

Sustainability-related Indicators

2013



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

Version 2014-02-24





Lantmännen is one of the largest agriculture, machinery, energy and food groups in the Nordic region. Examples of our brands are AXA, Kungsörnen, GoGreen, Hatting, Schulstad and Gooh. Owned by 32,000 Swedish farmers, we have 8,500 employees, a presence in some 20 countries and revenues of SEK 33 billion. Our company is founded on knowledge and values built up through generations of owners. With research, development and operations throughout the chain, together we are able to take responsibility from field to fork.

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Sustainability-related Indicators

This appendix describes the name, definition and outcome of each indicator, with applicable comments on special assumptions, known deficiencies in the calculations or explanations. 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). The GRI indicator concerned is stated in parentheses.

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

As Lantmännen Kronfågel was divested during the year, the reporting no longer includes the indicators for animal welfare. Please visit our website www.lantmannen.se/ansvar for more information about our responsibility efforts or to download the full Annual Report including Sustainability Report.

Global Reporting Initiative (GRI)

Lantmännen has been applying the GRI guidelines for several years, including the Food Processing sector supplement. For this our ninth Annual Report including Sustainability Report, we have elected to report according to GRI version G3.1, Application Level B, on a self-declaration

basis. It is our aim to constantly develop both our work and our reporting in the area of sustainability. We intend to report in accordance with G4, the fourth generation of the GRI guidelines, in the future. Learn more about GRI at www.globalreporting.org

Global Compact

Lantmännen signed the Global Compact, the UN initiative for responsible business, in 2009 and has thus committed itself to implement ten principles on corporate responsibility. 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/

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.

- 1) During the implementation period, which began in 2009 and continued until June 2013, "compliant" was defined as the supplier having the Supplier Code of Conduct (SCoC) in its contract, having been risk assessed and having an approved self-assessment if a medium or high-risk supplier.
- 2) With effect from July 2013, "compliant" is defined as the supplier having the Supplier Code of Conduct (SCoC) in its contract and having an approved self-assessment and/or audit system.

Objectives and outcomes for the implementation period

Started in 2009 and continued until June 2013.

- 1) All suppliers have SCoC in their contract.
- 2) 100 % risk assessment of existing* suppliers (annual purchase volume over MSEK 1) based on SCoC.
- 3) Self-assessment of all existing medium and high-risk suppliers (annual purchase volume over MSEK 1).

* existing = base year 2009

	2013	2012	2011
Proportion of suppliers (over MSEK 1) followed up with risk assessment and/or self-assessment	99 %	79 %	20 %

New objectives from July 2013

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

	2013	2012	2011
Proportion of purchasing volume that meets the SCoC	93 %	84 %	66 %

Comments: In order to prioritize work during the implementation period, a risk assessment of all existing suppliers (annual purchase volume over

MSEK 1) was conducted. Only suppliers that were assessed as medium or high-risk suppliers were subsequently followed up. Since meeting the implementation objective in June 2013, we follow up all suppliers with an annual purchase volume over MSEK 1, i.e., even low-risk suppliers.

The outcome with respect to all suppliers has been followed up since 2011, but was made a new objective in July 2013 to replace the implementation objective.

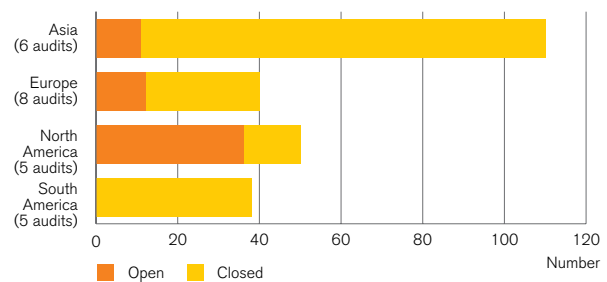
Our supplier procedures are described in more detail on pages 31-32 of the 2013 Annual Report including Sustainability Report and at www.lantmannen.se/ansvar.

Number of conducted audits based on Supplier Code of Conduct and number of identified non-conformances by geographical region and SCoC area

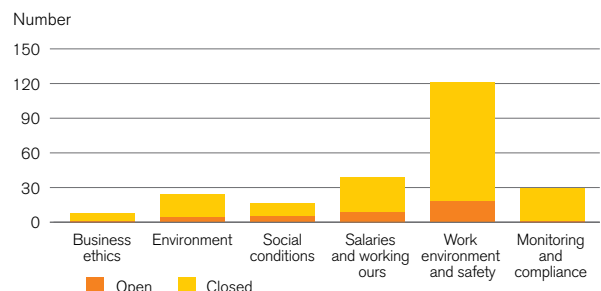
Definition: Number of audits conducted under procedure for supplier audits. Number of identified non-conformances by geographical region and SCoC area. Reported non-conformances are accepted by the audited supplier. Non-conformances must be corrected by the supplier within an agreed timetable.

Outcome: In 2013, three supplier audits were conducted, with two follow-up audits. A total of 24 audits and four follow-up audits have been conducted since 2010.

Number of audits and identified non-conformances by region



Deviations from conducted audits



Comments: Lantmännen has conducted 28 (24 +4) supplier audits in Europe, Asia and North and South America since 2010. It is our goal that all non-conformances found during audits shall be corrected/closed by the supplier within one year. The chart above shows the total non-conformances from the audits we conducted and the number that were corrected/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 (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.

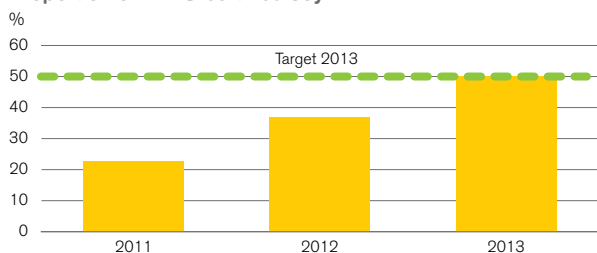
Proportion of RTRS-certified soy as ingredient in feed

Definition: Purchases of RTRS soy, (ton / Total purchased soy products, tons) * 100 = % RTRS soy.

RTRS = Round Table on Responsible Soy

Objective: 50 % RTRS-certified soy in 2013.

Proportion of RTRS-certified soy



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 and increased the proportion of certified soy to 37 % in 2012. The objective for 2013 was to reach 50 % and this was achieved. More information on the Round Table on Responsible Soy can be found at www.responsiblesoy.org. Our work in the area of soy is described further at www.lantmannen.se/soja

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

Definition: Purchases of certificates 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 2013 (100% in 2012, 100% in 2011).

Palm oil, volume and proportion

	2013	2012	2011	2010
Purchased volumes of palm oil as ingredient in food, tons	7,900	7,000	6,900	5,500
Percentage of RSPO certification for palm oil as ingredient in food, %	100 %	100 %	100 %	17 %
Purchased volumes of oil palm by-products (palm kernel expeller) as ingredient in animal feed, tons	18,200	16,900	22,600	8,800

Comments: The objective refers to palm oil as an ingredient in food, not other byproducts from palm oil that are ingredients in animal feed. We are now working to update our palm oil strategy for responsibly produced palm oil and to set new objectives for segregated RSPO-certified palm oil with increased traceability to certified plantations. The updated strategy will also include responsibility for by-products from oil palm used in our feed production.

For more information about the Roundtable on Sustainable Palm Oil, visit 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: EC1 is defined according to GRI 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	2013	2012	2011
Products and services sold	33,802	36,526	37,896
Employees (payroll expenses)	4,938	5,322	5,419
Owners (dividend)	171	168	230
Owner (refund and final price adjustment) ¹	127	120	110
Suppliers (goods and services purchased)	27,392	30,265	30,770
State (taxes paid)	104	117	106

¹ According to Board's proposal for 2013

More information about the economic value generated to our stakeholders can be found in the Board of Directors' Report in the 2013 Annual Report including Sustainability Report, from page 65 onwards.

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: Risks and risk management are described on pages 26-30 of the 2013 Annual Report including Sustainability Report. Also read about related information: “A commodity-driven world,” on pages 16-19, “Strategic direction 2020” on pages 18-19, “Climate targets” on page 21, “Lantmännen's value chain” on pages 22-23, “Sustainable business development and innovation” on pages 24-25 and “Resource-efficient supply chain” on pages 31-33.

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 plans

MSEK	2013	2012
<i>Funded plans</i>		
Defined benefit obligations to Swedish PRI Pensionsgaranti plans	1,774	2,032
Other defined benefit obligations	122	144
Fair value of plan assets	-1,767	-1,783
Total net value of funded plans	129	393
<i>Unfunded plans</i>		
Other unfunded obligations	39	39
Total, unfunded plans	39	39
Provisions for pensions, net value	168	432

Additional information on defined benefit pension plans is described in note 23 on page 113 and note 47 on page 124 of the 2013 Annual Report including Sustainability 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	2013	2012
Grants recognized as income	7	7
Grants compensating for expenses	6	18
Total	13	25
Grants for the year reducing the value of non-current assets	11	0
Grants recognized as deferred income at the closing date	1	0

Environmental

Materials used by weight or volume (EN1fp)

Partially reported in accordance with GRI

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

	2013	2012	2011	2010
Proportion of Premium grain, %	9.1	8.2	2.0	4.6
Proportion of Organic grain, %	3.1	3.0	2.9	2.5
Proportion of Swedish feed materials, %	58	56	58	58
Proportion of RTRS certified soy as feed ingredient, %	50	37.1	22.6	0 ¹
Proportion of total soy volume that is GMO soy purchased for direct sale to customers	0	0	0	3,8
Proportion of RSPO-certified palm oil as ingredient in food, %	100	100	100	17

¹ First available on the market in 2011.

Proportion of Premium¹ grain

Definition: (Premium, tons/Total weighed, tons) * 100 = % Premium¹.

Outcome:

	2013	2012	2011	2010	2009	2008
Proportion	9.1 %	8.2 %	2.0 %	4.6 %	9.1 %	10.2 %

Comments: The proportion of Premium¹ grain increased. This is mainly due to the fact that use of the straw shortening agent Moddus has been permitted for wheat and oats since 2012. The increased demand is from customers who want to maintain grain cultivation without the use of straw shortening agents.

The indicator covers grain weighed in by Lantmännen Lantbruk. More information on our grain concept can be found at www.lantmannenlantbruk.se

¹ Grain that meets customer-specific requirements.

Proportion of Organic grain

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

Outcome:

	2013	2012	2011	2010	2009
Proportion	3.1 %	3.0 %	2.9 %	2.5 %	2.7 %

Comments: Lantmännen Lantbruk's weighed organic grain in 2013 was normal and demand was stable.

Proportion of Swedish feed materials

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

Outcome: 58 % in 2013 (56 % in 2012, 58 % in 2011).

Comments: The proportion of Swedish raw materials is largely unchanged at 58 % (56 %). The EU is 26.7 % (26.5 %) and non-EU 15.4 % (17.5 %). 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.

Imported GMO soy for direct sale to customers, volume and proportion

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

Outcome:

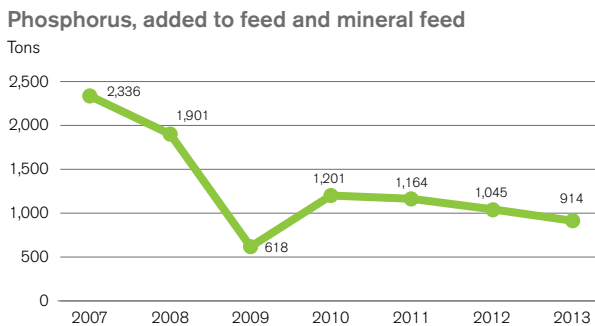
	2013	2012	2011	2010	2009
Lantmännen's volume of GMO soy, tons	0	0	0	6,432	6,598
Proportion of GMO soy in Lantmännen's total soy volume, %	0	0	0	3,8	3,6

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

Phosphorus via animal feed in tons

Definition: Phosphate additives in manufactured feed and mineral feed, tons.

Outcome: The amount of added phosphorus in 2013 is 914 tons, which is in line with the previous year's figure of 1,045 tons.

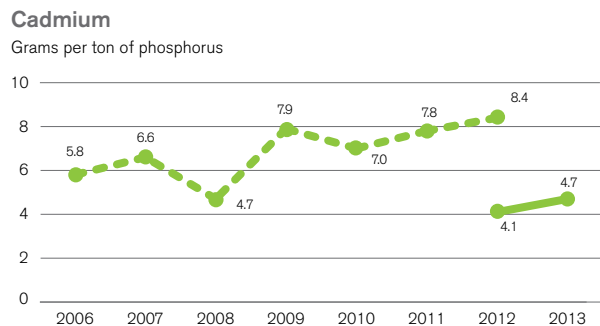


Comments: Phosphorus consumption in the form of phosphorus added to feed continues to decline and has fallen by 60 % between 2007 and 2013. There are several different reasons for this dramatic change. The addition of the enzyme phytase to pig and poultry feed has meant that these animals are better able to utilize the phosphorus found naturally in grain. For ruminants, a survey of the mineral content of forages conducted in 2008 has provided a basis from which to reduce the amount of added phosphorus. These measures reduce the amount of phosphorus added through feed, which in turn reduces the risk of unwanted nutrient leaching of phosphorus from stall manure. 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 2013 compared with 2007.

Cadmium in phosphate fertilizer

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

Outcome: 4.7 grams of cadmium per ton of phosphorus in fertilizer in 2013.

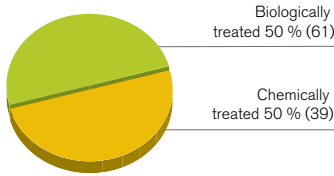


Comments: With effect from 2012, the value for cadmium content in mineral fertilizers includes all deliveries of fertilizer to Lantmännen. In previous years, only deliveries by ship were reported, corresponding to the higher value of 8.4 in 2012. This has the effect of lowering the average as mineral fertilizer with lower cadmium content (NP and NPK fertilizers) has not previously been included. We have requirements for low cadmium content in our purchasing management, and the average has been at a low level of 4-8 ppm in recent years.

N = nitrogen, P = phosphorus, K = potassium

Proportion of biologically treated seed

Definition: (Biologically treated + untreated grain seed, tons/Total grain seed produced, tons) * 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 (microorganisms or thermal) seed treatment to reduce the use of chemical treatment.

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

Comments: The decline is due to natural seasonal variations as the conditions change from year to year. Years when there is a high occurrence of fungus reduce the biological treatment and vice versa. Germinating capacity tests for spring barley were introduced before the 2013 spring season to ensure an optimum treatment method for each batch. This resulted in reduced Cedomon treatment. The volume of ThermoSeed treated seed was unchanged in the reported years.

Proportion of organic seed

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

Outcome:

	2013	2012	2011	2010	2009	2008
Proportion	8,1 %	7,6 %	7,3 %	6,5 %	7,0 %	6,0 %

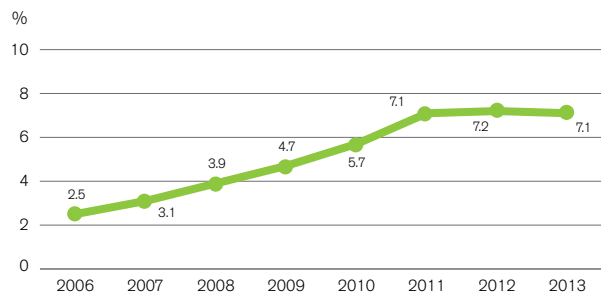
Comments: There has been a slight increase in demand for organic seed.

Proportion of organic animal feed

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

Outcome: 7.1% in 2013.

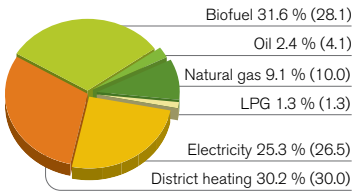
Organic feed



Comments: Increased consumption of organic milk has reduced the previous surplus and there is now a better balance between supply and demand for organic milk. However, this has meant that more organic cows have not entered the system, even though consumption has increased. The proportion of organic eggs remained stable without a significant increase in 2013. This balancing of the market means that the increase in organic food we have seen in recent years came to a halt in 2013.

Energy consumption by energy source (EN3 and EN4)

Definition: EN3 and EN4 are defined according to GRI. See the individual indicators for more information.



Comments: The proportion of fossil energy has been reduced by converting to biofuel and selling operations using fossil-based energy.

Direct energy consumption by primary energy source (EN3)

Partially reported in accordance with GRI

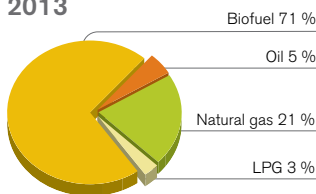
Definition: EN3 is defined according to GRI.

Outcome:

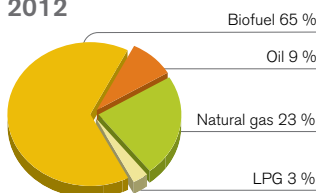
Energy source	2013 GWh (TJ)	2012 GWh (TJ)	2011 GWh (TJ)	2010 GWh (TJ)
Oil	49 (175)	90 (324)	93 (334)	124 (446)
Natural gas	183 (659)	220 (791)	217 (781)	213 (767)
LPG	26 (94)	29 (103)	28 (101)	28 (101)
Biofuel	632 (2,276)	614 (2,212)	611 (2,201)	628 (2,261)
Town gas	0 (0)	0 (0)	0 (0)	0 (0)
Total	890 GWh (3,204 TJ)	952 GWh (3,429 TJ)	949 GWh (3,418 TJ)	993 GWh (3,575 TJ)

GWh (gigawatt hour), TJ (terajoule)

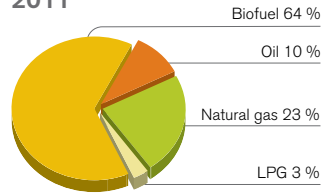
2013



2012



2011



Comments: The indicator includes energy consumption at production facilities in the Agriculture, Food and Energy Sectors. The proportion of fossil fuels has decreased during the year, which is in line with Lantmännen's goal for sustainable energy consumption

Indirect energy consumption by primary energy source (EN4)

Partially reported in accordance with GRI

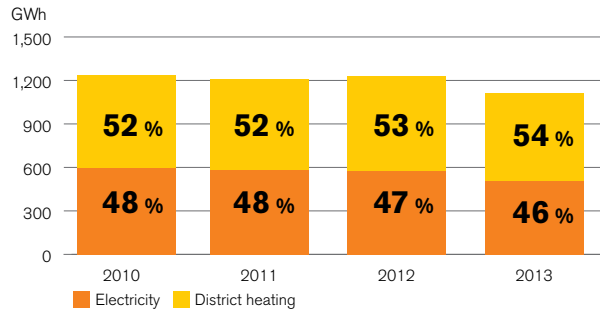
Definition: EN4 is defined according to GRI.

Outcome:

Energy source	2013 GWh (TJ)	2012 GWh (TJ)	2011 GWh (TJ)	2010 GWh (TJ)
Electricity	507 (1,824)	577 (2,079)	584 (2,102)	598 (2,153)
District heating	605 (2,179)	654 (2,354)	625 (2,249)	638 (2,297)
Total	1,112 GWh (4,003 TJ)	1,231 GWh (4,433 TJ)	1,208 GWh (4,350 TJ)	1,236 GWh (4,450 TJ)

GWh (gigawatt hour), TJ (terajoule)

Indirect energy consumption



Comments: The indicator includes energy consumption at production facilities in the Agriculture, Food and Energy Sectors. The use of electricity and district heating has decreased as a result of energy efficiency measures and sales of operations.

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, which stands for "Learn, Engage, Analyze, Do", is a method for achieving specific improvements, in which the participation, knowledge and commitment of every employee play an important part. Reduced waste, shorter lead times and more efficient use of materials are key focus areas.

In 2013, energy efficiency initiatives were more clearly integrated into the improvement program.

Measures include the provision of energy analysis training during the year for the LEAD and Improvement Coordinator at Lantmännen Lantbruk. Broken-down goals and monthly monitoring at plant level also represent important steps forward during 2013.

Further information about our work in the area of climate issues and efficient use of resources can be found on pages 31-33 of the 2013 Annual Report including Sustainability Report and at www.lantmannen.se/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. Products include fuel ethanol, district heating, heating pellets and alkylate petrol.

Further information can be found on pages 48-51 of the 2013 Annual Report including Sustainability Report and at www.lantmannen.se/omlantmannen

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

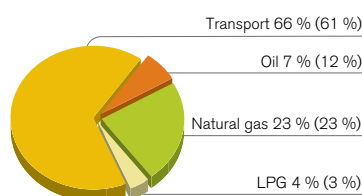
Partially reported in accordance with GRI

Definition: EN16 is defined according to GRI.

Outcome:

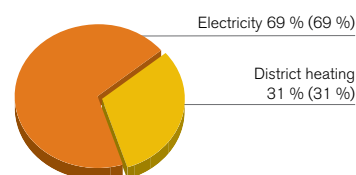
Tons of CO ₂	2013	2012	2011	2010
Direct emissions	162,696	195,569	205,273	189,395
Indirect emissions	137,379	204,400	203,356	196,057
Total	300,075	399,969	408,629	385,452

Distribution of direct emissions by energy source



Direct greenhouse gas emissions decreased in 2013 due to reduced emissions from transport and reduced use of fossil fuels.

Distribution of indirect emissions by energy source



Indirect greenhouse gas emissions decreased in 2013, as a result of energy efficiency measures, sales of operations and a change to the fuel mix for district heating production.

CO₂ emissions, total, per value added and per MSEK sales

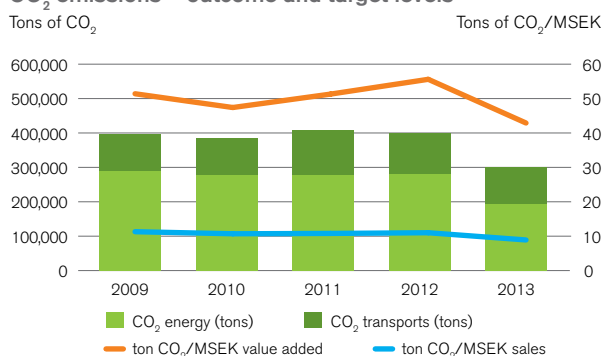
Definition: CO₂ emissions: total, thousand tons; tons per MSEK value added; tons per MSEK sales.

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

Outcome:

	2013	2012	2011	2010	2009
CO ₂ energy consumption (thousand tons)	194	280	279	279	289
CO ₂ transport (thousand tons)	106	120	130	106	106
tons of CO ₂ /MSEK value added	42.9	55.6	51.3	47.4	51.4
Target 2013	43.7	43.7	43.7	43.7	43.7
Target 2020	30.8	30.8	30.8	30.8	30.8
tons of CO ₂ /MSEK sales	8.9	11.0	10.8	10.7	11.3
Target 2013	9.6	9.6	9.6	9.6	9.6
Target 2020	6.8	6.8	6.8	6.8	6.8

CO₂ emissions – outcome and target levels



Comments: The CO₂-related indicator has improved significantly in 2013, with the result that the interim target of a 15 % reduction has been achieved. Several fossil-fired plants have been converted to biofuel and many projects to improve energy efficiency have been implemented. Other reasons for the reduced emissions are the sale of operations using fossil-based energy and an increased focus on climate performance in energy procurement.

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

Partially reported in accordance with GRI

Definition: EN18 is defined according to GRI.

Outcome: Initiatives to reduce greenhouse gas emissions are carried out in day-to-day operations as well as more strategically in the longer term.

Products based on renewable energy

Lantmännen's Energy Sector is one of Sweden's leading bioenergy companies producing renewable energy. Products include fuel ethanol, district heating, heating pellets and alkylate petrol. More information about the Energy Sector can be found on pages 48-51 of the 2013 Annual Report including Sustainability Report.

Phasing-out of fuel oil

To date we have reduced the use of fuel oil by approx. 65 percent compared with the base year, 2009, for Lantmännen's climate target. This has been achieved by converting to biofuels and divesting or closing down certain plants over the years. There now remain about twenty plants, most of which are small facilities in Sweden. We are now working to develop a plan on replacing fuel oil at these facilities too.

Energy efficiency

Lantmännen's systematic energy efficiency efforts are integrated into the LEAD work approach. LEAD, which stands for "Learn, Engage, Analyze, Do", is a method for achieving specific improvements, in which the participation, knowledge and commitment of every employee play an important part. Reduced waste, shorter lead times and more efficient use of materials are key focus areas. In 2013, energy efficiency initiatives were more clearly integrated into the improvement program. More information about our "Resource-efficient supply chain" can be found on pages 31-33 of the 2013 Annual Report and Sustainability Report.

You can also read about "Our value chain" and our environment impacts and our efforts to minimize them (pages 22-23) and "Sustainable business development" (pages 24-25) in the same report and at www.lantmannen.se/ansvar

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.

Outcome: In 2013, the prosecutor issued decisions originating from four orders in 2007-2009, 2011 and 2012. No environmental damage occurred and no cases went to court.

- 2007-2009 Notification of products to The Swedish Chemicals Agency – corporate fine of SEK 250,000.
- 2011 Procedures for handling quench water in the event of fire – deficiencies incurred a corporate fine of SEK 50,000.
- 2011 Deficiencies in chemicals storage – corporate fine of SEK 50,000 was imposed.
- 2012 Change in properties of residual products features – the case has been closed.

After consultation with the prosecutor, Lantmännen has accepted the decisions and decided not to appeal.

Procedures and instructions for underlying causes of all four cases have been produced or clarified, and internal training has been conducted to avoid any repetition.

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

Partially reported in accordance with GRI

Definition: EN29 is defined according to GRI.

Outcome: The outcome for CO₂ emissions from transport is provided in the indicator “CO₂ emissions, total, per value added and per MSEK sales, thousand tons per MSEK sales and value added” (above).

We work constantly to optimize our transport and switch to clean fuels and environmentally-friendly transport modes. However, the positive environmental impact of this is offset by the ongoing restructuring of our operations. The trend towards centralization with fewer plants means increased transport. Co-operation with our transport providers to develop new solutions is a key part of our future work. An example of such cooperation during the year is described below:

With biodiesel in the tanks

Lantmännen Cerealia has worked with haulage company HNT in Ängelholm to develop more environmentally friendly truck transport. Three new trucks, uniquely designed for Lantmännen transport, were taken into use in spring 2013. The trucks run on biodiesel (RME) and replace the previous rail transport between the mills in Malmö and Uppsala. As rail transport is no longer possible on this line, it has become necessary to find an environmentally acceptable alternative. The environmental commitment of major bakery customers has also been a driving force in the process of making the transition to renewable fuels. RME is made from rapeseed oil and has reduced carbon dioxide emissions compared with conventional diesel.



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 9,133 (71 % male and 29 % female) at the end of December 2013.

Employees and employee benefits expense

Average number of employees	of which 2013	female	2012	of which female
Group				
Sweden	4,082	28 %	4,522	28 %
Denmark	1,504	28 %	1,993	29 %
Germany	726	24 %	802	25 %
U.K.	669	24 %	657	23 %
Poland	446	36 %	497	30 %
Norway	440	31 %	451	31 %
Belgium	380	30 %	382	32 %
Ukraine	241	57 %	239	57 %
U.S.	207	29 %	213	31 %
Russia	168	51 %	159	52 %
Latvia	61	19 %	142	30 %
Finland	63	18 %	63	17 %
Hungary	72	53 %	57	65 %
Estonia	35	17 %	34	15 %
Netherlands	17	12 %	13	8 %
Lithuania	11	8 %	11	9 %
Spain	7	57 %	9	33 %
France	4	0 %	4	0 %
Ireland	0	0 %	1	0 %
Group, total	9,133	29 %	10,249	30 %
Parent				
Sweden	1,262	36 %	1,244	37 %
Parent, total	1,262	36 %	1,244	37 %

Further information can be found on pages 96-98 (note 5) of Lantmännen's 2013 Annual Report including Sustainability Report.

Comments: Lantmännen does not report 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

%	2013	2012	2011	2010
Group, total	3.7	3.8	3.7	4.0
Agriculture Sector	3.1	2.3	2.6	n.a.
Machinery Sector	3.2	3.1	2.9	n.a.
Food Sector	4.5	4.6	4.5	n.a.
Energy Sector	2.5	2.3	1.5	n.a.
Real Estate	0.4	0.3		

Sick leave

% of total working hours	2013	2012	2011	2010
Women	4.7	4.7	4.7	4.6
Men	3.4	3.5	3.3	3.8
Total	3.7	3.8	3.7	4.0

Accidents

Definition & limitations:

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

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

Target group: 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.

Outcome:
Accidents and incidents

	2013	2012	2011	2010
Number of fatalities due to accidents at work	0	0	0	0
Number of accidents ¹	262	327	313	326
Injury rate ²	15.2	20.2	24.4	22.0
Number of reported incidents ³	2,488	1,555	915	1,005
Number of incidents per accident (lost-time)	9.5	4.8	2.9	3.1

1. *Work-related accident resulting in at least one day's absence 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 that could have resulted in ill health or an accident*

Injury rate: 15.2. The most common type of accident is type 3 according to the Swedish Work Environment Authority's categories (the injured person fell). No fatalities were reported.

Comments: The number of accidents reported in 2013 was 262, which is a decline of about 20 % compared with 2012 (327). The results show a positive trend and should also be viewed against the backdrop of initiatives with regard to training, health and safety audits and risk assessments during the year, and a well-functioning work environment network/process team. The reduction of Lantmännen's injury rate to 15.2 (20.2) compares well with Swedish industry statistics, where, for example, the Food, beverages and tobacco category has an injury rate of 25 (2011).

Incidents

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

Limitation: Applies during work.

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

Comments: Lantmännen's target is at least 10 reported incidents per accident. There has been a marked increase (approx. 38 %) in incident reporting, which has risen from 1,555 in 2012 to 2,488 in

2013, giving a result of 9.5 reported incidents per accident. This is a very positive result for accident-prevention work.

However, there is still an uneven distribution of the number of reported incidents in the organization and this is presumably due to different cultures and attitudes to improvements. It is generally the case that where there is a strong focus on incident reporting and systematic work environment initiatives are in place, 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.

Healthy group

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

Employees in the healthy group are considered 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 following criteria:

- A. Rate their health as at least 3 on a scale of 1–5 (1 = very poor and 5 = very good).
- B. Consider themselves capable of at least as much as others of their age.
- C. Do not smoke on a daily basis.
- D. 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 their age.

Target group: In the period 2009-2011, 4,666 employees underwent health screening at least once.

Outcome: (according to the most recent health screening)

At present, 58.4 % of employees are in the healthy group. The target is 75 %. Various activities are in progress in the area of health in order to improve the results. A new session of health screening was carried out in 2013, and continues into 2014. Consequently, updated results for Sweden will not be available until during 2014.

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

● Fully reported in accordance with GRI

Definition: LA12 is defined according to GRI. 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.

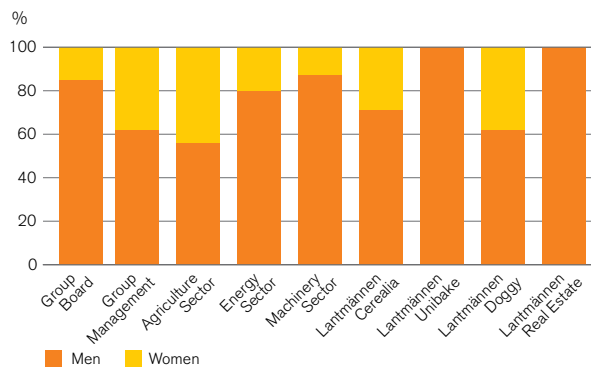
Outcome: The survey conducted in 2013 shows that 76 % (2011: 75 %) of employees have had performance appraisals. Although most of them are satisfied with the quality of the appraisal, this will continue to be a priority area for development.

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: LA13 is defined according to GRI.

Outcome:



Comments: 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: HR2 is defined according to GRI.

Managing the issue in the supply chain:

Our supplier code of conduct contains general guidelines on how we view corporate responsibility and also defines our requirements for suppliers. Support and respect for human rights is included as one of four areas.

We require all suppliers to accept the SCoC and we regularly monitor all suppliers with an annual purchase volume over MSEK 1. For suppliers assessed as significant, we conduct targeted audits on site. Human rights are included as one of the audited areas.

Outcome: If a non-compliance from our SCoC is identified during these audits, the supplier must establish an action plan and timetable for correcting the non-conformances. The action plan and corrective measures are followed up. Failure of a supplier to correct a non-conformance, despite repeated reminders, entitles us to terminate the agreement. For objective and outcome, see the indicators under FP1.

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: HR3 is defined according to GRI.

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 undergo training in the Code of Conduct. E-training, with exercises that reflect possible dilemmas and situations, is available in seven languages.

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

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

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

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.

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: HR5 is defined according to GRI.

Managing the issue in the supply chain:

Our supplier code of conduct contains general guidelines on how we view corporate responsibility and also defines our requirements for suppliers. Work environment and social conditions, including freedom of association, are included as one of four areas.

Outcome for suppliers:

We have examined 93 % of the purchase volume and conducted 24 audits. If a non-compliance from our SCoC is identified during these audits, the supplier must establish an action plan and timetable for correcting the non-conformances. The action plan and corrective measures are followed up. Failure of a supplier to correct a non-conformance, despite repeated reminders, entitles us to terminate the agreement. For objective and outcome, see the indicators under FP1.

Managing the issue in our operations:

Our Code of Conduct contains general guidelines on corporate responsibility. Work environment and social conditions, including freedom of association, are included as one of five areas. All employees undergo training in the Code of Conduct. E-training, with exercises that reflect possible dilemmas and situations, is available in seven languages.

Overall risk assessments are updated annually based on available and independent international risk indexes on the area (see references below).

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

With effect from 2012, there is a whistleblower function in the Swedish and Danish operations. 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. Implementation of a similar whistleblower function is in progress in Norway, Finland and the United Kingdom.

Outcome for our operations:

According to independent international risk indexes, Russia has been identified as a high-risk country in terms of forced labor. Some of our food business is in Russia, but we do not have any indications of forced labor problems. During 2013, 80% (88% in 2012) of all employees received training in Lantmännen's Code of Conduct. Work environment and social conditions, including freedom of association, are included as one of five areas in the e-training.

Reference

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>

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: HR6 is defined according to GRI.

Managing the issue in the supply chain:

Our supplier code of conduct contains general guidelines on how we view corporate responsibility

and also defines our requirements for suppliers. Work environment and social conditions, including child labor, are included as one of four areas.

We require all suppliers to accept the SCoC and we regularly monitor all suppliers with an annual purchase volume over MSEK 1. For suppliers assessed as significant, we conduct targeted audits on site. Child labor is included as one of the audited areas.

Outcome for suppliers:

We have examined 93 % of the purchase volume and conducted 24 audits. If a derogation from our SCoC is identified during these audits, the supplier must establish an action plan and timetable for correcting the non-conformance. The action plan and corrective measures are followed up. Failure of a supplier to correct a non-conformance, despite repeated reminders, entitles us to terminate the agreement. For objective and outcome, see the indicators under FP1.

Managing the issue in our operations:

Our Code of Conduct contains general guidelines on corporate responsibility. Work environment and social conditions, including child labor, are included as one of five areas. All employees undergo training in the Code of Conduct. E-training, with exercises that reflect possible dilemmas and situations, is available in seven languages.

Overall risk assessments are updated annually based on available and independent international risk indexes on the area (see references below).

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

With effect from 2012, there is a whistleblower function in the Swedish and Danish operations. 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. Implementation of a similar whistleblower function is in progress in Norway, Finland and the United Kingdom.

Outcome for our operations:

According to independent international risk indexes, Russia and Ukraine have been identified as high-risk countries in terms of child labor. Some of our food business is in Russia, but we do not have any indications of child labor problems. During 2013, 80 %

(88 % in 2012) of all employees received training in Lantmännen's Code of Conduct. Work environment and social conditions, including child labor, are included as one of five areas in the e-training.

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: HR7 is defined according to GRI.

Managing the issue in the supply chain:

Our supplier code of conduct contains general guidelines on how we view corporate responsibility and also defines our requirements for suppliers. Work environment and social conditions, including forced labor, are included as one of four areas.

We require all suppliers to accept the SCoC and we regularly monitor all suppliers with an annual purchase volume over MSEK 1. For suppliers assessed as significant, we conduct targeted audits on site. Forced labor is included as one of the audited areas.

Outcome for suppliers:

We have examined 93 % of the purchase volume and conducted 24 audits. If non-compliance from our SCoC is identified during these audits, the supplier must establish an action plan and timetable for correcting the non-conformances. The action plan and corrective measures are followed up. Failure of a supplier to correct a non-conformance, despite repeated reminders, entitles us to terminate the agreement. For objective and outcome, see the indicators under FP1.

Managing the issue in our operations:

Our Code of Conduct contains general guidelines on

corporate responsibility. Work environment and social conditions, including forced labor, are included as one of five areas. All employees undergo training in the Code of Conduct. E-training, with exercises that reflect possible dilemmas and situations, is available in seven languages.

Overall risk assessments are updated annually based on available and independent international risk indexes on the area (see references below).

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

With effect from 2012, there is a whistleblower function in the Swedish and Danish operations. 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. Implementation of a similar whistleblower function is in progress in Norway, Finland and the United Kingdom.

Outcome for our operations: According to independent international risk indexes, Russia has been identified as a high-risk country in terms of forced labor. Some of our food business is in Russia, but we do not have any indications of forced labor problems. During 2013, 80 % (88 % in 2012) of all employees received training in Lantmännen's Code of Conduct. Work environment and social conditions, including forced labor, are included as one of five areas in the e-training.

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 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 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: Lantmännen invests a total of approx. MSEK 300 per year on research and development. Food and packaging is one of three priority strategic areas for Lantmännen's research foundations. Read more about the different research areas and projects on pages 24-25 and page 41 of the 2013 Annual Report including Sustainability Report and at www.lantmannen.se/omlantmannen

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

Outcome: A comprehensive risk screening of Lantmännen's operations was carried out during the year. The results were reported to Lantmännen's Group Management and Board. A number of business areas have conducted their own analysis of the risk screening results with an accompanying action plan. A separate analysis will be required for all business areas from 2014 onwards.

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 country 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. 100 % of surveyed companies (49) answered questions relating to the year 2013. Risk management and control is described in more detail on pages 26-30 of the 2013 Annual Report including Sustainability Report.

Reference

Transparency International's worldwide corruption perception ranking of countries

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

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.

Outcome: 80 % (88 % in 2012) 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 2013, 50 % of companies indicated that they have "identified and trained such employees that are in need of training in order to prevent corruption".

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 actioned.

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.

Outcome: Lantmännen's operations affect and are affected by many parties. We endeavor to establish active and sympathetic dialogue with key stakeholders in every part of our value chain. We participate in public debate and pursue issues that are relevant to us in many different forums and media.

Our participation is governed by our guidelines for social media, guidelines for market communication and guidelines for public relations, contacts with media and society.

It is enshrined in our sponsorship guidelines that we do not give financial support to political parties or religious organizations.

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 give financial support to political parties or religious organizations.

Total number of legal actions taken against the organization for anti-competitive behavior (SO7)

● Partially reported in accordance with GRI

Definition: SO7 is defined according to GRI.

Outcome: No legal actions were taken against the organization in 2013.

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.

Outcome: Lantmännen was not fined any significant amounts in 2013.



Product responsibility

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

● Fully reported in accordance with GRI

Definition: FP5 is defined according to GRI.

Outcome: All 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.

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 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.

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 is 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 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.

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

● Partially reported in accordance with GRI

Definition: PR5 definieras enligt GRI.

Outcome: Customer and consumer surveys are conducted regularly and are based on the circumstances and needs of the Group and the Sectors and companies. We have a number of centrally procured framework agreements for Lantmännen's surveys for different areas in the Group in order to cover the existing needs.

For the Lantmännen brand and priority consumer food brands, continuous brand tracking is carried out on a Nordic basis.

For Lantmännen Lantbruk and CF Owner Relations, centrally procured CSI (Customer Satisfaction Index) and OSI (Owner Satisfaction Index) surveys are conducted regularly. There are also plans to eventually integrate the companies in the Machinery and Energy Sectors into the same contract. At present, they carry out their own separate surveys in this area.

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 at Group Management level. 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 market 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: PR9 is defined according to GRI.

Outcome: Lantmännen was not fined any significant amounts in 2013.

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

Follow us on facebook.com/jordtillbord and twitter.com/lantmannen
For job vacancies, see lantmannen.se/jobb or facebook.com/lantmannencareer

