume and proportion

Definition: Volume of imported GMO soy, tons. Proportion (purchase of GMO soy, tons/total purchase of soy, tons) * 100 = % GMO soy.

Outcome: 0 % GMO soy in 2012.

	2012	2011	2010	2009	2008
Lantmännen's volume GMO – soy, tons	0	0	6,432	6,598	5,047
Proportion GMO soy of Lantmännen's total soy volume, %	0	0	3.8	3.6	2.5

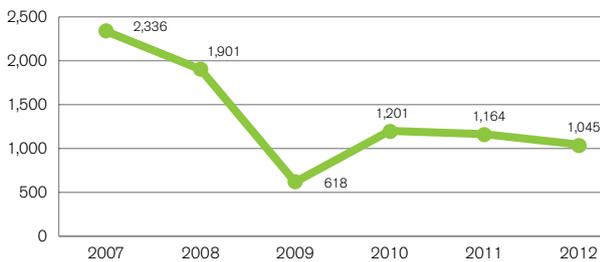
Comment: Sales of GMO soy to farmers ceased in 2011 as market demands changed. We ensure that non-GMO soy really is non-GMO by signing agreements for non-GMO soy and by analyzing the product received.

Phosphorus via animal feed in tons

Definition: Phosphorus additives in manufactured animal feed and mineral feed, tons.

Outcome: The amount of added phosphorus in 2012 is 1,045 tons which is on a par with previous years.

Phosphorus, added to feed and mineral feed
Tons



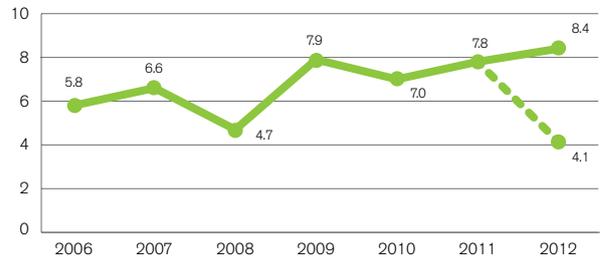
Comment: Phosphorus consumption in the form of phosphorus added to feed continues to decline, and has fallen by 55 % between 2007 and 2012. There are several different reasons for this dramatic change. The addition of the enzyme, phytase, in feed for pigs and poultry has meant that these animals are better able to utilize the phosphorus found naturally in grain. For ruminants, the survey of the mineral content of roughages conducted in 2008 has provided a basis from which to reduce the amount added. These measures reduce the amount of phosphorus added through feed, which in turn reduces the risk of unwanted nutrient leaching of phosphorus from farmyard manure. The increased use of phosphorus-rich ingredients such as rape and agrodrank in concentrated feed has also reduced the need for added phosphorus. Another contributory factor is the reduced volume of processed feed in 2012 compared with 2007.

Cadmium in phosphate fertilizer

Definition: $X \text{ ppm Cd in phosphorus} = \frac{\text{g/ton phosphorus (in fertilizer)} \times \sum (\text{ton phosphorus purchased} \times \text{cadmium content, g/ton})}{\text{Total tons phosphorus (in fertilizer)}}$

Outcome: 8,4 grams of cadmium per ton of phosphorus in fertilizer in 2012.

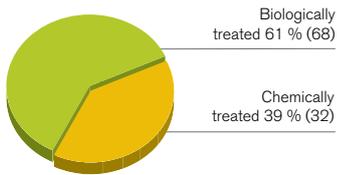
Cadmium
Grams per ton of phosphorus



Comment: As of 2012, the value for cadmium content in mineral fertilizer includes all deliveries of fertilizer to Lantmännen. In previous years, only deliveries by ship were recorded which corresponds to the higher value of 8.4 in 2012. This has the effect of lowering the average as mineral fertilizer with lower cadmium content has not previously been included. We demand low cadmium content when making our purchases and in recent years the content of cadmium has been between 4 and 8 ppm.

Proportion of biologically¹ treated seed

Definition: (biologically treated + untreated grain seed, tons/Total grain seed produced, tons) * 100 = % biologically treated.



¹ *Biologically treated means that the seed has been treated using natural microorganisms or heat treatment to achieve increased resistance to pests.*

Objective: To continue developing biological (using microorganisms or heat) treatment of seed to reduce the use of chemical treatment.

Outcome: The proportion of untreated and biologically treated seed was 61 % in 2012 (68 % in 2011 and 63 % in 2010).

During the year, the Swedish Chemicals Agency approved Lantmännen BioAgri's biological pesticide, Cedress, for use on carrot crops. Cedress solves the carrot grower's problem of *Acrothecium*, which are black spots caused by a fungus that makes the carrots begin to rot and hence become unusable. There was not previously an effective pesticide against *Acrothecium*.

Comment: Owing to the increased pressure from plant diseases, such as *Fusarium*, there is less opportunity to treat seed biologically.

Proportion of organic seed

Definition: (sale of organic seed, tons/Total sales of seed, tons * 100 = % organic seed.

Outcome: 7.6 % in 2012.

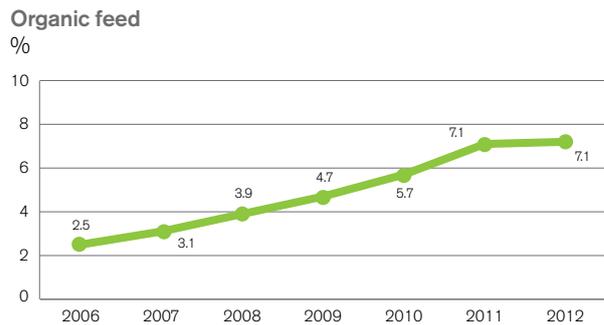
Proportion	2012	2011	2010	2009	2008
	7.6 %	7.3 %	6.5 %	7.0 %	6.0 %

Comment: Only a slight increase in demand for organic seed.

Proportion of organic animal feed

Definition: (organic feed, tons/total, tons) * 100 = % organic feed.

Outcome: 7.2 % in 2012.



Comment: In 2012, demand for organic milk leveled out, and the market fell sharply at the beginning of the year. This also meant that more organic cows were not introduced into the system. The proportion of organic eggs was also stable, with no significant increase in 2012. Overall, this meant that the increase in organic feed in recent years came to a halt in 2012.

Direct energy consumption by primary energy source (EN3)

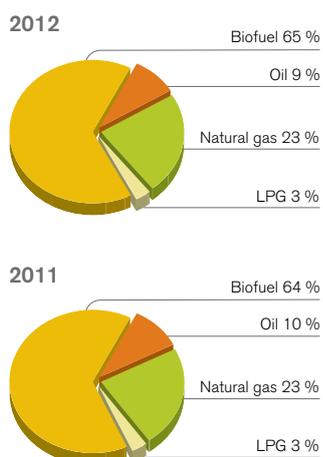
Partially reported in accordance with GRI

Definition: EN3 is defined according to GRI.

Outcome:

Energy source	2012 GWh (TJ)	2011 GWh (TJ)	2010 GWh (TJ)	2009 GWh (TJ)
Oil	90 (324)	93 (334)	124 (446)	139 (500)
Natural gas	220 (791)	217 (781)	213 (767)	213 (766)
LPG	29 (103)	28 (101)	28 (101)	30 (111)
Biofuel	614 (2,212)	611 (2,201)	628 (2,261)	532 (1,914)
Town gas	0 (0)	0 (0)	0 (0)	3 (11)
Total	952 GWh (3,429 TJ)	949 GWh (3,418 TJ)	993 GWh (3,575 TJ)	914 GWh (3,302 TJ)

GWh (gigawatt hour), TJ (terajoule)



Comment: The indicator includes energy use in production plants in the Agriculture, Food and Energy Sectors. The proportion of oil has decreased during the year and been replaced by biofuels. This is in line with Lantmännen's goal to phase out all use of fuel oil.

Indirect energy consumption by primary energy source (EN4)

Partially reported in accordance with GRI

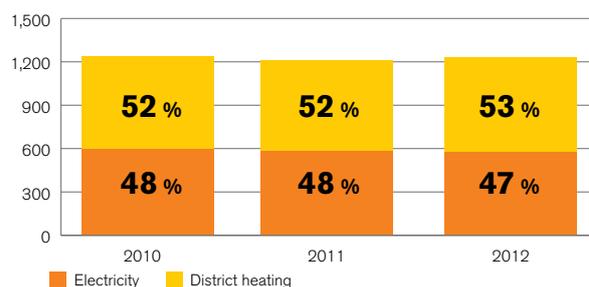
Definition: EN4 is defined according to GRI.

Outcome:

Energy source	2102 GWh (TJ)	2011 GWh (TJ)	2010 GWh (TJ)	2009 GWh (TJ)
Electricity	577 (2,079)	584 (2,102)	598 (2,153)	588 (2,116)
District heating	654 (2,354)	625 (2,249)	638 (2,297)	540 (1,943)
Total	1,231 GWh (4,433 TJ)	1,208 GWh (4,350 TJ)	1,236 GWh (4,450 TJ)	1,128 GWh (4,059 TJ)

GWh (gigawatt hour), TJ (terajoule)

Indirect energy consumption GWh



Comment: The indicator includes energy use in production plants in the Agriculture, Food and Energy Sectors. The use of electricity has decreased as a result of electricity efficiency measures. This has been achieved despite an increase in production in several electricity-intensive businesses. The use of district heating has increased due to the conversion from fuel oil and an increase in production at district heating-intensive businesses.

Energy saved due to conservation and efficiency improvements (EN5)

Partially reported in accordance with GRI

Definition: EN5 is defined according to GRI.

Outcome: Lantmännen's systematic energy efficiency efforts are integrated into the LEAD work approach. LEAD stands for "Learn, Engage, Analyze, Do" and is a method for achieving concrete improvements, in which each employee's participation, knowledge and commitment are vital. A considerable portion of LEAD's activities related to compressed air, lighting and idle loads are aimed at reducing the consumption of energy and electricity.

During the year, the focus has been on improving the energy loss analyses which form the basis for energy efficiency measures. Energy consumption measurement has increased considerably during the year, while tools for analysis and improvement have been developed.

Further information about our work on climate issues and efficient resource utilization can be found on pages 26-28 and 38-39 of the 2012 Annual Report and at www.lantmannen.com/ansvar

Initiatives to provide energy-efficient or renewable energy based products and services (EN6)

Partially reported in accordance with GRI

Definition: EN6 is defined according to GRI.

Outcome:

Products based on renewable energy

Lantmännen's Energy Sector is one of Sweden's leading bioenergy companies producing renewable energy and green industrial products. Examples of products include fuel ethanol, district heating, heating pellets and alkylate petrol.

Eco Operator training for economical driving

Swecon offers Eco Operator training within Lantmännen's Machinery Sector. This is not only a quick and easy way to reduce fuel consumption and harmful emissions, but also a way to reduce engine wear and tear.

Further information can be found on pages 52-55 of the 2012 Annual Report and www.lantmannen.com

Total direct and indirect greenhouse gas emissions by weight (EN16)

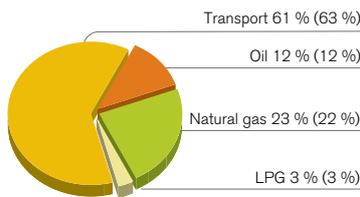
Partially reported in accordance with GRI

Definition: EN16 is defined according to GRI.

Outcome:

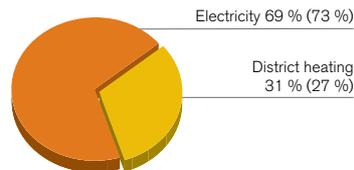
Ton CO ₂	2012	2011	2010	2009
Direct emissions	195,569	205,273	189,395	195,349
Indirect emissions	204,400	203,356	196,057	192,825
Total	399,969	408,629	385,452	388,174

Distribution of direct emissions by energy source



Direct greenhouse gas emissions decreased in 2012, primarily due to reduced emissions from transport and a reduction in the use of fuel oil.

Distribution of indirect emissions by energy source



Indirect emissions of greenhouse gases increased slightly in 2012, primarily due to the increased use of district heating. Emissions related to electricity consumption have decreased due to electricity efficiency measures.

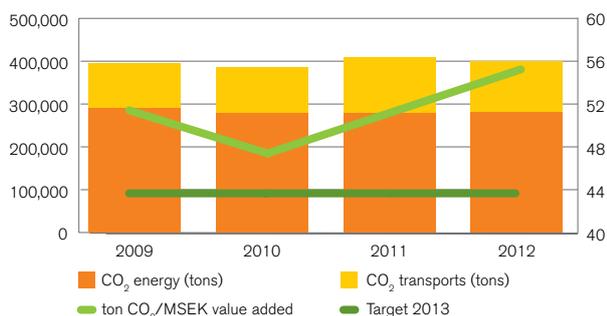
CO₂ emissions per value added, tons per MSEK

Definition: CO₂ emissions, thousand tons per MSEK value added.

Objective: To reduce carbon-dioxide emissions per value added by 40 % between 2009 and 2020. The interim target for 2013 is 15 %.

Outcome: +8.2 % in 2012 compared with the base year 2009.

	2012	2011	2010	2009
CO ₂ energy consumption (thousand tons)	280	279	279	289
CO ₂ transport (thousand tons)	120	130	106	106
ton CO ₂ /MSEK value added	55.6	51.3	47.4	51.4
Target 2013	43.7	43.7	43.7	43.7
Target 2020	30.8	30.8	30.8	30.8



Comment: Despite a reduction in carbon dioxide emissions in absolute terms, the key ratio deteriorated during the year. This is because Lantmännen's value added decreased in comparison with the previous year for the second year running.

Initiatives to reduce greenhouse gas emissions and reductions achieved (EN18)

Partially reported in accordance with GRI

Definition: EN18 is defined according to GRI.

Outcome: See EN6 above and pages 52-55 of the 2012 Annual Report for a description of the Energy Sector's operations within bioenergy and green chemistry. See pages 26-28 for our focus areas for efficient operations and pages 38-39 for efficient resource utilization, and www.lantmannen.com

Monetary value of significant fines for non-compliance with environmental laws and regulations (EN28)

Partially reported in accordance with GRI

Definition: EN28 is defined according to GRI "Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations".

Outcome: Lantmännen was not fined significant amounts in 2012.

Significant environmental impacts of transporting products and other goods (EN29)

Partially reported in accordance with GRI

Definition: EN29 is defined according to GRI "Significant environmental impacts of transporting products and other goods and materials used for the organization's operations and transporting members of the workforce".

Outcome: See EN6 and page 39 of the 2012 Annual Report.

Labor Practices and Decent Work

Total workforce by employment type and region (LA1)

● Partially reported in accordance with GRI

Definition: Average number of employees = total number of hours worked divided by the company's or country's normal annual working hours for a full-time employee.

Outcome: The average number of employees was 10,249, of which 70 % were men and 30 % women, as at December 31, 2012.

Employees and employee benefits expense

Average number of employees	of which 2012 women	of which 2011 women		
Group				
Sweden	4,522	29 %	4,506	29 %
Denmark	1,903	31 %	2,084	30 %
Germany	802	26 %	839	28 %
U.K.	657	22 %	603	21 %
Poland	497	33 %	513	29 %
Norway	451	33 %	452	34 %
Belgium	382	33 %	372	33 %
Ukraine	239	58 %	243	58 %
U.S.	213	31 %	215	31 %
Russia	150	51 %	160	52 %
Latvia	142	30 %	137	30 %
Finland	63	18 %	59	15 %
Hungary	57	52 %	41	54 %
Estonia	34	15 %	34	15 %
Netherlands	13	7 %	14	14 %
Lithuania	11	9 %	11	9 %
Spain	9	50 %	9	44 %
France	4	0 %	4	0 %
Ireland	1	0 %	-	-
Group, total	10,249	30 %	10,350	31 %
Parent Company				
Sweden	1,244	37 %	1,099	34 %
Parent Company, total	1,244	37 %	1,099	34 %

Pages 96-98 (Note 5) in Lantmännen's 2012 Annual Report including Sustainability Report.

Comment: Does not show distribution by employment type.

Rates of injury, occupational diseases, lost days and absenteeism and number of work-related fatalities by region (LA7)

● Fully reported in accordance with GRI

Sick leave, Group total

Definition: Sick leave is stated as a % of normal working hours.

Outcome:

Sick leave

%	2012	2011	2010
Group, total	3.8	3.7	4.0
Agriculture Sector	2.3	2.6	n/a
Machinery Sector	3.1	2.9	n/a
Food Sector	4.6	4.5	n/a
Energy Sector	2.3	1.5	n/a

Sick leave

% of total working hours	2012	2011	2010	2009
Women	4.7 %	4.7 %	4.6 %	5.6 %
Men	3.5 %	3.3 %	3.8 %	4.0 %
Total	3.8 %	3.7 %	4.0 %	4.6 %

Accidents

Definitions & limitations:

- Non-fatal or fatal accidents arising during work.
- Accidents with consequences resulting in the loss of at least one scheduled day following the occurrence of the accident.
- Travel accidents (*to and from work*) are not included.
- Injury rate (IR).

Accidents per million hours worked: total number accidents/total actual hours worked for all employees x 1,000,000 hours = x number of accidents per million hours worked.

Target group: The total workforce in each Sector and country, as well as independent contractors who work in the workplace whose organization is responsible for the overall working environment and safety.

Outcome:

Accidents and incidents

	2012	2011	2010
Number of fatalities due to work-related injuries	0	0	0
Number of accidents ¹	327	313	326
Injury rate ²	20.2	24.4	22.0
Number of reported incidents ³	1,555	915	1,005
Number of incidents per accident (lost-time)	4.8	2.9	3.1

¹ Work-related accident resulting in minimum one day's absence from work after the accident occurred.

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

³ Incidents are defined as unintended events which could have resulted in ill health or an accident.

Injury rate: 20.2. The most common accident type is type 3 according to the Swedish Work Environment Authority's categories (the injured person fell). No fatalities were reported.

Comment: 327 accidents were reported in 2012 which was an increase of approx. 4.5 % compared with 2011 (313).

In accident reporting, the Energy Sector stood out in with an injury rate of 59 in 2012. Preventive measures are being implemented to reverse the trend.

Lantmännen's injury rate of 20.2 can be compared with Swedish industry statistics for, e.g., food, beverage and tobacco products with an injury rate of 25 (2011).

Incidents (LA7)

Definition: An unintended event that could have resulted in illness or an accident.

Limitation: Applies during work.

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

Outcome: Lantmännen's target is at least 10 reported incidents per accident. In 2012, incident reporting increased considerably (approx. 70 %) from 915 in 2011 to 1,555 in 2012. This is very positive for our accident-prevention efforts.

There is still an uneven distribution of the number of reported incidents in the businesses and this can be assumed to be due to different cultures and attitudes to improvement. Generally, where there is a strong focus on incident reporting, and systematic efforts are in place, there is also a strong focus on improvements.

The most common category of incident is type 2 in accordance with Lantmännen's categorization. The incident is assumed to be a result of shortcomings or unsuitable: equipment, apparatus, machinery, products, materials, maintenance, and service.

Healthy group

Definition & limitations: The number of employees who, according to Lantmännen's health screening questionnaire, are in the healthy group/total number of people who participated in the health screening.

Employees in the healthy group are deemed able to complete a full working day and still have the energy for leisure activities. Participants are in the healthy group if they meet all the criteria below:

- Rate their health as at least 3 on a scale of 1-5 (1 = very poor and 5 = very good).
- Consider themselves capable of at least as much as others of the same age.
- Do not smoke on a daily basis.
- State that they exercise at least once a week or state that they exercise now and then and at the same time rate their health as 4 or 5 and consider themselves capable of more than others of the same age.

Target group: In the period 2009-2011, 4,666 employees were screened at least once.

Outcome: (according to the latest health screening conducted)

At present 58.4 % of employees are in the healthy group and the target is 75 %. Various activities are taking place within the field of health in order to improve the results. New rounds of health screening will take place in 2013.

Percentage of employees receiving regular performance and career development reviews (LA12)

● Fully reported in accordance with GRI

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

Outcome: The survey conducted in 2011 shows that 75 % of employees have had performance appraisals. Most of them are satisfied with the quality of the appraisals, but this is still a priority area for development.

Comment: A new survey will be conducted in the fourth quarter of 2013.

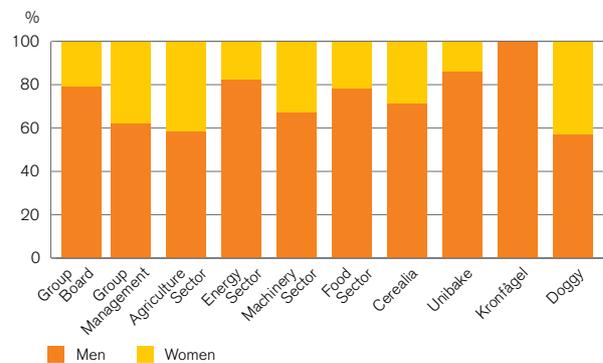
Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership and other indicators of diversity (LA13)

● Fully reported in accordance with GRI

Definition: In accordance with GRI.

Outcome:

	Number		Total	Percent	
	Men	Women		Women	Men
Group Board	11	3	14	21 %	79 %
Group Management	5	3	8	38 %	62 %
Lantbruk	7	5	12	42 %	58 %
Kronfågel	6	0	6	0 %	100 %
Doggy	4	3	7	43 %	57 %
Unibake	6	1	7	14 %	86 %
Cerealia	5	2	7	29 %	71 %
Energy	9	2	11	18 %	82 %
Machinery Sector	4	2	6	33 %	67 %
Lantmännen	57	21	78	27 %	73 %



Comment: Does not show distribution based on minority group membership.

Human Rights

Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken (HR2)

● Fully reported in accordance with GRI

Definition: Proportion of purchase volume reviewed according to the Supplier Code of Conduct (SCoC). The degree of control and follow-up is adapted to the risk category to which the supplier belongs.



Objective and outcome:

Objective:

- 1) Risk assessment of all (with purchases exceeding MSEK 1) suppliers based on the SCoC by the end of 2012.
- 2) Self-assessment of all medium and high-risk suppliers (where purchasing exceeds MSEK 1) by the end of 2012.

Outcome:

	2012	2011	2010
Proportion of purchase volume followed up with a risk assessment/self-assessment	84 %	66 %	35 %

Work with our suppliers is described further on page 29 of the 2012 Annual Report and at www.lantmannen.com/ansvar

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 (HR3)

● Partially reported in accordance with GRI

Definition: Proportion of Lantmännen's employees who have undergone e-training in the Code of Conduct.

Objective: All new employees at Lantmännen are to undertake e-training in our Code of Conduct within 3 months of their appointment.

Outcome: 88 % in 2012 (93 % in 2011 and 83 % in 2010).

Comment: Approximately 9,000 of Lantmännen's 10,296 employees have completed training.

Total number of incidents of discrimination and actions taken (HR4)

● Partially reported in accordance with GRI

Definition: HR4 is defined according to GRI.

Outcome: No cases of discrimination were reported.

Comment: The governing documents are Lantmännen's Code of Conduct and policy for equality and diversity.



Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk and actions taken to support these rights (HR5)

● Fully reported in accordance with GRI

Definition: Lantmännen carries out ongoing risk assessment and evaluation of its own and its suppliers' operations based on the Code of Conduct.

Outcome: We have food businesses in Russia, which have been identified as a high-risk country with regard to freedom of association and collective bargaining. The risk assessment was carried out based on the available international risk index.

Comment: We have conducted follow-ups to make sure that our procedures are sufficient and that measures are in place to ensure that employees have the right to freedom of association and collective bargaining. Suppliers classed as medium or high risk are monitored by self-assessment or auditing. If we detect deviations from our Supplier Code of Conduct during these inspections, the supplier must establish a timed action plan to correct the deficiency. The measures are followed up and if the supplier has not addresses the shortcomings despite repeated reminders, we have the right to terminate the agreement.

Reference:

Global Freedom of Association Score, Freedom house. These scores in turn are determined by the sum of the scores for three subindicators:

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/uploads/2008_11_14_FOA_Report.pdf

Operations identified as having significant risk for incidents of child labor and measures taken to contribute to the elimination of child labor (HR6)

● Fully reported in accordance with GRI

Definition: Lantmännen conducts ongoing risk assessment and evaluation of its own and its suppliers' operations based on the Code of Conduct.

Outcome: We have food businesses in Russia and the Ukraine, which have been identified as high-risk countries with regard to child labor. The risk assessment was carried out based on the available international risk index.

Comment: We have conducted follow-ups to make sure that our procedures are sufficient and that measures are in place to ensure child labor is not practiced within Lantmännen. Suppliers classed as medium or high risk are monitored by self-assessment or auditing. If we detect deviations from our Supplier Code of Conduct during these inspections, the supplier must establish a timed action plan to correct the deficiency. The measures are followed up and if the supplier has not addressed the shortcomings despite repeated reminders, we have the right to terminate the agreement.

Reference:

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>



Operations identified as having significant risk for incidents of forced or compulsory labor and measures to contribute to the elimination of forced or compulsory labor (HR7)

● Fully reported in accordance with GRI

Definition: Lantmännen carries out ongoing risk assessments and evaluations of its own and its suppliers operations based on the Code of Conduct.

Outcome: We have a food business in Russia which had been identified as a high-risk country with regard to forced or compulsory labor. The risk assessment was carried out based on a report from Maplecroft.

Comment: We have conducted follow-ups to make sure that our procedures are sufficient and that measures are in place to ensure forced or compulsory

labor is not practiced within Lantmännen. Suppliers classed as medium or high risk are monitored by self-assessment or auditing. If we detect deviations from our Supplier Code of Conduct during these inspections, the supplier must establish a timed action plan to correct the deficiency. The measures are followed up and if the supplier has not addressed the shortcomings despite repeated reminders, we have the right to terminate the agreement.

Reference: (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 and Risk Index 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) concerning the risk of human rights.*

Society

Healthy and affordable food (FP4)

● Fully reported in accordance with GRI

Definition: FP4 is defined according to GRI.

Outcome: On pages 12-13 and 56-63 of the 2012 Annual Report. For a further description of our work on our responsibility from field to fork, good food and research investments, please visit www.lantmannen.com/ansvar and www.lantmannen.se

Percentage and total number of business units analyzed for risks related to corruption (SO2)

◐ Partially reported in accordance with GRI

Definition: SO2 is defined according to GRI.

Outcome: Last year, a risk screening tool was developed to manage risks under the Code of Conduct. The screening is done using the same principles by which we assess our suppliers, i.e., a risk analysis based on the type of business, commodity, country and industry. This is then compared with available risk indices from established organizations, such as Transparency International's corruption index and the survey of water resources by the World Business Council for Sustainable Development.

A comprehensive screening of Lantmännen's operations was carried out during the year. The results provide a basis for each operation to further prioritize relevant risks in its strategic work.

Work on risk management and control is further described on pages 30-34 of the 2012 Annual Report.

In addition, a risk assessment of Lantmännen's operations from a corruption perspective was carried out in the summer of 2012, using an external law firm. The assessment involved interviews with key individuals from all of Lantmännen's businesses and resulted in a Group-wide anti-corruption policy which was adopted by Lantmännen's Group Board in August 2012. The policy is available in seven languages. The Group Board has instructed the President & CEO to ensure that the anti-corruption policy is implemented and observed throughout the organization. Training initiatives are in progress throughout the entire Group. Implementation is followed up on an annual basis starting in January 2013.

Percentage of employees trained in the organization's anti-corruption policies and procedures (SO3)

● Fully reported in accordance with GRI

Definition: SO3 is defined according to GRI as "Percentage of employees trained in the organization's anti-corruption policies and procedures".

Outcome: 88 % of employees have completed training in Lantmännen's code of conduct. This is equivalent to approx. 9,000 of Lantmännen's 10,296 employees.

Lantmännen's Group Board adopted a Group-wide anti-corruption policy in August 2012. The policy is available in seven languages.

The Group Board has instructed the CEO to ensure that the anti-corruption policy is implemented and observed throughout the organization. Training of key individuals took place during 2012 and is underway throughout the entire Group. Implementation is followed up on an annual basis starting in January 2013.

Comment: The Code contains comprehensive guidelines for our social and environmental conduct and responsibility. Business ethics including corruption are included as one of five areas. Training is available in seven languages.

Actions taken in response to incidents of corruption (SO4)

◐ Partially reported in accordance with GRI

Definition: SO4 is defined according to GRI.

Outcome: Isolated incidents have been reported and addressed.

Comment: During the year, a whistleblower function was implemented in the Swedish businesses. Implementation is continuing in other countries.

Public policy positions and participation in public policy development and lobbying (SO5)

● Fully reported in accordance with GRI

Definition: SO5 is defined according to GRI "Public policy positions and participation in public policy development and lobbying".

Outcome: We do not provide financial support to political parties or religious organizations. Our premise is that all partnerships should be mutually beneficial and contribute to positive development of the communities in which we operate. All forms of sponsorship shall support our vision and strengthen Lantmännen's brands.

Lantmännen's operations affect and are affected by many people. Lantmännen seeks active and sympathetic dialog with key stakeholders throughout our entire value chain. We participate in public debates and pursue the issues relevant to us in various forums. Lantmännen plays an important role in communicating the added value produced by Swedish farmers and channeling and managing customer and market requirements.

Total value of financial and in-kind contributions to political parties, politicians and related institutions (SO6)

● Fully reported in accordance with GRI

Definition: SO6 is defined according to GRI.

Outcome: We do not provide any financial support to political parties or religious organizations.

Total number of legal actions taken against the organization for anticompetitive behavior (SO7)

● Partially reported in accordance with GRI

Definition: SO7 is defined according to GRI "Total number of legal actions for anticompetitive behavior, antitrust and monopoly practices and their outcomes."

Outcome: A limited investigation was initiated with regard to one of our smaller foreign subsidiaries in 2012.

Monetary value of significant fines for non-compliance with laws and regulations (SO8)

● Partially reported in accordance with GRI

Definition: SO8 is defined according to GRI "Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations."

Outcome: Lantmännen was not fined significant amounts in 2012.



Product Responsibility

Percentage of production volume manufactured in sites certified by an independent third party according to internationally recognized food safety management system standards (FP5)

● Fully reported in accordance with GRI

Definition: FP5 is defined according to GRI.

Outcome: All food production facilities are certified according to an international standard for food safety, such as ISO 22000 or BRC, and are examined by independent third parties.

Comment: New facilities have two years to meet the standards.

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

● Fully reported in accordance with GRI

Definition: FP8 is defined according to GRI.

Outcome: All marketing of Lantmännen's products must, of course, be correct and follow current legislation and 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 eco-related benefits is communicated only when they are well documented and scientifically proven.

Type of product information required by procedures and percentage of products subject to such information requirements (PR3)

● Fully reported in accordance with GRI

Definition: PR3 defined according to GRI

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

Practices related to customer satisfaction, including results of surveys measuring customer satisfaction (PR5)

◐ Partially reported in accordance with GRI

Definition: PR5 is defined according to GRI.

Outcome: Customer and consumer surveys are conducted regularly.

Programs for adherence to laws, standards and voluntary codes related to marketing communications (PR6)

Partially reported in accordance with GRI

Definition: PR6 is defined according to GRI.

Outcome: Guidelines for business ethics and marketing are included in the Code of Conduct with overall responsibility and monitoring by Group Management. Each brand owner in the organization is responsible for compliance.

Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications (PR7)

Partially reported in accordance with GRI

Definition: PR7 is defined according to GRI.

Outcome: No incidents of non-compliance concerning marketing communications were reported.

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

Partially reported in accordance with GRI

Definition: According to GRI "Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services."

Outcome: In 2012 Lantmännen was not fined any significant amounts.



Animal Welfare

Percentage and total of animals raised and/or processed, by species and breed type (FP9)

Partially reported in accordance with GRI

Definition: FP9 is defined according to GRI.

Outcome: Swedish chickens are reared on some of our chicken farmers' 46 farms. Total production of Swedish chicken was at the same level as in 2011 – approx. 78 million chickens – of which Kronfågel accounts for over half. Of Denmark's total production of 113 million chickens, Danpo accounts for 47 million, produced at some of our farmers' 77 farms.

Our operations within Lantmännen Kronfågel are further described on pages 62-63 of the 2012 Annual Report.

Percentage and total of animals raised and/or processed, by species and breed type, per housing type (FP11)

Partially reported in accordance with GRI

Definition: FP11 is defined according to GRI.

Outcome: Swedish chickens are reared on some of our chicken farmers' 46 farms. Total production of Swedish chicken was at the same level as in 2011 – approx. 78 million chickens – of which Kronfågel accounts for over half. Of Denmark's total production of 113 million chickens, Danpo accounts for 47 million, produced at some of our farmers' 77 farms. In accordance with the Swedish Poultry Meat Association's animal welfare program, chickens are reared with freedom of movement in chicken houses with a litter of straw or wood shavings. For more information please visit www.kronfagel.se and www.danpo.dk

Policies and practices on antibiotic, anti-inflammatory, hormone and/or growth promotion treatments, by species and breed type (FP12)

Partially reported in accordance with GRI

Definition: FP12 is defined according to GRI.

Outcome: Swedish chickens are reared on some of our 49 farms and in Denmark on some of our 77 farms. We base all our work on national animal welfare legislation. In Sweden, we also comply with the Swedish Poultry Meat Association's animal welfare program that includes 31 chicken farming checkpoints and guidelines for shipping and slaughtering. In Sweden and Denmark, hormones may not be used in the rearing of poultry for food. The general use of antibiotics is prohibited and they may only be used following a veterinary prescription in order to relieve and cure illness in animals. For more information please visit www.kronfagel.se, www.danpo.dk and www.svenskfagel.se

Total number of incidents of non-compliance with laws and regulations and adherence with voluntary standards related to transportation, handling and slaughter practices (FP13)

Partially reported in accordance with GRI

Definition: FP13 is defined according to GRI.

Outcome: We base all our work on national animal welfare legislation. In Sweden, we also comply with the Swedish Poultry Meat Association's animal welfare program that includes 31 chicken farming checkpoints and guidelines for shipping and slaughtering. A general guideline is to minimize stress to the animals during transport and slaughter. The program also specifies detailed rules and requirements to avoid unnecessary suffering during handling, transport and slaughter. More information can be found at www.svenskfagel.se

In 2012 Lantmännen Kronfågel was issued a fine of SEK 75,000 for a case of non-compliance with the animal welfare act in relation to transport.

Glossary and Definitions

Bioenergy • Energy made from continuously forming biomass. Biomass is biological material that is not transformed chemically or biologically to any extent. Bioenergy is a renewable resource whose share of total energy use has increased in recent decades.

Biofuels • Renewable fuels produced from living organisms (biomass) and which do not, therefore, cause any net addition of carbon dioxide to the atmosphere during combustion. Wood, fuel pellets, biogas and ethanol produced from grain are examples of biofuels.

Cadmium • The heavy metal found naturally in the soil, but also added to arable land through fertilizers. Cadmium and its compounds have toxic properties and can have an adverse effect on health and the environment.

Carbon dioxide equivalents • Unit that makes it possible to compare the impact of various greenhouse gases on the climate.

Climate declaration • Reports a product's carbon footprint throughout its lifecycle. Based on scientific methods in accordance with international standards and is expressed in carbon dioxide equivalents.

Code of Conduct • An English term. Guidelines for how a company or organization is to conduct its business in an ethical and responsible manner.

Ecosystem • An ecosystem is a distinct part of nature. An ecosystem consists of all the living components (plants, animals and microorganisms) in an area functioning together with all of the non-living physical factors of the environment (water, wind, minerals).

Ecosystem services • The services that ecosystems provide "free of charge" and benefit mankind in various ways. Examples include water purification, pollination, natural pest control and formation of fertile soil.

Fossil fuels • Non-renewable sources of energy such as coal, natural gas and oil. The burning of fossil fuels forms carbon dioxide which builds up in the atmosphere. The net surplus formed is contributing to an enhanced greenhouse effect.

Global Compact • UN initiative for responsible business. An international framework with universally accepted principles for human rights, labor law, the environment and anti-corruption.

GMO • Genetically modified organisms; plants or animals with characteristics added with the aid of gene technology.

GRI • Global Reporting Initiative. An international framework for companies working according to universally accepted principles for human rights, labor rights, environmental protection and against corruption.

LEAD • (Learn, Engage, Analyze, Do). Lantmännen's method for systematic and long-term change management.

Organic farming • In organic farming, the use of mineral fertilizer or chemical pesticides is not permitted. Instead, natural processes are used in cultivation to preserve the fertility of the soil and resist attacks on plants. A well-planned system of crop rotation is important and often requires livestock on the farm.

Renewable energy sources • Examples of these continuously renewed sources are sun, wind, water and biofuels.

RME • Rapeseed methyl ester, also referred to as biodiesel.

RSPO • Roundtable on Sustainable Palm Oil. International round table process to develop criteria for sustainable palm oil.

RTS • Round Table on Responsible Soy. International round table process to develop criteria for sustainable soy.

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.

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