

Yara and Lantmännen sign first commercial agreement for fossil free fertilizers

Yara and Lantmännen are the first companies to sign a commercial agreement to bring fossil free fertilizers to market. Produced with renewable energy, these green fertilizers are crucial for decarbonizing the food chain and offering consumers more sustainable food choices.

Yara, a leading global fertilizer producer, and Lantmännen, northern Europe's leading agricultural cooperative with operations from field to fork, began testing the commercial viability of green fertilizers in 2019 with a common goal to realize the world's first fossil free food chain. The collaboration has resulted in a commercial contract for green fertilizers, which will be produced by Yara and marketed by Lantmännen in Sweden starting in 2023.

Instead of using fossil fuels such as natural gas to produce ammonia – the building block of mineral fertilizers – the green fertilizers will be produced with ammonia based on renewable energy produced in Europe, such as Norwegian hydropower. The result will be fertilizers with an 80 to 90 percent lower carbon footprint. Yara has a portfolio of green ammonia projects, which will be key to producing green fertilizers, in Norway, the Netherlands and Australia, and is working actively to expand its clean ammonia business.

Collaboration is key

“Our partnership with Lantmännen to bring green fertilizers to market is crucial for decarbonizing the food value chain. We have to transform the food system to deliver on the Paris Agreement, and this will require collaboration across the entire food chain instead of working in silos. The Yara-Lantmännen partnership is a concrete example of how this can be done,” says Svein Tore Holsether, President & CEO of Yara.

For Lantmännen, using the green fertilizers will be an important step closer to reaching climate neutral farming.

“Lantmännen drives the development towards farming of the future. With the green fertilizers from Yara in place we enable Swedish farmers to continue to be at the forefront, offering our customers sustainability performance according to global climate targets as well as bringing sustainable food to consumers. With this partnership, we can continue to meet an increased market demand for sustainable products,” says Per Olof Nyman, Group President & CEO at Lantmännen.

The fertilizers will be incorporated into Lantmännen's cultivation program Climate & Nature. The program makes it profitable for farmers to adopt more sustainable farming practices. Green fertilizers from Yara are an important additional component in the further development of the program. Combining the fertilizers with fossil free fuels, transport and precision farming, Lantmännen will be able to establish a fossil free value chain – from field to fork.

Yara and Lantmännen are also collaborating on other projects to reduce the carbon footprint of farming in the field through crop nutrition solutions, innovative farming practices as well as digital tools, enabling the transition to a decarbonized and more sustainable food value chain.

- Today Yara's nitrate-based mineral fertilizers produced in the European Union and Norway already have a carbon footprint that is about 50 to 60 percent lower compared with most non-EU fertilizers. This is thanks to the use of a best available technology (BAT) catalytic process that reduces greenhouse gas emissions during production, which was first developed by Yara and later shared with other producers.
- In 2023, Yara will be able to provide nitrate-based green fertilizers with a carbon footprint that is further reduced by 80 to 90 percent thanks to the use of renewable energy.
- Independent assurance and risk management provider DNV, as an independent third party, will validate the Product Carbon Footprint (PCF) methodology, which is one of the most established methods for determining the climate impact of a product.
- Yara is also working on reducing the remaining climate impact by, for example, enabling the use of recycled nutrients and further improving the energy efficiency of its production plants.

FACT BOX: LANTMÄNNEN'S CLIMATE & NATURE PROGRAM

- Climate & Nature is Lantmännen's program for Farming of the Future that includes specific measures to reduce the climate impact from cultivation and boost biodiversity, carried out by contracted farmers on their own farms.
- With the program, Lantmännen has reduced the climate footprint from wheat cultivation by up to 30 percent since 2015. With green fertilizers included in the program, the climate impact will be reduced even further by 20 percentage points.
- The program is dynamic and criteria for more sustainable farming methods will be added continuously, further improving sustainability performance.
- The sustainable grains are used in different products from Lantmännen both in B2B and B2C. Lantmännen Cerealia offers products, such as flour from Kungsörnen and oats from Axa, labeled Climate & Nature.

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About Lantmännen

Lantmännen is an agricultural cooperative and Northern Europe's leader in agriculture, machinery, bioenergy and food products. Owned by 19,000 Swedish farmers, we have 10,000 employees, operations in over 20 countries and an annual turnover of SEK 45 billion. With grain at the heart of our operations, we refine arable land resources to make farming thrive. Some of our best-known food brands are AXA, Bonjour, Kungsörnen, GoGreen, GooH, FINN CRISP, Schulstad and Vaasan. Our company is founded on the knowledge and values acquired through generations of farmers. With research, development and operations throughout the value chain, together we take responsibility from field to fork. For more information: www.lantmannen.com

About Yara

Yara grows knowledge to responsibly feed the world and protect the planet. Supporting our vision of a world without hunger and a planet respected, we pursue a strategy of sustainable value growth, promoting climate-friendly crop nutrition and zero-emission energy solutions. Yara's ambition is focused on growing a climate positive food future that creates value for our customers, shareholders and society at large and delivers a more sustainable food value chain.

To achieve our ambition, we have taken the lead in developing digital farming tools for precision farming and work closely with partners throughout the food value chain to improve the efficiency and sustainability of food production. Through our focus on clean ammonia production, we aim to enable the hydrogen economy, driving a green transition of shipping, fertilizer production and other energy intensive industries.

Founded in 1905 to solve the emerging famine in Europe, Yara has established a unique position as the industry's only global crop nutrition company. We operate an integrated business model with around 17,000 employees and operations in over 60 countries, with a proven track record of strong returns. In 2020, Yara reported revenues of USD 11.6 billion. For more information: www.yara.com