



2020

Lantmännen Annual Review

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Financial Reports

Interim 1st four months	June 2, 2021
Interim 2nd four months	October 5, 2021

Lantmännen's financial reports can be downloaded from lantmannen.com/financialinformation or ordered by calling +46 10-556 00 00. The reports are available in Swedish and English.

Sustainability Report

Lantmännen reports in accordance with the Global Reporting Initiative guidelines for sustainability reporting, GRI Standards. The statutory sustainability report can be found in Lantmännen's Annual Report with Sustainability Report 2020, and can be downloaded from lantmannen.com/financialinformation or ordered by calling +46 10-556 00 00.

Listen to us!

Listen to selected parts of Lantmännen's Annual Report with Sustainability Report on a computer or mobile. (Available in Swedish). lantmannen.se/lyssna2020

Lantmännen's Annual General Meeting

The Annual General Meeting will be held digitally on Tuesday, May 11, 2021.



Welcome to 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.

Our company is founded on knowledge and values built up through generations of owners. With research, development and operations throughout the value chain, together we take responsibility from field to fork.



The Group's key figures

Net sales MSEK 45,990

The Group's net sales for the year were MSEK 45,990 (48,523), a decline of 5 percent mainly due to the coronavirus pandemic.

Operating income MSEK 2,223

Operating income was MSEK 2,223 (1,983) and adjusted for items affecting comparability MSEK 2,223 (2,087).

Income after financial items MSEK 2,041

Income after financial items was MSEK 2,041 (1,773) and adjusted for items affecting comparability MSEK 2,041 (1,877).

Net income after tax MSEK 1,797

Net income after tax amounted to MSEK 1,797 (1,551).

Cash flow MSEK 2,803

Total cash flow before financing activities was MSEK 2,803 (1,837).

Lantmännen's AGM May 11

The Annual General Meeting will be held digitally on Tuesday, May 11, 2021.



Lantmännen has delivered its highest result ever, underlining our strong position as a company.

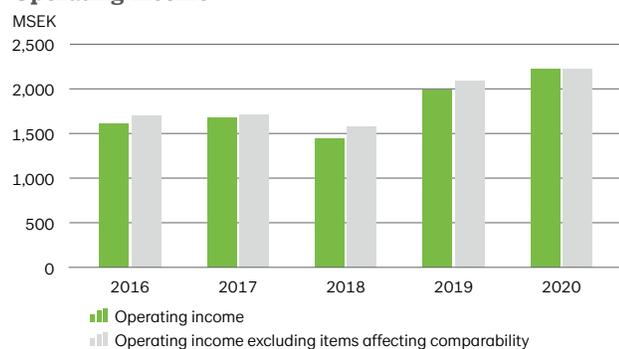
Proposed dividend MSEK 902

The Board proposes a refund and supplementary payment of 2.5 (1.75) percent on trade with Lantmännen Lantbruk Sweden and a 1.0 (1.0) percent refund on purchases from Lantmännen Maskin's and Swecon's Swedish operations. The total proposed refund and supplementary payment is MSEK 305 (208). The Board proposes a contribution dividend of 9 (8) percent of the contributions' nominal value, totaling MSEK 291 (237), and a contribution issue of MSEK 306 (288). The total proposed dividend to the members is therefore MSEK 902 (733).

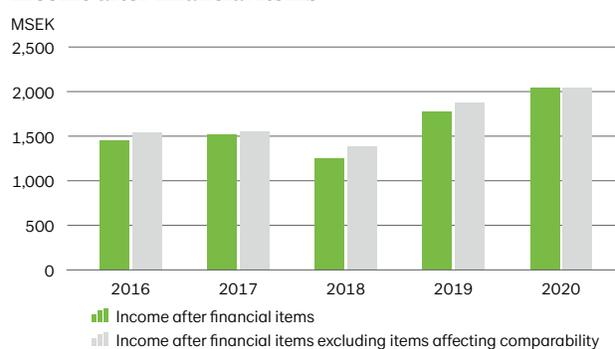
The Board also proposes a 7.25 (6.5) percent dividend on subordinated debentures, totaling MSEK 17 (16).



Operating income



Income after financial items



“ Our position from field to fork is a unique basis to create a winning value chain – locally and globally.

Financial performance measures	2020	2019
Net sales, MSEK	45,990	48,523
Operating income, MSEK	2,223	1,983
Operating margin, %	4.8	4.1
Income after financial items, MSEK	2,041	1,773
Net income after tax, MSEK	1,797	1,551
Cash flow before financing activities, MSEK	2,803	1,837
Return on equity, %	10.2	9.1
Return on operating capital, %	8.1	6.8
Total assets, MSEK	39,331	41,194
Equity ratio, %	45.8	42.5
Investments in non-current assets, MSEK	1,795	2,201
Net debt, MSEK	7,761	10,165
Interest coverage ratio, times	8.2	7.4
Net debt/EBITDA (bank definition)	1.60	2.25

Excl. items affecting comparability	2020	2019
Operating income, MSEK	2,223	2,087
Operating margin, %	4.8	4.3
Income after financial items, MSEK	2,041	1,877
Net income after tax, MSEK	1,797	1,652
Return on equity, %	10.2	9.7
Return on operating capital, %	8.1	7.2

Lantmännen reports alternative performance measures in accordance with the European guidelines from ESMA (European Securities and Markets Authority).

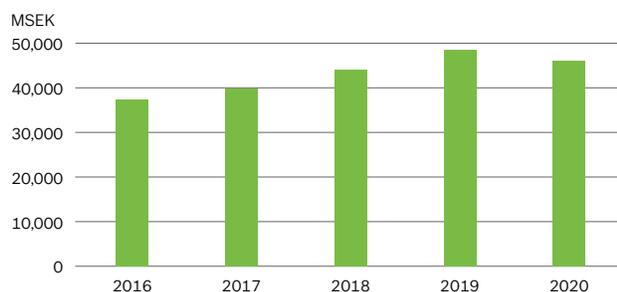
A description of financial performance measures can be found on [page 82](#).

Other key figures	2020	2019
Number of members	19,172	19,690
Average number of employees	10,017	10,250
of which women/men, %	34/66	35/65
CO ₂ emissions, thousand tonnes	119	138
CO ₂ emissions, tonnes per MSEK net sales	2.60	2.85
Employee satisfaction index ¹⁾	71	71
Sick leave, %	4.3	4.3

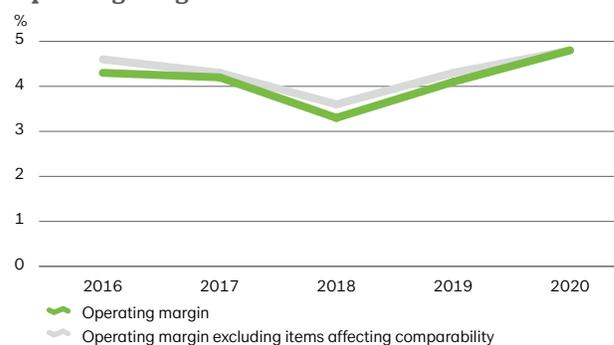
¹⁾ Refers to 2019, as survey is conducted every two years.

Sales by market, MSEK	2020	2019
Sweden	20,530	20,999
Finland	6,275	6,661
Germany	5,581	5,507
Denmark	3,136	3,234
United Kingdom	1,670	1,845
Norway	1,638	2,031
Baltic region	1,070	1,229
Netherlands	889	1,281
France	858	553
Russia	587	717
Spain	555	474
Belgium	514	594
Poland	370	510
Switzerland	326	432
Rest of Europe	846	933
United States	617	1,027
Australia	336	306
Rest of world	192	190
Total	45,990	48,523

Net sales



Operating margin



Business overview

Lantmännen's operating activities are conducted in three Sectors and two Business Areas. We contribute to the profitability of the members' farms through efficient agribusiness. We are both a business partner for agriculture and part of food consumers' daily life.



44%
of the Group's sales

Agriculture Sector

The Agriculture Sector, which constitutes Lantmännen's core business, develops and markets products and services to promote strong, competitive farming. The Sector operates in Sweden and internationally. Net sales amount to MSEK 21,501. Learn more → on page 35.



8%
of the Group's sales

Energy Sector

The Energy Sector is one of Sweden's largest producers of bioenergy products. The Sector's companies manufacture and market environmentally smart energy, food and industrial products in a global market, with a focus on Europe. Net sales amount to MSEK 3,938. Learn more → on page 41.



31%
of the Group's sales

Food Sector

The Sector refines grain into, among other things, flour, bread, breakfast foods, pasta and ready-to-eat meals. The base is in the Nordic countries with a global presence through Lantmännen Unibake's and Lantmännen Cerealia's sales in more than 60 countries. Net sales amount to MSEK 15,017. Learn more → on page 45.



16%
of the Group's sales

Swecon Business Area

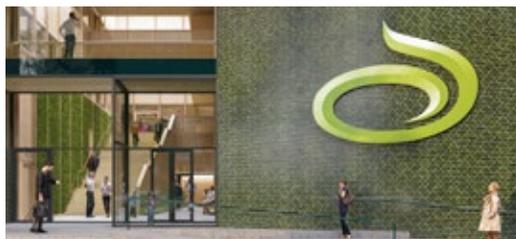
Swecon is a partner of Volvo Construction Equipment and a dealer in machinery for the construction and civil engineering industry in Sweden, Germany, Estonia, Latvia and Lithuania, with a broad range of machines, equipment, service and support. Net sales amount to MSEK 7,827. Learn more → on page 53.



1%
of the Group's sales

Real Estate Business Area

The Business Area consists of Lantmännen Fastigheter and Lantmännen Agrovärme. The real estate operations provide Lantmännen with appropriate properties and premises, and optimize the return through active management. Net sales amount to MSEK 551. Learn more → on page 57.



We make farming thrive

We exercise responsible stewardship of the earth's resources and work to promote greener energy and a sustainable food chain. With innovative and responsible use of arable land resources, we help to make farming thrive.

Our business model



Farmer cooperative

Lantmännen is a cooperative company with 19,000 Swedish farmers as both owners and business partners. Together, we utilize the strength and benefits of the cooperative to contribute to the profitability of our members' farms and optimize the return on their capital in the association.



Operations from field to fork

With strong operations throughout the grain value chain, we secure the demand for, and increase the value of, the farmers' harvests. Our presence, both locally and globally, creates business opportunities, stability and reliability. And not least; a unique opportunity to influence and take responsibility from field to fork.



Research, innovation and sustainable development

Our profits are reinvested in making farming thrive, either directly on the members' farms or in research and innovation. Every year, for example, more than MSEK 250 is invested in research and innovation for farming, bioenergy and food of the future.



Value from farmland

We refine arable land resources in a responsible manner to create the best of what our farmland can provide. In this way, we create value for our members, develop innovative products and are part of food consumers' daily life.

Our assignment

Lantmännen's assignment is to contribute to the profitability of members' farms and optimize the return on their capital in the association.

Our mission

We make farming thrive.

Our vision

We lead the refinement of arable land resources in an innovative and responsible manner for the farming of tomorrow.

Our business concept

We are an agricultural cooperative that creates value from arable land resources in a responsible manner. Our collective knowledge and our operations from field to fork enable us to lead the development in the grain value chain. We operate in an international market, with Sweden as the base for our business activities.

Our values

Openness, a holistic view and drive.



Chairman's comments

Lantmännen is no ordinary company – and 2020 was no ordinary year. In a time of uncertainty and restrictions, farming and the food industry have shown their strength and Lantmännen has delivered its best result ever.

For all of us, it has been a relief to put 2020 behind us in order to face a better 2021. For Lantmännen, 2020 has meant great uncertainty and a high level of preparedness to meet the effects of the pandemic in various ways – both for employees and in the businesses. We can now say that Lantmännen not only succeeded in managing the pandemic and its effects, but also had the ability to step up operations. Looking back a few months, we remember the shops were empty of oatmeal and pasta, but Cerealia adapted its operations and was able to quickly fill the shelves. With concern from consumers, we wanted to be sure that they would at least have a supply of food at home. Food is security. During the same period, food and agriculture were classified as socially critical industries. Consumers, politicians and the media talked about the importance of securing food supply and the need to increase food self-sufficiency. There are never any winners in a situation where a virus means that countries are locked down and we are unable to meet friends and relatives – or lose them. But the effects of the pandemic have meant that issues to which very few decision-makers previously gave any thought suddenly find themselves high on the agenda.

Lantmännen has engaged itself in these issues in several ways, and with our long-term approach and stable ownership model, we can argue our case with great credibility. In a report produced on behalf Lantmännen and others, 40 recommendations for more secure food supply were presented. Measures that directly affect agriculture include the importance of ensuring access to agri-supply – but also raising awareness of the importance of the food industry. Everything from grain reception facilities to mills and dairies. On the same theme, we wrote a topical article during summer about the importance of protecting strategic food facilities. The overall debate on the importance of food supply in Sweden has been carefully steered from pure discussion to more concrete measures. With Lantmännen's operations from field to fork, we are directly affected, and we have both the experience and competence to contribute to future food security.

Grain is our green thread

A good harvest is important to farming and to Lantmännen, and the year's harvest was both large and of good quality. Dry weather and large harvesting capacity contributed to the grain facilities filling up quickly and grain deliveries were

shipped from our export ports at an early stage. And another large harvest is highly likely next year – according to the data, winter wheat sowing has never been so extensive. But we are ready! Facilities such as Hammenhög and Hargshamn, which have been given new reception platforms and increased drying capacity in several places, made this year's harvest work relatively smooth. I would like to mention that Lantmännen has also made other investments in the grain value chain in recent years – the Kimstad oat facility, gluten production at Agroetanol and the upgrading of Unibake's Örebro bakery are some examples. It is only natural for Lantmännen to invest in activities close to farming in order to contribute to the profitability of members' farms – one of our assignments.

Farming of the future

A year ago, Lantmännen launched the Farming of the Future report, in which the plan is for farming to reduce emissions year after year and become climate-neutral by 2050. As a farmer, I feel that the perspective is long, but not excessively long. You could say it is about four crop rotations away. The bar is high, but if different players work together it is entirely possible. It requires continuing research, commitment from politicians, investments on the farm and an understanding that good food must come at a cost. In a topical article, I launched Sweden's most sustainable food basket as a challenger to the cheapest food basket. Food has reached the stage where it is so cheap that the average Swede throws away every fifth food basket. Sustainability issues are here to stay and Lantmännen we have launched climate-smart flour and are increasing our efforts through new cultivation methods and sustainable agri-supply. At our important experimental farms, there is an opportunity to follow the progress in practice.

Despite a challenging year, Lantmännen's result for 2020 is the highest ever. That is impressive. Once again, the breadth of the business portfolio – with its geographical spread and different customer categories – and strong execution shows the ability to manage risks and deliver results. It is also proof that our strategic direction is stable. The strong result means that the Board will once again propose the highest dividend ever to members this year. Strong earnings for Lantmännen Lantbruk mean that the Board is able to recommend a refund and supplementary payment of 2.5 and 1.0 percent on machinery operations. The Board also recommends an increased contribution

dividend at 9 percent of the contributions' nominal value and a contribution issue of MSEK 306. The Board follows the dividend policy but has also been influenced by the discussions at the Extraordinary General Meeting.

At the EGM, it was decided to follow up the 2018 Owner Dialogue in a structured but informal way. Topics include owner assignments, strategy, capital and dividends. It is my ambition for elected representatives and members to work with the Board to carve out and describe even more clearly how Lantmännen contributes to the profitability of members' farms. Owner dialogue is constantly in progress within Lantmännen. It contributes to development and involvement. So, yet another reason to look forward to 2021!

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Being able to contribute cash to members while investing significant resources in research, innovation and business development is a clear example of the strength of our cooperative business model.

As Lantmännen Chairman, it is my privilege to take part in everything from the fall district meetings to major investment decisions and meetings with decision-makers that affect the competitiveness of Swedish farming. Lantmännen has the mandate and potential to take strategic responsibility for farming and large parts of the food sector. How we act affects the entire value chain. Lantmännen and farming have the future ahead of them – we work in a forward-looking industry that delivers food, energy and climate benefits. Sound decisions over the years have laid the foundation for the strong and stable company that we have today and the goal is to be at least as powerful in the future. The aim is for Lantmännen to eventually be the leading player in northern Europe's grain value chain. Standing still is not an option – new times require new solutions. This is what I call a company without an expiry date!

I am proud of all the competent and committed employees who have taken responsibility this special year – both for the Company and each other. Thank you. I would also like to thank all the elected representatives who have contributed to many constructive meetings despite limited opportunities to meet and discuss. Thank you. In conclusion, I would like to thank our President and CEO Per Olof Nyman, whose combination of inspiring leadership and stability enabled Lantmännen to achieve a fantastic result despite a very different year. Thank you.

We look forward to 2021, as we head towards world class!

Kristianstad, February 2021

Per Lindahl
Chairman, Lantmännen



President's overview

Lantmännen's income after net financial items, adjusted for items affecting comparability, is MSEK 2,041 – Lantmännen's highest result ever. This is despite a negative earnings impact of approximately MSEK 325 as a result of the global coronavirus pandemic. The return on equity is 10.2 percent – this too is a historically high level and means that we are ahead of our financial plan.

2020 has been an unusual and challenging year. The coronavirus pandemic, which has held the whole world in an iron grip since the beginning of the year, has had major social and economic consequences. Despite the global pandemic and generally weaker world economy, Lantmännen has succeeded in delivering its highest result ever, underlining our strong position as a company, with a solid strategy and a broad, stable business portfolio. I would particularly like to thank all our employees, who have handled the challenges in an excellent way and adapted operations to the changing conditions. The good result also means that we are able to propose the highest dividend ever to our members once again.

It is still difficult to assess the overall consequences of the coronavirus pandemic, which will continue to have a major impact on our businesses in 2021. Lantmännen's three main priorities in the last year have been to protect our employees, to protect our businesses – and to take our social responsibility. Successful risk elimination efforts and strong execution in all businesses mean that we are well equipped for 2021 and ready to return to creating profitable growth in all parts of the Company.

How our Sectors and Business Areas performed

The Agriculture Sector performed well during the year and operations were relatively unaffected by the coronavirus pandemic. The 2020 harvest was very intensive, with historically high volumes delivered and generally good grain quality. The fall sowing acreage was among the largest ever, which also bodes well for 2021.

Grain prices generally developed well during the year, and final settlement prices in the pool were higher than in the previous year. Futures prices for grain for the 2021 harvest are also at good levels; in combination with favorable prices for input goods, this means that the calculations for most crops have strengthened for 2021. Operations in Finland and the Baltic region continue to develop positively, while the German operations have developed less well than expected, partly due to a poorer harvest result in eastern Germany. Lantmännen Maskin achieved good effects from the ongoing improvement program and showed strong underlying development during the year.

All businesses in the Energy Sector continue to develop positively and deliver good financial results, due in particular to improved yields and higher produced volumes. The price of ethanol, which has a major impact on the Sector's earnings, was extremely volatile during the year, rising from a low in March 2020 to its highest level ever in August and then returning to a more normal level at the end of the year.

In the Food Sector, Foodservice operations, mainly in Lantmännen Unibake, have been hit hard by the coronavirus pandemic. The largest sales decline has occurred in Unibake's markets where customers consist mainly of hotels, restaurants, fast food chains and airlines. At the same time, demand for staple goods and fresh bread in the food retail sector has increased during the pandemic. Lantmännen Unibake carried out intensive and successful work to reduce costs and adapt production to the new situation during the year. Cerealia has continued the process of stabilizing and streamlining operations, and also scaled up production quickly and in exemplary way during spring to meet increased demand from trade.

The total market for construction machinery declined at the beginning of the year, and the Swecon business area has conducted extensive cost savings work to compensate for the reduced sales. The order backlog, which was large at the beginning of the year, has helped to keep earnings at a good level, even though closures of Volvo's factories in late spring had a negative impact on availability of machines. During the second half of the year, the market showed a slight upturn again and Swecon delivered its second-highest operating income ever.

The Real Estate Business Area delivered at a stable level during the year as planned, and its major projects are progressing according to schedule.

Back to profitable growth

Lantmännen's stated ambition is to be a world-class company contributing to developing Swedish farming into the best in the world by 2030. This places great demands on all parts of our business and during the year, we took several steps in our progress towards achieving this goal.

In the space of three years, the agricultural and food industry has experienced two external events that have had

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Lantmännen has a strong financial position, we are well positioned in all business areas and we have established strong underlying momentum in our growth strategy.



a major impact on operations: the 2018 drought and the pandemic in 2020. Both of these events have underlined the importance of well-functioning food supply. A priority issue for Lantmännen is to safeguard the Swedish infrastructure for grain: increasing harvests and higher harvesting rates mean that the infrastructure needs to be built in a long-term perspective based on the needs of primary production. Another important area is to review our supply chain, in order to – where possible – create shorter, more regional and robust value chains.

Several important investments in the grain infrastructure have been made in recent years. These include the Hargshamn, Hammenhög and Kumla facilities, increased oat processing in Kimstad and increased capacity at Lantmännen's feed factories. Several other areas will be brought to the fore during 2021, including opportunities in biofuel, gluten production and green proteins.

We achieved our ambitious climate target for 2020 and our climate work is continuing at a rapid pace. Our work on "Farming of the Future" is based on how we can achieve climate-neutral Swedish farming by the year 2050 while increasing harvests through, for example, fossil-free solutions, precision farming and plant breeding. The recently defined climate targets for primary production create new business opportunities and value for Lantmännen, our members, business partners, customers and consumers.

In 2020, Lantmännen also established a clear leadership role in the development of the Swedish agricultural and food industries together with society's other players in both the public and private sectors. Among many ongoing initiatives, worthy of special mention are the established knowledge hubs for crop and animal production, the Agri Data Platform investment and continuing work on innovation and exports of Swedish food.

In recent years, Lantmännen has had strong underlying growth that has driven increased profitability and benefited our members both directly as dividends and through value creation in the grain value chain. The drastic and unexpected events in the world markets in 2020 are a notch in the growth curve – but we are ready for a quick return to profitable growth in 2021 and the following years.

Lantmännen has a strong financial position, we are well positioned in all business areas and we have established strong underlying momentum in our growth strategy. In combination with our committed members and skilled employees, this means that we have everything in place to develop as an even better company with profitable growth in 2021 and beyond.

Stockholm, February 2021

Per Olof Nyman
President & CEO, Lantmännen

Significant events 2020

Lantmännen is Sweden's most sustainable brand say business customers

Lantmännen is ranked as Sweden's most sustainable brand in the 2019 Sustainable Brand Index, B2B category, based on responses from Swedish business customers. 01/30/2020



Common data platform for increased profitability, sustainability and innovation

Digital development in agriculture is accelerating and becoming increasingly advanced. Hushållningssällskapet, Lantmännen, LRF and Växa Sverige have reached a partnership agreement to create the Agri Data Platform. 05/14/2020

Lantmännen named Talent Company of the Year

In February 2020, Lantmännen was named Talent Company of the Year – an award that goes to the company with the best performance in attracting, recruiting and developing talent. 02/14/2020



Lantmännen developing Triton district in Malmö

Under contracts signed in late 2019, Lantmännen Fastigheter is developing the port area near Lantmännen Cerealia's mill in Västra Hamnen, Malmö, where among other things, an office block will be built. On completion, Lantmännen will rent most of the space when we relocate from the Tre Skåne building in 2022. The property will be owned by Lantmännen's Grodden pension fund. Lanthem also plans to build a retirement home and the construction company Veidekke is building 40 apartments in the area. 02/11/2020



Lantmännen Unibake expanding in Norway

Lantmännen Unibake acquired the bakery business from French Bakery Company AS, a Norwegian bakery. This is an important step towards providing sustainable products and bakery solutions in Norway and meeting consumer demand for locally produced bakery products. 06/12/2020

Lantmännen Agroetanol and Linde AG expanding Norlic CO₂ plant

Lantmännen Agroetanol and Linde have decided to expand their joint Norlic plant in Norrköping, where CO₂ from sustainable ethanol production is purified and re-used. The expansion will increase production efficiency and storage capacity. 03/26/2020

Lantmännen shifted production to raw material for hand sanitizer

With the spread of coronavirus, hand sanitizer was in short supply and Lantmännen Reppe and Lantmännen Agroetanol shifted production during spring. 04/16/2020



New ThermoSeed facility for chemical-free seed treatment

Lantmännen already has ThermoSeed facilities in Eslöv and Skara. We are now investing further in the technology by treating seed with ThermoSeed at the Skänninge seed facility, which is beneficial from a quality and an environmental point of view. 08/27/2020

Lantmännen participates in new Baltic Sea initiative

WWF has launched the Baltic Stewardship Initiative – an international network aiming to get food value chain players to increase circulation and minimize leakage of plant nutrients through sustainable and profitable methods. The goal is to reduce eutrophication in watercourses, lakes and the Baltic Sea. WWF, Lantmännen and LRF are behind the initiative, with funding from the Swedish Board of Agriculture. 09/14/2020

Lantmännen invests MSEK 125 in heat-treated oats

Lantmännen continues to invest in oats – a strategically important crop with huge potential – by expanding capacity for heat-treated oats at the mill in Kimstad. The investment, which paves the way for new innovations and commercial investments in oats, includes increased capacity for receiving, storing and cleaning oats, plus new equipment for heat-treating dehusked oat kernels. 09/29/2020



Unusually intensive harvest in 2020 – and a record-breaking oat harvest

“Ensuring good food supply is of key importance, particularly in times of crisis. So this year’s harvest is more important than ever, and we as a company, and our members – Swedish farmers – have an important social responsibility,” says Chairman Per Lindahl.

In July, Lantmännen issued its harvest forecast, which estimated the size of the Swedish harvest at 6.1 million tonnes of grain, oilseed crops and pulses. The Swedish Board of Agriculture’s final figure was almost 6.5 million tonnes. The intensive harvest led to a high tempo at Lantmännen’s 51 grain facilities, which received a total of 1.7 million tonnes during the 2020 harvest period.

EGM held on November 12, 2020

In late spring, the Board decided to hold an extraordinary general meeting to consider motions received. Delegates participated in the meeting digitally, as they did for the AGM. Other participants followed the meeting via Lantmännen’s website. Five motions were dealt with. Delegates had been given the opportunity to discuss the motions and the Board’s answers during two digital “motion marketplaces”. 11/12/2020



New positions at Lantmännen

Jan Ehrensvärd new member of Lantmännen Board

At Lantmännen's AGM, Jan Ehrensvärd was elected to the Board, as recommended by the nomination committee.

Christian Johansson, new CFO

Christian Johansson, who comes most recently from SKF, has succeeded Ulf Zenk as Lantmännen's CFO, taking up his position on February 3, 2020.

Magnus Kagevik assumes expanded leadership role

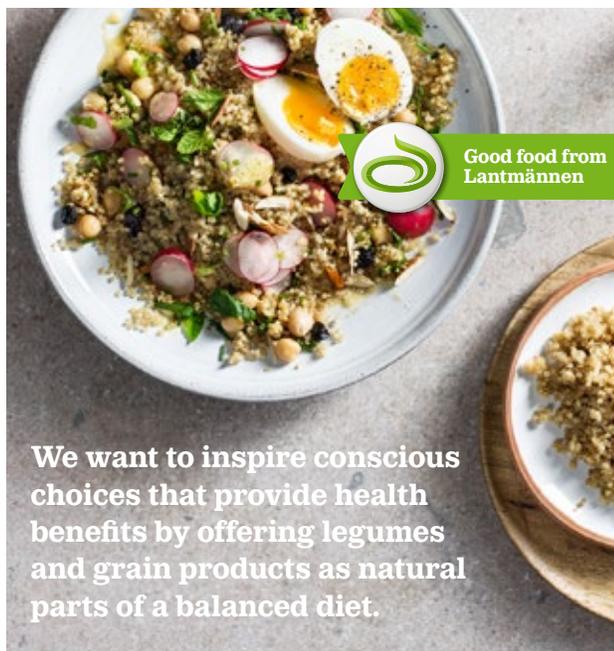
Head of Lantmännen's Energy Sector, Magnus Kagevik, has assumed the role of Chief Operating Officer and in connection with this, takes overall responsibility for the Agriculture and Energy Sectors. The purpose is to strengthen the Group's management and the focus on Lantmännen's grain flow.

Niklas Lindberg new Head of Swecon Business Area

Niklas Lindberg succeeds Håkan Pettersson, who retired after 18 years as Head of Swecon. Niklas, former Swecon CFO, took up his position on October 1 and is also part of Lantmännen's Group Management.

Jesper Broberg, new Head of Owner Relations

Jesper Broberg takes over as Head of Owner Relations in spring 2021. He succeeds Anna Carlström, who has taken the initiative to hand over the role. Jesper is 51 years old and trained as an agronomist with a financial focus from SLU. Anna will remain in a senior advisory role within Owner Relations at Lantmännen to contribute her extensive knowledge and experience of owner communication and membership issues.

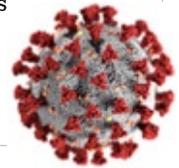


We want to inspire conscious choices that provide health benefits by offering legumes and grain products as natural parts of a balanced diet.

Coronavirus/Covid-19 Lantmännen's priorities

Lantmännen's priorities are to *protect our employees, protect our businesses and take our social responsibility*. Crisis management teams were quickly activated at all levels and early measures and restrictions have produced good results.

- The first guidelines and restrictions were created rapidly and have been regularly updated at global and local level.
- Communication plans have been developed and regular briefings are held.
- Digital tools have been launched and training has been provided for efficient digital remote work.
- An employee survey was conducted during the summer – generally very strong results and high confidence in leadership, communication and cooperation during the coronavirus pandemic.
- Risk reduction measures have been implemented at all workplaces and communication materials have been produced.
- Employees who can work from home have been encouraged to do so.



Report on food supply

The Covid-19 pandemic shows that robust food supply is important to society's viability. LRF and Lantmännen have therefore presented a report containing 40 recommendations for more secure food supply.

The report provides input into the important work needed to strengthen society's food security, with a focus on primary production (agricultural production) and the processing stage.

"Several components of primary production and the food processing stage need to be strengthened to be able to function even in crisis or war. The food industry in Sweden has undergone major structural changes and there are now only a few major facilities left in the country. There is a great need to protect strategically important food facilities against, among other things, expansion of residential areas," says Lantmännen Vice President Per Arfvidsson. 11/13/2020

2021 After year-end



In January, Lantmännen went through to the final of Talent Company of the Year 2021 – an award by 4Potentials to the company best at attracting, recruiting and developing talent.

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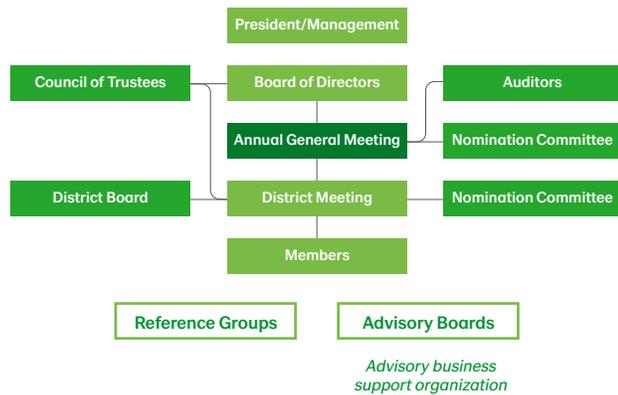
As a member of Lantmännen, you are both a business partner and owner of Lantmännen. You are a partner in a business that processes the grain that is produced and are involved in stewardship of the earth for future generations.



Lantmännen creates value from arable land

Lantmännen is a cooperative enterprise owned and governed by active Swedish farmers. Our assignment is to contribute to the profitability of the members' farms and optimize the return on the members' capital in the association. In this way, we help to make farming thrive and ensure long-term food production.

Lantmännen's ownership model



Governance and member dialogue are exercised in many different forums at Lantmännen, including district meetings, the annual general meeting, the Group Board and the council of trustees. Each member has one vote, and an equal opportunity to exercise influence at member meetings and district meetings

Involvement and dialogue in the districts, membership meetings, council of trustees and working groups are key ways of utilizing the strength of the cooperative enterprise. In this way, Lantmännen combines regional activities that are close to the customer with large-scale national and international business operations.

Active nomination committees at all levels are an important factor in inspiring members to become involved as elected representatives and in developing governance.

Several *reference groups*, which include members, contribute experience and views in areas such as feed, grain and work on Farming of the future. Three *advisory boards* within Machinery, Swecon and Energy contribute member-based expertise.

Lantmännen's 2020 AGM

Annual General Meeting

The Annual General Meeting was held on May 7, 2020 as a hybrid meeting with the presiding officers in Stockholm. Delegates participated digitally. The AGM adopted Lantmännen's highest dividend ever. As there was some uncertainty as to whether the digital meeting could deal with motions satisfactorily, the meeting decided in favor of the Board's recommendation to defer the motion business.



Extraordinary General Meeting

On November 12, an EGM was held to consider the motions that were not dealt with at the Annual General Meeting. Delegates participated in the meeting digitally, as they did for the AGM. Other participants were able to follow the meeting via Lantmännen's website. Five motions were dealt with. Delegates had been given the opportunity to discuss the motions and the Board's answers in advance during two digital "motion market-places". Among other things, the meeting decided that during 2021, Lantmännen would develop a discussion and training program focusing on *owner assignments, strategy, capital and dividends*.



Involvement and dialogue in the districts, membership meetings, council of trustees and working groups are key ways of utilizing the strength of the cooperative enterprise.

District organization

Lantmännen's 20 districts are the basis for the members' influence and an important link between the members and Lantmännen. The district boards work regionally in close cooperation with Lantmännen Lantbruk and Maskin, but also work on overall strategic issues on a regional basis. During the year, member dialogue mainly took place digitally, with several district meetings and fall meetings being held remotely. The new ways of meeting the members have partly limited activities, but have also given an opportunity to reach new member categories.

Council of Trustees

The Council fulfills an important function in communication and information between the Group, Board and districts. The Council of Trustees, which includes the chairmen of the district boards and others, advises the Board and works to promote positive development for Lantmännen. During the year, the work focused on development of the grain business.

District Board Conference

All district board members, member representative auditors and the Group Board are invited to the district board conference.

The conference was held digitally on November 26, 2020. The program focused on the Company's strategy, and research and innovation. The digital format created an active meeting with good dialogue.

Governance code for cooperatives

At Lantmännen's AGM, it was decided to adopt the Swedish Code for the Governance of Cooperative and Mutual Enterprises. The code was drawn up by Co-operatives Sweden, and its objective is to promote member dialogue and democratic decision-making processes in cooperative enterprises, and increase transparency of the board's management work. The Corporate Governance Report on → pages 60-69 follows the code. The member representative auditors examine how well Lantmännen measures up to the code's principles.

Where are earnings created?

Lantmännen's broad business portfolio, a sound economy and strong finances are a strength in uncertain times and contribute to a stable dividend.

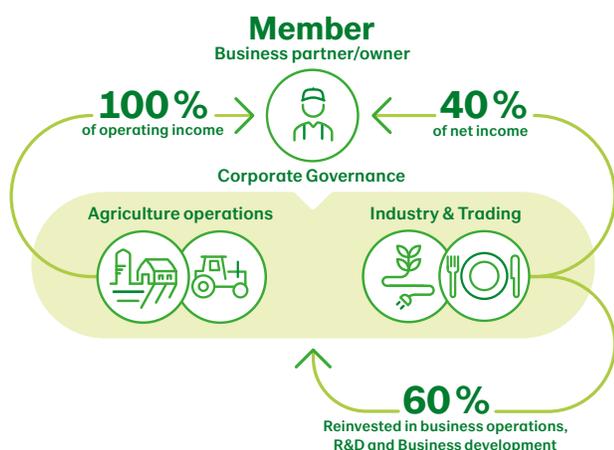
Most of the financial earnings within Lantmännen are generated in the processing activities, e.g. processing of grain into food or bioenergy, and through sales of construction machinery. A value-creating industrial and processing business provides a market for members' grain and generates significant added value.

Dividend policy

The principles for dividends are set out in the dividend policy adopted by the Board. The intention is that the dividend level will be adjusted to the Group's earnings, financial position, cash flow and strategic investment needs. It is the Board's aim that Lantmännen will generate regular and stable dividends for its members over time in the form of refunds and supplementary payments, contribution dividends and contribution issues. The contribution issue distribution is 50 percent on trading with Lantmännen and 50 percent on paid-in and issued contributions.

Refunds and supplementary payments are based on earnings from the Swedish agriculture operations in Lantmännen Lantbruk, Lantmännen Maskin and Swecon. Contribution dividends and contribution issues are mainly based on the results of the processing and industrial operations in Sweden and internationally: food, energy, construction machinery and real estate.

As a member of Lantmännen, you share in the profits both as a business partner and owner



Dividend in four ways

As a member of Lantmännen, you receive a dividend from the association in the form of:

- Refund – calculated on members' purchases from Lantmännen Lantbruk, Lantmännen Maskin and Swecon's Swedish operations.
- Supplementary payment – calculated on members' sales of grain, oilseeds and pulses to Lantmännen Lantbruk.
- Contribution dividend – paid in proportion to members' paid-in and issued contribution capital.
- Contribution issue – some of the earnings, mainly from Lantmännen's industrial operations, are distributed to members by transferring collective capital to individual capital.

Contributed capital – paid-in and issued

Lantmännen's members invest capital through their contributions in the association. Contributed capital amounted to MSEK 3,228 (2,959) at the end of 2020 and consisted of paid-in contributions of MSEK 1,402 (1,373) and issued contributions of MSEK 1,826 (1,586).

Contributed capital

MSEK	2020	2019	2018	2017	2016
Paid-in contributions	1,402	1,373	1,318	1,208	1,101
Issued contributions	1,826	1,586	1,346	1,256	1,198
Total	3,228	2,959	2,664	2,464	2,299





“ Our long-term perspective and ownership model are a guarantee of stability in an uncertain time.

Dividend proposal

For 2020, the Board has proposed that the AGM adopt a dividend in the form of a refund and supplementary payment of 2.5 (1.75) percent on trading with Lantmännen Lantbruk Sweden and a 1.0 (1.0) percent refund on members' purchases from Lantmännen Maskin and Swecon's Swedish operations. The total refund and supplementary payment is estimated at MSEK 305 (208).

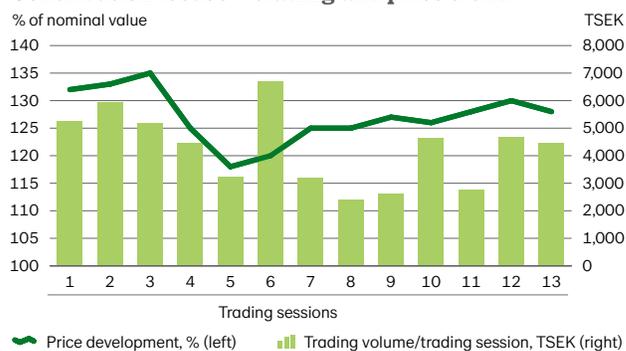
The Board proposes a contribution dividend of 9 (8) percent of the contributions' nominal value, totaling MSEK 291 (237), and a contribution issue of MSEK 306 (288).

In addition, a 7.25 (6.5) percent dividend on subordinated debentures, totaling MSEK 17 (16), is proposed, based on the conditions in the subordinated debenture offer. The previous program matured on December 30, 2019. New subordinated debentures totaling MSEK 250 were issued in January 2020 with a term of 5 years.

Trading in contribution issues

Members of Lantmännen have been able to buy and sell contribution issues since 2009. Purchased contribution issues carry the same entitlement to contribution dividends and new contribution issues as paid-in contributions. There were 13 (13) trading sessions in 2020 and the total turnover was MSEK 56 (53). The transaction price varied between 118 and 135 percent of the nominal value.

Contribution issues – trading and price trend



Dividend¹⁾

MSEK	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Refund and supplementary payment ²⁾	305	208	157	245	231	188	135	129	120	110
Extra dividend	-	-	-	133	-	-	-	-	-	-
Contribution dividend ²⁾	291	237	213	222	207	193	178	171	88	78
Contribution issue ²⁾	306	288	250	100	70	50	150	-	80	152
Total	902	733	620	700	508	431	463	300	288	340

¹⁾ Reported amounts may include adjustments compared with previous years' proposals. ²⁾ Pursuant to Board's proposal for 2020.

Market and business environment

Lantmännen's principal market is northern Europe, with a focus on the Nordic and Baltic Sea regions. During the year, most of Lantmännen's geographic markets were affected by the coronavirus crisis and it is still difficult to assess the consequences.

The grain and feed market

Natural conditions for Lantmännen's agricultural operations mean that grain and ley are the dominant field crops in the Baltic Sea region, representing the basis for both crop and livestock production. The market is dominated by competition and a price focus. It is also affected by temporary changes in the weather and, in the longer term, climate change.



Growing markets for both plant and animal

A globally growing population and increased prosperity are driving underlying growth for food. At an overall level, two parallel changes are taking place: global demand for animal products such as meat and dairy products is increasing, while demand for plant-based protein alternatives is growing in Sweden and Europe. Forecasts show that green proteins are expected to account for about 20 percent of Swedish food retail trade by 2030. Of the animal proteins, it is mainly demand for chicken that continues to increase in the Nordic region. The emerging economies in China, the rest of Asia and Africa continue to show rapid general growth in animal proteins. European production is increasingly going to these markets.

Bioenergy

Bioenergy is one of Lantmännen's growth areas and there is increasing interest in a bio-economy and bioenergy in Sweden and the rest of the EU. The common target for the EU is for 10 percent of energy in the transport sector to come from renewable energy by 2020 and 14 percent by 2030. The EU's energy and climate targets are currently being revised and the ambition levels are expected to increase for both 2030 and the longer term.

The coronavirus crisis has affected market conditions

The coronavirus crisis quickly changed normal consumption patterns in all markets. Distancing and work from home brought a dramatic reduction in consumption in food service channels in favor of consumption at home through the food

Price trend on the commodity exchange for wheat



Volatile price trend on the commodity exchange for ethanol



Lantmännen has a unique position in the Baltic Sea region



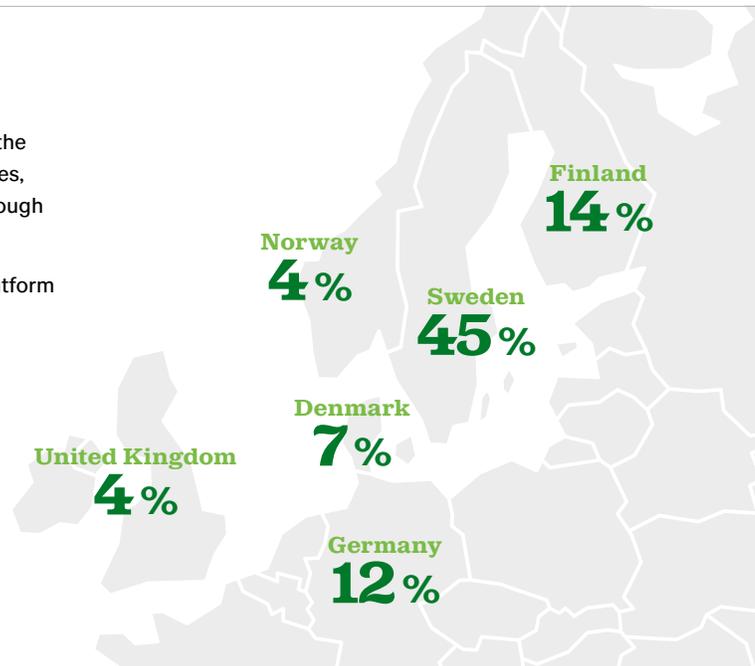
Six markets account for 86 percent of Lantmännen's sales

Lantmännen is well-positioned in our main markets in the Baltic Sea region. This is where we have our largest sales, but we also operate in global growth markets, both through wholly and partly owned companies and partnerships.

Lantmännen's position from field to fork is a unique platform to create a winning value chain – locally and globally.

Long-term increase in global demand

The middle class in Asia-Pacific is expected to grow by two billion people by 2030. The underlying need for increased food production is obvious when demand for protein drives the need for grain and feed.



retail channel. Increased consumption at home has led to increased demand for locally produced food. The coronavirus crisis has highlighted the need for robust and functioning food value chains and reminded market players and the public about their importance.

Swedish agriculture and our food production around the world are socially critical functions that must also function in times of crisis. Lantmännen has a particularly important role to play in terms of food supply and social responsibility. Our position and opportunity to take responsibility throughout the value chain from field to fork is unique, and places great demands on our operations. Covid-19 affects both local and global conditions for growth. The possibility of stemming the spread of the virus through measures such as vaccination affects growth conditions.

Global GDP development

Sweden's GDP fell by about 3 percent in 2020, slightly less than in several other countries. Behind the decline is a large reduction in household consumption as a result of the coronavirus pandemic.

Significant falls in GDP were noted in both Europe and the US during the year, resulting in a weak world economy. The US is experiencing the largest decline since World War II. The effects of the coronavirus crisis are likely to have a long-term impact on all markets globally and in Europe.

Long-term external conditions

Global and urban middle class: Increased trade and exports to Asia and Africa – growth is likely to slow in the short to medium term.

Consumer trends affect demand: *Taste, health, origin, sustainability and convenience* are still the main consumer trends.

Continuing growth for both plant and animal protein in emerging economies, but an acceleration of plant-based consumption in developed economies – development progressing in parallel.

Customer channel shift in new direction: The channel shift from food retail stores to restaurants and e-commerce, which has been in progress for decades, has implications for the whole of Lantmännen and brings new opportunities.

Digitalization and data exchange creates new scope for productivity improvement, sustainability improvements and new customer experiences.

Sustainability: Continued focus on climate; widening of the scope of biodiversity is taking place.

Political and economic risks and external shocks:

Increased protectionism and uncertain trade policy; concerns about the economy after the coronavirus crisis; sharper focus on securing value chains and self-sufficiency in food. Animal epidemics, zoonoses and pandemics are obvious risks.

Strategy from Field to Fork 2030

Lantmännen's strategy Field to Fork 2030 has the agricultural company at the center and involves continuing development of operations in northern Europe. The aim is for Lantmännen to eventually be the leading player in northern Europe's grain value chain.

Lantmännen's business portfolio creates value from arable land – with the agricultural company at the center



Our assignment is the basis for the strategy

Lantmännen's assignment is to contribute to the profitability of members' farms and optimize the return on their capital in Lantmännen.

Our long-term goal

Lantmännen will be a leading participant in the grain value chain from field to fork in northern Europe.

“
Our position from field to fork is a unique platform to create value from arable land – both locally and globally.”

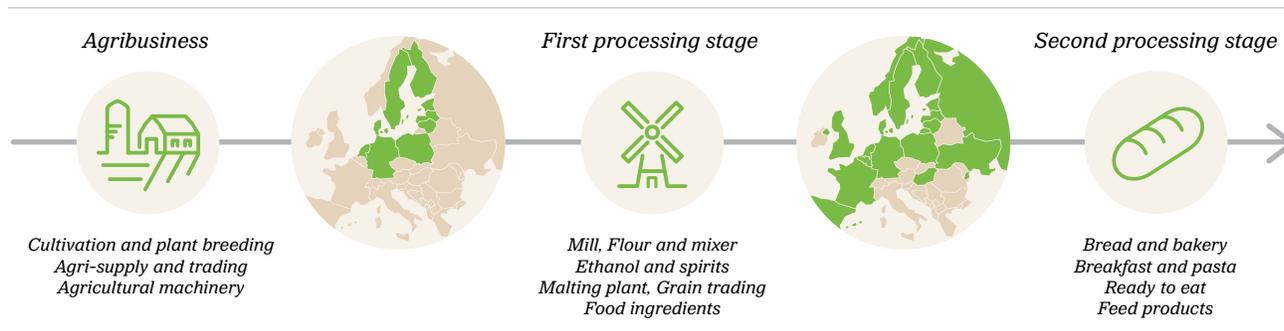
Today and in the future, we see increasing demand for raw materials, new advances in innovation and sustainability, and the strength of being an agricultural cooperative as key issues for our strategy. The market development creates great potential to increase both volumes and profitability in all parts of the value chain, thereby increasing competitiveness and dividends to our members. Lantmännen will develop businesses throughout the value chain from field to fork.

The strategy is based on four main areas

- 1 As a business partner to agriculture, to develop long-term, profitable agricultural companies with arable land as the basis – through advice, development of feed, cultivation methods and plant breeding. Agricultural machinery and digitalization increase farming productivity.
- 2 To develop an internationally competitive grain business – through grain trading and increased value creation in the grain value chain, we also enable more profitability on the farm.
- 3 To exploit our unique position throughout the value chain from field to fork and enable the creation of new business concepts in the processing industry. Through leadership in sustainability and innovation and development of new businesses, e.g., a leading position in oats, we create increased profitability.
- 4 On the basis of our value chain, to invest in businesses close to or complementing our core business through strategic portfolio holdings.

Lantmännen in the role of leading player in the value chain in northern Europe

4.5 million tonnes of grain in the Baltic Sea region are processed and distributed in 60+ international markets



Initiatives for profitable growth

Grain strategy

The grain strategy from field to fork, with a focus on developing the grain unit and further developing the infrastructure, is a pillar of Lantmännen's strategy. Lantmännen also works to expand the grain business through portfolio holdings in northern Europe.

Feed and livestock strategy

Demand for animal products and feed is rising globally. Lantmännen has a leading position in feed in Sweden and Finland.

Our digital agriculture

Lantmännen drives digital agriculture development through digital services and tools in the LM² portal and ownership interests in Dataväxt.

Exports from field to fork

Lantmännen exports agricultural raw materials, processed products and ready foods.

Farming of the future

Farming of the future advances the positions in the area of climate and production on the farm. Responsibility for sustainable cultivation is clarified for players in the value chain. Profitability of the farm is strengthened to deal with, among other things, climate change.

Innovation for increased value from arable land

To generate value for agriculture companies, strong emphasis is placed on research and development of products and services in plant breeding, feed, agri-supply, machinery and digitalization of farming.

Growth package for Swedish farming and food production

Priority development areas have been identified to create conditions for growth in Swedish farming and food production. These include plant breeding, research on animal production, venture capital, food exports and digitalization of the farming sector. Within these initiatives, Lantmännen collaborates with academia, companies and authorities.

Lantmännen's desired strategic position in 2030

FIELD TO FORK
2030

- Northern Europe's leading agribusiness company
- Leading food company based on arable land resources with a Nordic origin
- Northern Europe's leading malting company, also targeting global customers
- Well-developed and profitable portfolio of strategic holdings

- Leading player in circular and arable land based biorefinery in Baltic Sea region
- Globally leading bakery company with a strong base in northern Europe
- Leading distributor of construction machinery in northern Europe
- Profitable new businesses created based on innovation from field to fork



Strategic Group targets

Each business has a current business plan with financial targets. The strategic targets for the Group and businesses also include non-financial areas.

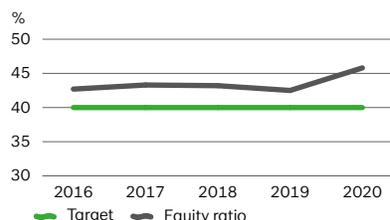
Return on equity Target **8%** Outcome **10.2%**

The Group's return target is dependent on the composition of the portfolio. The current business portfolio is estimated as having a total return on equity potential of 8 percent. Return on equity was 10.2 (9.1) percent in 2020. The average return on equity for the last five years is 9.1 percent.



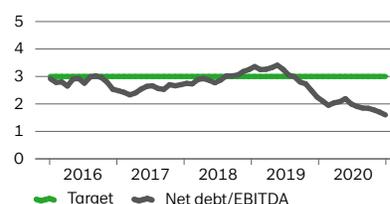
Equity ratio Target **40%** Outcome **45.8%**

Lantmännen's target for the equity ratio is a minimum of 40 percent, which reflects Lantmännen's desired financial risk profile and the Board's view of long-term financial stability. The equity ratio at December 31, 2020 was 45.8 (42.5) percent.



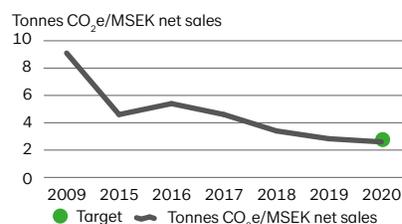
Net debt*/EBITDA* Target **<3** Outcome **1.60**

Net debt/EBITDA indicates how fast a company can repay its debt (expressed in years). Lantmännen's aim is to maintain a net debt/EBITDA ratio of below 3, in order to ensure financial stability. The present net debt/EBITDA ratio is 1.60 (2.25). * According to bank definition.



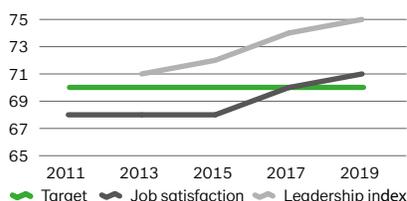
Climate Target **40%** Outcome **45%**

The Group's target is to reduce climate emissions from its operations by 40 percent in the period 2015-2020, calculated as CO₂e tonnes per MSEK net sales. The 2020 outcome was 45 (39) percent, which means that we have reached the target for 2020. Transition to renewable electricity and heating, energy efficiency measures and conversion to renewable fuels reduced climate emissions.



Employees/Leadership Target **70** Outcome **71/75**

Our employees' job satisfaction and good leadership are key to Lantmännen's success. These indexes are followed up in the Insight employee survey, conducted every two years. The employee survey in fall 2019 showed a strong result. We exceeded the job satisfaction target: 71 (70) and the leadership target: 75 (74).



Description of financial performance measures → page 82.

Good food begins in the field

Our ambition is to create the best of what the soil can provide. With this as our guiding principle, we produce sustainable and innovative food that promotes health and well-being. Our work on responsibility from field to fork contributes to long-term sustainable food production and thriving farming.

Together we take responsibility from field to fork

Our customers and consumers must feel confident that we have knowledge and control throughout the value chain, we minimize our impact on the environment and we contribute good, healthy and sustainably produced food – now and in the future.

The green sprout – a guarantee of Good food

Our green sprout on the packaging serves as a guarantee, a seal of quality, that the food has been produced in a responsible way – from cultivation to production and all the way to the store and consumer.

Sustainable added values

Lantmännen's grain knowledge and proximity to cultivation provides us with unique opportunities to contribute to more sustainable production and at the same time create profitable added values for health and the environment. Our work on innovation and business development has resulted in several good examples that contribute to more sustainable food supply.

Leading the development of Farming of the Future

In our work on Farming of the Future, Lantmännen has shown that it is possible to increase production from farming while also halving the climate impact every decade. In this way we can meet the need for more food, customers' demand for sustainable products and help to achieve the target to limit global warming to well below 2 degrees, preferably to 1.5 degrees.

“

By choosing Good food from Lantmännen, you help to make farming thrive.



Sustainable business development for long-term profitability

Lantmännen is driving development towards more sustainable food and bioenergy systems. Based on renewable raw materials from arable land, we develop businesses that optimize cultivation, increase resource efficiency, close cycles and minimize the impact on people and the environment.

For us, sustainable business is about creating business opportunities and managing risks. With operations throughout the grain value chain, we have a unique opportunity to pursue sustainable business development, which is the basis for our Company's and our members' long-term profitability. The aim is to increase the value from arable land resources with leading performance and develop sustainable solutions for food, energy and bio-based materials.

Integrated in strategy and governance

The work is based on Lantmännen's Code of Conduct and is an integral part of our business strategy and our processes for governance, implementation and follow-up. There are Group-wide targets for climate, other environmental issues, employee satisfaction, leadership, health and safety, and provision of training in sustainability and business ethics.

Developing the offering with sustainable added values

Lantmännen's strength is knowledge and presence throughout the value chain, and large investments in research and innovation. Strategic work with key stakeholders is also of vital importance. This together is a basis for the development of our offerings to meet the market's needs for products with added values for health, climate and the environment. Learn more → in the Sustainability Report.

Four focus areas

We have four focus areas in our work, in which we manage opportunities and challenges.



Sustainable farming: Lantmännen drives the development of more sustainable farming, giving increased availability of sustainable food, bioenergy and bio-based materials.



Sustainable products: Lantmännen develops and offers innovative products and services in agriculture, bioenergy and food, with added values for health, climate and the environment.



Safe and resource-efficient production: Production must be efficient; we work constantly to optimize resources at all stages. Production must be safe for our employees and other parties.



Responsibility in the supply chain: We work methodically for responsibility in the supply chain, knowledge and control, and minimization of negative impacts on people, animals, the environment and natural resources.

The Sectors and Business Areas pursue their own specific sustainability issues. See → "Key sustainability issues" on the Sector and Business Area pages.

Farming of the Future

– Lantmännen takes leading role

Swedish farming is considered to be among the most sustainable in the world. Even so, there are still many challenges for the future, such as reducing the climate impact, increasing environmental benefits and safeguarding biodiversity. We drive development based on knowledge and collaboration for new business solutions.

The cultivation method must allow the cropland's long-term soil fertility to be maintained and at the same time production needs to increase to meet growing demand for food and bio-based raw materials.

Profitable Swedish farms are a prerequisite for ensuring continued investments in thriving Swedish farming. Big leaps in innovation are also needed. This will require engagement from participants throughout the value chain right to the end consumer; sustainably produced Swedish food must be valued higher.

Arable land is the most important and valuable resource in our business. It is in the fields that the nutrient and value are built up. It is therefore natural that this is where resources are consumed and the environmental impact arises. During the cultivation stage, carbon dioxide is also bound into the crop and some remains in the soil, mainly in the root systems. Lantmännen, together with Swedish farmers, has always taken responsibility for the development of farming. With operations throughout the value chain from field to fork, we have unique conditions to drive change and continue the transition.

11 focus areas

- Precision farming, digitalization and optimal management
- Sustainable plant nutrients
- Plant breeding
- Fossil-free farming
- Cropping systems
- Carbon sequestration and renewable energy
- Reduced nitrogen losses
- Reduced leakage of plant nutrients
- Sustainable plant protection
- Adapting farming to climate change
- Biodiversity



Lantmännen takes leading role

Lantmännen's Farming of the Future report has identified eleven focus areas. The transition affects parties throughout the value chain, including farmers, business partners, trade, government authorities, politicians and consumers. In addition, it requires:

- Access to sustainable agri-supply such as fuel, plant nutrition and plant protection; applying and using best available techniques to realize the potential.
- Policy instruments that reward sustainable cultivation methods and agri-supply.
- Significantly increased resources for research and innovation.

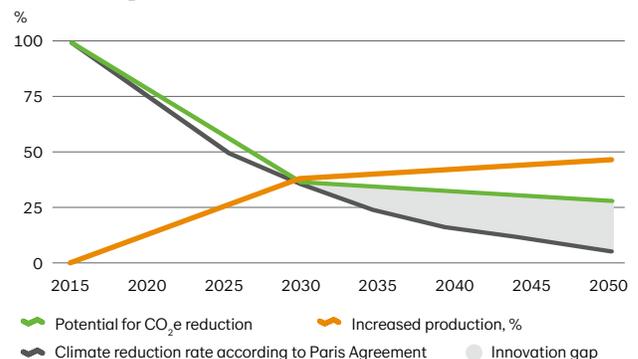
Lantmännen takes a leading role, actively seeking partnership and collaboration to find the solutions to take us to Farming of the Future.

The organic value chain

Lantmännen is also a leader in the Swedish organic market and works to strengthen the conditions for organic production and exports.

Our offering ranges from agri-supply, feed and grain to organic foods. In 2020, trade in organic grain was 140,000 tonnes.

Potential for reduced climate impact and increased production



Potential to reduce farming's climate impact in line with the Paris Agreement target of halved emissions every decade, and potential for harvest increase 2015-2050 calculated per hectare of winter wheat. Learn more at lantmannen.com/farming-of-the-future

“ **With operations throughout the value chain from field to fork, we have unique conditions to drive the transition to Farming of the Future.** ”



Significant steps in 2020

During the year, several activities and collaborations for Farming of the Future were initiated and new business solutions were brought to market:

Phasing out fossil-based agri-supply

Phase out of for example fuels and mineral fertilizers, to be replaced with renewable fuels and fossil free plant nutrients.

- RME (rape methylester) testing, together with Energi-fabriken, in two new Valtra tractors with good results.
- The collaboration with Yara to introduce fossil-free mineral fertilizers has been developed.
- Fossil-free fuel is a new criterion in the Climate & Nature cultivation program.

Resource efficiency and productivity

- Additional investment in plant breeding; one example is genomic selection for more crops.
- Increased investment in cultivation strategy experiments for higher productivity.
- Development of Bjertorp as a demonstration farm for future cultivation methods.

Developing cropping systems and new technology

- Investment in a new Thermoseed plant in Skänninge where seeds are heat-treated rather than chemically treated.
- Continued development and experiments in biological plant protection.
- Increased supply and interest in intermediate crops and seeds in flower zones for biodiversity and reduced leakage.



Bjertorp shows the way

In 2020, Bjertorp was established as a pilot farm where we test the latest in agricultural research and innovation on 880 hectares to realize the ambition of the Farming of the Future report. The goal is to implement and further develop the opportunities identified in the report and deliver results that confirm the potential.

The data we collect from the experiments is a valuable asset that gives us knowledge about how we should sow and harvest in the future.

We will understand which inputs work together and which ones can be implemented in commercial farming.



Cultivation program driving development

Climate & Nature, Lantmännen's cultivation program for Farming of the Future, meets the market's demand for sustainably produced food. Grain is grown using criteria for reduced climate impact and increased biodiversity. The climate footprint of wheat and rye grown under the program has decreased by 30 percent since 2015.

For the 2020-2021 harvest year, the program has been expanded to include oats and during the year, Axa is launching oatmeal grown under the program.

Fossil-free agri-supply, plant breeding and precision farming will be key to reducing climate impacts.

Towards climate neutrality 2050

Lantmännen's climate program has targets that follow the Paris Agreement. This means halving emissions every decade to achieve climate neutrality by 2050. The climate targets cover the entire Lantmännen value chain, from field to fork.

The climate target for primary production includes the first part of the cultivation stage – what happens on the farm. Learn more on [→](#) pages 25-26.



Swedish farming is a leader in sustainable production, has high expertise, efficient production and already makes extensive use of new technology

Climate target achieved

Climate targets for production and operations have been in place since 2009. In the period to 2015, emissions were reduced by 40 percent and a new target for a further 40 percent reduction by 2020 was set. We have achieved this target, with a reduction of 45 percent from 2015. The key figure we use for monitoring is CO₂e per MSEK net sales.

The process of defining new climate targets for our own production has begun.

Towards fossil freedom

Lantmännen is already well on the way to achieving fossil-free production in Sweden and Norway by 2025 and are working towards fossil freedom for the rest of Europe by 2040.

During the year, business sectors presented their *Roadmap for Fossil Free Competitiveness* to the government under the *Fossil Free Sweden* initiative. Lantmännen has been involved in producing the agricultural industry's roadmap. The roadmaps show how different industries can become fossil-free or climate-neutral and how this strengthens their position in the market. The pace of this transition is determined by the relationship between the agricultural industry's competitiveness and production costs and society's and the consumer market's valuation of the sustainability benefits provided. With the roadmaps now entering the implementation phase, Lantmännen is pursuing issues such as increased utilization of biofuel potential in Sweden.

Reduced impact from transport

Lantmännen and the rest of society share the great challenge of the transport sector's transition. Government policy instruments have a major impact on how and when the transition will take place and therefore also what is economically sustainable in the transition to fossil-free freight transport.

Lantmännen third climate target is to reduce the climate impact from purchased transport by 70 percent by 2030. We have worked on the basis of strategies for more sustainable fuel choices and for monitoring methods that drive improvements. The outcome for the year is a reduction of 17 percent from the base year 2009.

In Sweden, we are seeing a transition to biofuels, with domestic biofuels playing a crucial role. In practice, Lantmännen's Group targets mean that freight transport within Sweden needs to be fossil-free by 2030. Biofuel is already used for almost 60 percent of our goods transportation in Sweden, which is way above the national average.



Collaboration for increased growth

In the last year, Lantmännen has taken a leading role in the development of the Swedish agricultural and food sector. We pursue growth issues in identified areas and have established collaboration with central organizations.

Growth package for Swedish farming and food production

The Swedish national food strategy and events in the outside world have laid the foundation for development. Lantmännen has identified the opportunities and is pursuing an agenda for growth in the Swedish agricultural and food sector. This means growth and future opportunities for our members, our Group and the food sector. Society also benefits from the agenda, which is completely in line with the Swedish food strategy.

Key regulatory issues

Lantmännen pursues specific regulatory issues that are of key importance to our businesses and strategies. Examples of important issues in the EU are the view on crop-based biofuels and the climate impact of farming. In Sweden, Lantmännen focuses on issues such as use of fossil energy in farming and the conditions for Swedish production of biofuels. The EU has recently launched the *European Green Deal*, which will review virtually all regulations and strategies connected with agriculture, climate, energy and the environment. This is likely to affect the bioenergy and food value chains, both in the primary production and in industry stages. The European Green Deal contains certain negative elements but is still generally considered to be positive for Lantmännen's businesses.

Current dialogue topics

The most important areas for our stakeholders, and in which we engage in structured dialogue, are thriving farming, bio-based energy and responsibly produced food. A theme that is common to all areas is sustainable development. Examples of current issues during the year are Sweden's national food strategy, transport and climate policy instruments, regulatory framework and focus for biofuels in Sweden and the EU, climate impact of agriculture, sustainable farming, and innovation and research collaboration.

The dialogue is conducted with several players and in forums and networks, such as:

- **Thriving farming:** LRF, KRAV, Sweden Food Arena, Spannmålsodlarna, LRF Plant Breeding, Co-operatives Sweden
- **Responsibly produced food:** Swedish Food Federation, Consumer associations, Sustainable Supply Chain for Food, Swedish Soy Dialogue
- **Green energy/Bio-economy:** Haga Initiative, SPBI, Copa/Cogeca, Svebio, World Bioenergy Assoc., Klimatneutrala Godstransporter, ePURE

Industry initiatives and collaboration forums

Lantmännen participates in other organizations and collaboration forums. Learn more → at lantmannen.com/cooperation-and-dialogue

Growth package

Six particularly important areas have been identified and Lantmännen is active in several initiatives within these areas together with academia, other business sector players and authorities. Investing in all six areas will enable growth acceleration.

 **Grogrund** – Crop production with plant breeding

 **Tillväxtbolaget** – Strengthened investment opportunities

 **Knowledge hub for animal production & SustAinimal** – Animal production

 **Nordic Oats** – Food exports

 **Agri Data Platform** – Digitalization

 **Sweden Food Arena** – Innovation

 *Over 40 participants in the Swedish food sector collaborate for innovation-based growth.*

Innovation for new business

We invest more than MSEK 250 annually in R&D to meet challenges of the future and ensure our competitiveness. The investments are made in several areas, with the aim of increasing the value of grain from field to fork and creating new businesses in cooperation with agricultural companies.

Whole grain for health and nutrition

Lantmännen works continuously to develop new high-fiber food products with whole grain. Through plant breeding and research, we can, for example, increase the amount of healthy grain fiber. This is also an area for this year's call for project proposals to Lantmännen Research Foundation. Rye and oats are the focus of our research. Rye is our Nordic grain with the highest dietary fiber content and oats, with good protein and fat, contain the soluble, cholesterol-lowering fiber beta-glucan. With innovative methods, we can maintain a high level of nutritional values during processing or create fractions that can be used in new ways, for example in food products in our stores.

Making farming thrive

Innovations in farming and food are important in promoting thriving farming. Lantmännen Research Foundation has launched a project to develop a rapid method for vigor testing of grain. The method will be an important aid in seed treatment with Thermoseed. An interesting area is increased availability of Swedish-grown plant proteins. We are working to scale up cultivation of important crops that are good for both people and nature. A project on lentils, a nitrogen-fixing crop, is being conducted. The aim is that sufficiently large

volumes in a few years' time will remove the need to import the crop to meet demand. The lentils will be commercially available as early as 2021.

Circular flows

Lantmännen conducts research projects that contribute to a bio-based society. One example is the development of starch-based adhesives for recyclable fiberboard in the construction industry. The project is funded by Vinnova. A number of projects in the area of materials were started in 2020. Starch is being evaluated as a raw material in 3D printing and a new material based on fiber and gluten is being evaluated for use in films.

Research collaboration

Lantmännen will participate in the establishment of new centers for food research and innovation, which were granted multi-million sums in funding from Formas during the year. Under the Mistra Food Futures program, strategies for a sustainable Swedish food system for healthy food will be developed. Other examples are Sweden Food Arena, ScanOats and the SLU Grogrund collaboration, which, among other things, runs projects on plant-based protein-rich products.



Lantmännen Research Foundation

Lantmännen Research Foundation invests up to MSEK 25 annually in research. A key goal of the research is to increase agricultural production with minimized environmental impacts. Another goal is to create business opportunities for agriculture in a bio-based society. The goal for food is to increase knowledge about grain and legumes for sustainable food of the future. The Foundation's own magazine, Tidskriften Cerealier, presents current research on food and health with a focus on grain and legumes.

The Greenhouse

Lantmännen Greenhouse

Lantmännen Greenhouse is a development program that receives innovative business ideas from employees, members, entrepreneurs and startups. In 2020, a Greenhouse program on bread innovations of the future was conducted with Lantmännen Unibake. Learn more [→ at lantmannen.com/greenhouse](https://lantmannen.com/greenhouse)



“

**At Lantmännen,
everyone can make
a difference – to our
success and to future
sustainable solutions
from field to fork.**

Employees who make a difference

Lantmännen works with a long-term approach to attract and develop leaders and employees, and to create safer and more engaging workplaces. At Lantmännen, drive, passion and a desire to develop are valued qualities.

The coronavirus pandemic has affected the everyday lives of all our employees and managers. Lantmännen prioritizes protecting all employees around the world, while also protecting our businesses. Restrictions, guidelines and new procedures have been introduced at all facilities and offices, and employees who have been able to have largely worked from home. To support good leadership, good performance and well-being, we have introduced initiatives and training in leadership, employee commitment and digital tools. A completed employee survey has shown that employees, to a very large extent, think that change, leadership, communication and digital tools have been effective. Total sick leave during the year was in line with 2019 but increased in some months when the spread of infection in society was also higher.

Developing employees and businesses together

Annual performance appraisals are held, focusing on individual performance in relation to defined targets and Lantmännen's values – *openness, a holistic view* and *drive*. An important part of the appraisals and the continuous dialogue between manager and employee is to give feedback and develop through this feedback. An employee survey is conducted every two years to monitor the effectiveness of employee commitment and leadership. In the most recent survey in 2019, the job satisfaction and management index results improved.

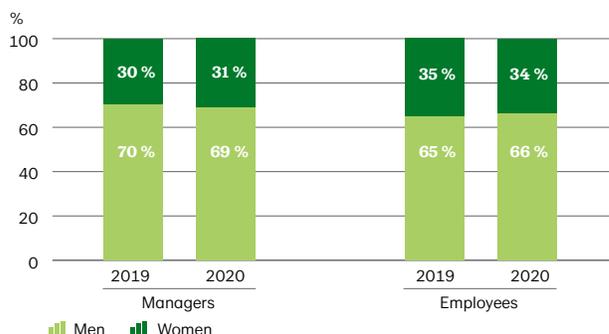


“**Wherever you work at Lantmännen, we want you to contribute to the whole we are creating together. That is why we work to promote an inclusive culture with a strong focus on cooperation.**”

Our employees – Geographic distribution



Gender distribution



Lantmännen focuses on learning and skills development. The process of identifying long-term development potential and implementing our international development programs has continued. We focus on creating opportunities for internal mobility in the Group. The target is for internal candidates to account for 50 percent of all managerial recruitment. The outcome for 2020 was 57 percent.

All Sectors and Business Areas within Lantmännen work in a long-term framework to improve equality and strengthen the international perspective in the businesses through, among other things, defined targets and action plans.



In August 2020, a new session of *Lantmännen's trainee program* began. Six trainees are undergoing the 15-month program, which provides good insight into the entire Group through placements and assignments in different Sectors and functions, together with leadership and business development training.

An attractive employer

The overall purpose of Lantmännen's employer brand and communication is to create pride and passion among existing employees and to attract potential employees and arouse their interest in Lantmännen. In addition to monetary compensation and benefits, Lantmännen also takes into account factors such as a good work environment, good leadership, and development and appreciation.

The talent network *4 potentials* named Lantmännen "Sweden's Talent Company of the Year" for successful work in attracting, recruiting and developing talent.

Learn more at lantmannen.com/career

Safe work environment

In 2020, a new health and safety strategy for Lantmännen was adopted and implemented, the goal of which is to achieve "Health & Safety Excellence" in the period to 2030. The focus of the strategy is on integrating health and safety work more clearly into leadership, employeeship, organization and daily and strategic processes. The main priority up to 2023 is to develop a stable base in the work with critical processes, tools and training. In 2020, workshops were introduced for management teams to develop long-term strategic health and safety road maps for each business area.

Lantmännen maintains and creates a good health and safety culture, including working to identify and minimize risks in the work environment by regular monitoring. Preventive health and safety work also includes about 60 annual injury prevention inspections at production facilities, and health and safety training. Due to the coronavirus pandemic, the number of inspections in 2020 was limited to 37. A web-based tool for reporting, investigation and follow-up of accidents, near misses and risk observations is available to everyone. In 2020, the injury rate increased to 13.7 (12.7). Lantmännen has adopted a target for the injury rate to be below 1 by 2030.

Continuous efforts are devoted to identifying areas for improvement and improving health aspects, particularly for the psychosocial work environment and workload. Sick leave in 2020 was at the same level as the year before.

Lantmännen has established a whistleblowing procedure, which gives all employees a simple and anonymous way of reporting malpractice or anything that is contrary to the law or Lantmännen's Code of Conduct, guidelines or policies. A total of 13 (12) reports from five countries were recorded in 2020. All cases have been investigated by Lantmännen's Whistleblowing Committee.



At Lantmännen, commitment and a desire to develop are valued qualities.

Our employees, work-related accidents and near misses

	2020	2019
Number of fatalities due to accidents	0	1 ¹⁾
Number of accidents ²⁾	238	221
Injury rate ³⁾	13.7	12.7 ⁴⁾
Number of reported near misses ⁵⁾	2,735	3,027
Number of risk observations	8,371	5,334

¹⁾ In 2019, a tragic car accident occurred on a public road, in which a Lantmännen employee died. The causes of the accident were beyond Lantmännen's control.

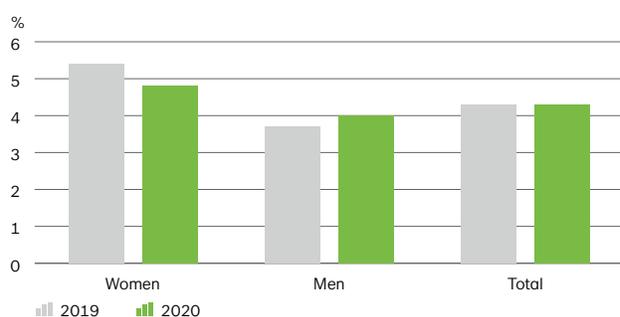
²⁾ Work-related accident resulting in at least one day's absence after the accident occurred.

³⁾ Injury rate is defined as the number of accidents per million actual hours worked.

⁴⁾ Adjusted information from 2019 reporting after reclassification of two accidents.

⁵⁾ Near misses are defined as unintended events that could have resulted in ill health or an accident.

Sick leave





Our operations

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Agriculture Sector

The Agriculture Sector, which constitutes Lantmännen's core business, develops and markets products and services to promote strong, competitive farming. The Sector operates in Sweden and internationally and accounts for 44 percent of Lantmännen's sales.

The Agriculture Sector is based in Sweden and has a strong position in the Baltic Sea region through its international wholly and partly-owned companies. The Sector includes *Lantmännen Lantbruk Sverige*, *Lantmännen Maskin*, *Lantmännen Kraft*, *Lantmännen Agro Oy*, *Lantmännen Agro A/S* and *Lantmännen Seed BV*. The Sector is responsible for Lantmännen's ownership interests in the German group *HaGe Kiel*, *Scandagra Group* in the Baltic region and *Scandagra Polska* in Poland. See → page 58.

The *Swedish operations* are the market leader in the grain market and offer a wide range of products for crop production, livestock production, equine operations, advisory services, agricultural machinery sales and servicing, equipment and spare parts. *In Finland*, the Sector provides feed, agri-supply for crop production and spare parts and equipment.

The Sector works on innovation and development of, among other things, technology and digitalization, sustainable seed, organic products and plant breeding.

Market and business environment

The coronavirus pandemic has had a limited effect on the Agriculture Sector's operations. However, a generally cautious investment appetite affected the machinery business in both Sweden and Finland. The year's large grain harvest was

positive for the Sector and all production segments are showing a positive trend in the area of livestock.

Key sustainability issues

The Sector works to promote sustainable agriculture with energy-efficient and safe machinery, resource-efficient production, sustainable cultivation methods, feed raw materials and low-impact transport. We focus on safe working environments, and responsible sourcing and business relationships. Within the framework of Farming of the Future, we work on plant breeding to meet demand and a changing climate, and on adapted cultivation methods for increased carbon sequestration, reduced nitrogen losses and increased biodiversity.

Outlook for 2021

With a good grain harvest in 2020 and extensive fall sowing, the outlook for 2021 looks good. There is a continuing focus on ensuring the right capacity and quality within the Sector's businesses and creating new customer offerings. The aim is to work for stronger profitability in the machinery business and to strengthen our positions in the Baltic Sea region. We continue to work on digital development. An important area here is the sales channel strategy and how we meet the customer in the future.



Agriculture Sector, key figures	2020	2019
Net sales, MSEK ¹⁾	21,501	21,841
Operating income, MSEK	439	83
Operating margin, %	2.0	0.4
Return on operating capital, %	5.4	1.0
Investments in non-current assets, MSEK	261	189
Average number of employees	1,743	1,734
of which women/men, %	24/76	24/76
Women/men in executive management, %	33/67	33/67
Sick leave, %	3.7	2.7
CO ₂ emissions, thousand tonnes	9	11

¹⁾ Including intra-Group sales.

Excl. items affecting comparability	2020	2019
Operating income, MSEK	439	210
Operating margin, %	2.0	1.0
Return on operating capital, %	5.4	2.5



Brands



Nötfor
Fårfor

Piggfor
Renfor

Pullfor
Protect

Lantmännen Lantbruk Sweden

Lantmännen Lantbruk Sweden offers a wide range of products for livestock and crop production. The company is a market leader in the grain market and purchases grain, oilseeds, pulses and forages, which are sold on to grain traders and Swedish and international industry.

The business showed positive development during the year. The feed business continued its positive trend, with increased market shares. The coronavirus pandemic brought concern about the supply of raw materials, but production and sales have followed the defined plan. A good grain harvest resulted in stronger grain business. In the grain business, the focus has also been on the facility structure, with new facilities opening during the year.



The year's early harvest and good growing conditions led to record-breaking fall sowing.

Grain

Lantmännen Lantbruk Sweden buys and sells grain, oilseeds and pulses. Half of the quantity is used in Lantmännen's own industries. The export business is significant and sales are mainly to Europe and North Africa, but also to North America. Prior to the year's harvest, some conditions regarding the drought scale were amended and a changed range for the 2021 harvest was announced.

The year's Swedish harvest of grain, oilseeds and pulses amounted to almost 6.5 million tonnes according to the Swedish Board of Agriculture. Warm, dry weather in August resulted in low water content and a high rate of deliveries into Lantmännen's grain reception facilities. The new facilities in Kumla and Hammenhög were efficient. The crops maintained good quality for the majority of the delivered volume. The oat harvest was 854,000 tonnes, which is 30 percent more than in the previous year. Drying capacity was upgraded and streamlined at several facilities.

Large purchase volumes for the 2019 and 2020 harvests, lower quality deficiency costs and an efficient harvesting apparatus contributed to increased profitability in the grain business. Lantmännen's trading team has a large network of customers and traders.

Feed

Lantmännen Lantbruk produces and sells feed and supplements. The feed business continued to develop positively. The increase in volume is mainly due to good production results on the farms, where new products and a knowledgeable sales force have contributed to a growing customer base. Profitability in the industry is generally good in all segments, which may lead to new investments. The exception is the egg industry,

Lantmännen Lantbruk Sweden, key figures

	2020	2019
Net sales, MSEK ¹⁾	13,096	13,181
Operating income, MSEK	261	109
Operating margin, %	2.0	0.8
Return on operating capital, %	6.6	2.6
Investments in non-current assets, MSEK	203	181
Average number of employees	805	791
of which women/men, %	34/66	35/65

¹⁾ Including intra-Group sales.

Excl. items affecting comparability

	2020	2019
Operating income, MSEK	261	109
Operating margin, %	2.0	0.8
Return on operating capital, %	6.6	2.6

Use of total volume of sold grain



Seed treatment (calculated on a percentage of the volume in tonnes)





where surpluses have led to a market under pressure with falling prices. The coronavirus pandemic has favored consumption of Swedish products. Overall, the country's farmers brought in a large, good-quality forage harvest.

During the year, Lantmännen and the association *Foder och Spannmål* developed a national standard for calculating climate data of feed raw materials for feed recipes. At its Viken experimental farm, and in collaboration with a startup company, Lantmännen is testing whether red algae helps to reduce methane emissions from dairy cows. Lantmännen and AgroVäst are testing different feed rations for high-yielding cows to see if amino acids can increase the proportion of locally produced protein raw materials. The goal is to find the optimal combination of raw materials with regard to production and sustainability.

Crops

Lantmännen Lantbruk refines, produces and sells seeds in the areas of seed grain, pulses, oilseeds and grass seed. An early harvest with good conditions resulted in extensive fall sowing and Lantmännen's sales volume for winter seed broke a new record, for both grain and winter rape. The grass seed business showed a sharp increase due to exports, which for the first time exceeded sales in the Swedish market. Sales of intermediate crops, catch crops and mixtures of seeds for flower zones also increased. All merchandise business showed good growth during the year, with fertilizer excelling in particular, but plant protection, plastic, net and yarn also increased. The investment in Lantmännen's strategic trials in crop production was successful during the year, and an expansion of the trials is planned for 2021.

The SLU Grogrund projects continued and during fall, funds were granted for the processing of cooking peas, canned peas and protein peas. The integration of Lantmännen Maskin into Lantmännen Lantbruk is progressing well and Lantmännen's experimental farms are being used to demonstrate the latest technology. Learn more at [👉 lantmannenlantbrukmaskin.com](https://lantmannenlantbrukmaskin.com)



To demonstrate the effectiveness of crop production strategies, we need to look at the whole picture, such as inputs used, growing area, time and product interaction.

Lantmännen BioAgri

Lantmännen BioAgri develops and markets eco-friendly products for plant pest control, plant nutrients and products for growth regulation. During the year, the focus was on trials and demonstration cultivation of new products. International expansion of ThermoSeed resulted in three new facilities in Sweden, Finland and Switzerland. Learn more at [👉 bioagri.se](https://bioagri.se) (in Swedish)

Lantmännen Krafft

Lantmännen Krafft is Sweden's, and one of the Nordic region's, largest supplier of horse feed, and also has a market in the rest of Europe. Increased sales, mainly in Sweden and a stable cost level resulted in strong earnings and the focus on increased sales through retailers in the domestic market produced good results. Learn more at [👉 kraffthorsenutrition.com](https://kraffthorsenutrition.com)



Lantmännen Agro is one of the largest players in the Finnish agriculture market, with retailers providing agri-supply for crop production, feed, and spare parts and equipment.

Lantmännen Seed develops varieties that can meet future requirements for food safety, yield potential and agronomic properties, and that suit future growing conditions.

Lantmännen Lantbruk Finland

Lantmännen Agro

The operations in Finland, Lantmännen Agro Oy, are conducted through independent Lantmännen-profiled dealers, with 33 retailers and 66 stores providing agri-supply for crop production, feed, and spare parts and equipment. The company also trades in grain in the Finnish and international markets and produces and sells feed directly to customers with livestock production and horses.

During the year, great focus was placed on the integration of Lantmännen Feed and Lantmännen Agro. From September 1, 2020, the Finnish operations are conducted by Lantmännen Agro Oy.

The Finnish harvest was below normal levels and of lower quality than normal. After the year's harvest, there are no surplus volumes of grain in the Finnish market, with the exception of oats where there are volumes for export. The feed business developed positively and a new e-commerce service for feed product sales was launched in September.

The coronavirus pandemic has had an impact on operations, as much of Finland's society was in lockdown during spring and Lantmännen had to focus on safeguarding logistics and production. Learn more at [→ lantmannenagro.fi](https://lantmannenagro.fi)

Brands

Opti Melli Maituri Herkku Benemilk 

Lantmännen Lantbruk Finland key figures

	2020	2019
Net sales, MSEK ¹⁾	4,351	4,617
Average number of employees	147	150
of which women/men, %	38/62	37/63

¹⁾ Including intra-Group sales.

Lantmännen Lantbruk Other

Lantmännen Agro – Denmark

The company Lantmännen Agro A/S is mainly engaged in the purchase of grain in Denmark, but also sells significant quantities of fertilizer. The focus on fewer reception facilities and the lower harvest volume meant lower stocks and handling costs during the harvest. Exports in larger tonnage than before brought increased competitiveness. Learn more at [→ lantmannenagro.dk](https://lantmannenagro.dk)

Lantmännen Seed – Netherlands

The company Lantmännen Seed BV conducts plant breeding of triticale and potato at the processing station in Emmeloord, Netherlands. The operations developed well, with several new varieties of potato and triticale showing promising results. Learn more at [→ lantmannenseed.com](https://lantmannenseed.com)



Lantmännen Maskin

Lantmännen Maskin imports, markets and sells agricultural machinery and spare parts and offers services in Sweden. The product portfolio contains strong brands, including Valtra, Fendt, Kuhn and Väderstad.

Competition in the industry is fierce, with over-establishment and a shrinking tractor market that is squeezing profitability. Equipment is an important part of the operations and showed good development during the year. Several efficiency projects were implemented during the year, contributing to positive development for both the workshop and spare parts business.

The launch of a modern new e-commerce service for the spare parts business has been a factor in the positive development.

Sales of machinery declined during the first half of the year as a result of the coronavirus pandemic. A number of measures to kickstart sales produced results and sales moved in a positive direction towards the end of the year.

After an operational review, a reorganization was conducted in the first four-month period, with a new regional distribution. A largely new management team was installed and the company moved from ten to five regions, with separate regional managers for machine sales and service markets in each region. In this way, clear areas of responsibility were created, which will ultimately lead to better control and a better customer offering. Learn more at lantmannenlantbrukmaskin.com

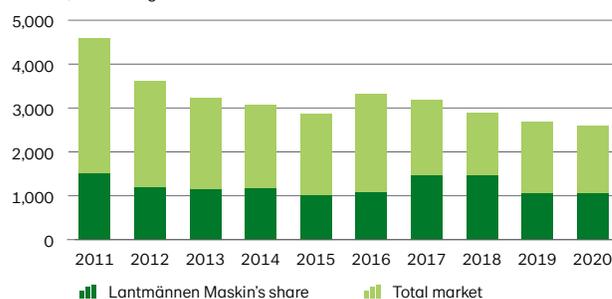


Lantmännen Maskin is present in 54 locations across the country, with machines, spare parts and workshops – always close to you.

Lantmännen Maskin, key figures	2020	2019
Net sales, MSEK ¹⁾	3,669	3,753
Operating income, MSEK	-7	9
Operating margin, %	-0.2	0.2
Return on operating capital, %	-0.5	0.6
Investments in non-current assets, MSEK	19	3
Average number of employees	760	759
of which women/men, %	9/91	9/91
¹⁾ Including intra-Group sales.		
Excl. items affecting comparability	2020	2019
Operating income, MSEK	-7	9
Operating margin, %	-0.2	0.2
Return on operating capital, %	-0.5	0.6

Total market for tractors in Sweden

Tractors, number registered





Energy Sector

The Energy Sector's companies manufacture and market environmentally smart energy, food and industrial products and are one of Sweden's largest producers of bioenergy products. The Sector accounts for 8 percent of the Group's sales.

The Energy Sector includes Lantmännen Biorefineries with *Lantmännen Agroetanol*, *Lantmännen Functional Foods*, *Lantmännen Oats* and *Lantmännen Reppe*. The Sector also includes the wholly-owned company *Lantmännen Aspen* and the Sector is responsible for Lantmännen's ownership interest in the partly-owned company *Scandbio*, Sweden's largest solid processed wood fuel company, see → page 58. The Sector operates in a global market with the main focus on Europe and offers sustainable ethanol fuel, protein feed, carbon dioxide, starch products, gluten, vodka, beta glucan, oat protein, alkylate petrol, lubricants and other chemical products that are produced responsibly. The Sector has wholly or partly-owned sales companies in the Nordic region, France, Germany and the US. Sales are conducted through distributors and the export business.

Market and business environment

Bioenergy is Sweden's most widely used type of energy, accounting for over a third of our energy consumption. Sustainable transport is key to reducing carbon dioxide emissions. The Swedish parliament's targets for the country are a 70 percent reduction in transport emissions by 2030 and zero net emissions of greenhouse gases by 2045. Increased use of low level blends of ethanol in petrol is a cost-effective

way of reducing the transport sector's emissions. Increased use of the ethanol fuel ED95 is effective in reducing emissions and the fossil dependence of heavy vehicles. Demand for the Agrodrank feed product continues to rise. Demand for Lantmännen Reppe's wheat starch for the paper and packaging industry fell due to the pandemic. Lantmännen Aspen's alkylate petrol took market shares in the small engine segments and made inroads in the US during the year.

Key sustainability issues

Key sustainability issues include continuing development of products with added value for climate, environment and health, driving development of circular business models, efficient production, transport with a low climate impact, safe work environments, and responsible sourcing and business relationships.

Outlook for 2021

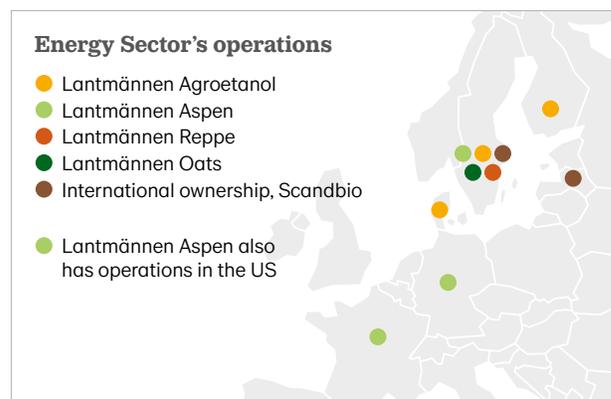
Lantmännen Agroetanol's ethanol has previously been in demand mainly in Germany, but interest has increased in Sweden. Competition in the European ethanol market is intense. Lantmännen's work on complementing the raw material base with alternative starchy raw materials continues. Prospects for continuing growth are considered good for Lantmännen Reppe and Lantmännen Aspen.



Energy Sector, key figures	2020	2019
Net sales, MSEK ¹⁾	3,938	3,741
Operating income, MSEK	530	375
Operating margin, %	13.5	10.0
Return on operating capital, %	40.5	30.3
Investments in non-current assets, MSEK	186	80
Average number of employees	345	301
of which women/men, %	27/73	27/73
Women/men in executive management, %	11/89	36/64
Sick leave, %	2.8	2.4
CO ₂ emissions, thousand tonnes	18	21

¹⁾ Including intra-Group sales.

Excl. items affecting comparability	2020	2019
Operating income, MSEK	530	355
Operating margin, %	13.5	9.5
Return on operating capital, %	40.5	28.7



Brands



Lantmännen Biorefineries

In 2020, the collective organization Lantmännen Biorefineries was created for Lantmännen Agroetanol, Lantmännen Functional Foods, Lantmännen Oats and Lantmännen Reppe, and their common functions for sales, purchasing, product development and technical projects.

Lantmännen Agroetanol

Lantmännen Agroetanol is a large-scale biorefinery with grain as its main raw material. At our facility, we mainly refine grain but also other raw materials, such as starchy waste from the food industry. The products are processed into ethanol for the fuel market, carbonic acid and other technical products, and protein products for the feed market.

Lantmännen Agroetanol is a leading player in sustainable solutions and in the transition to a fossil-free and climate-smart society. The company is the Nordic region's largest ethanol producer and produces ethanol with the best climate performance. The ethanol is among the most sustainable in the world and reduces the climate impact by more than 90 percent compared with petrol. The annual production capacity of the Händelö facility in Norrköping is 230,000 m³ of ethanol, 200,000 tonnes of high-protein feed under the name Agrodrank and about 90,000 tonnes of carbon dioxide that is processed into carbonic acid.

The product portfolio has been differentiated and the broadening of the raw material base is continuing. Projects to further increase the climate performance of ethanol have been initiated. The market in 2020 was initially affected by the coronavirus pandemic and the price of ethanol fell sharply. The price recovered in summer, reaching record highs in late summer and in fall when there was a shortage situation in the European market. In response to the coronavirus pandemic, production was adapted in order to deliver ethanol for hand sanitizer and surface disinfectants in the Nordic market.

During the year, more than half of Lantmännen Agroetanol's production was exported to Germany, where the market for climate-efficient ethanol was favorable. In Germany,

climate policy instruments are creating demand for biofuels with high climate performance. During the year, a new hub was set up in Fredericia in Denmark, where waste products are collected from the Danish market. Development of the recycling business with waste products from the food industry creates a circular economy and contributes to Lantmännen Agroetanol's profitability.

The government has announced an increased reduction obligation, which is expected to come into effect in 2021. Implementation of the EU Renewable Energy Directive, RED II, in 2021 may affect the future of Lantmännen Agroetanol's products. A provision of MSEK 500 has, for some time, been recognized in connection with the European Commission's investigation of Lantmännen Agroetanol and two other ethanol producers for alleged violation of EU competition law. Lantmännen has cooperated with the EU Commission during the investigation and is now engaged in a settlement process.

Learn more at [→ lantmannenagroetanol.se/en](https://lantmannenagroetanol.se/en)

Lantmännen Functional Foods

Lantmännen Functional Foods works on development, marketing and sale of special foods (medical and functional foods), dietary supplements and ingredients with health claims for both food and feed. Brands include Salovum, SPC-Flakes, PromOat, AvenaCare and PrOatein.

Learn more at [→ lantmannenfunctionalfoods.com](https://lantmannenfunctionalfoods.com)

Lantmännen Oats

Lantmännen Oats creates value from oats by processing into beta glucan and oat protein. These ingredients are sold to companies operating in bakery products, health food and sports nutrition. In 2020, integration of the company was completed and an investment in heat-treated oats was initiated.

Beta glucan is a soluble fiber found in oats with a proven cholesterol-lowering effect. Oat protein is a tasty ingredient used mainly in sports nutrition but it also has other applications.

Learn more at [→ lantmannenoats.com](https://lantmannenoats.com)

Lantmännen Agroetanol, key figures	2020	2019
Net sales, MSEK ¹⁾	2,434	2,282
Operating income, MSEK ²⁾	308	164
Average number of employees	127	111
of which women/men, %	26/74	28/72

¹⁾ Including intra-Group sales.

²⁾ Operating income, excluding items affecting comparability



Lantmännen's wheat vodka is produced from organic wheat grown by Lantmännen's members and processed by Lantmännen Reppe.

Lantmännen Reppe

Lantmännen Reppe creates value by processing wheat into wheat gluten, vodka, starch products and animal feed, and is one of Sweden's oldest companies.

As part of Lantmännen, Lantmännen Reppe is an important player in the grain value chain from cultivation, raw materials sourcing and processing to sales and consumption.

Lantmännen Reppe supplies ingredients and finished goods to the food, paper and beverage industries. Deliveries of starch products to the paper industry fell in 2020 when the paper industry was adversely affected by the coronavirus pandemic. This resulted in the factory switching to delivering spirits to hand sanitizer manufacturers, mainly in Sweden. Lantmännen Reppe has one of the Nordic region's largest distilleries, which produces high-quality vodka. Continuing strong demand for Lantmännen Reppe's products has enabled investments in further processing of starch and gluten products. Development work in all product segments has resulted in both new customers and new applications. The packing and packaging industry is growing with sustainable products, which brings increased demand for wheat-based starch products.

Learn more at [→ lantmannenreppe.com](https://lantmannenreppe.com)

Lantmännen Reppe, key figures	2020	2019
Net sales, MSEK ¹⁾	486	479
Average number of employees	69	66
of which women/men, %	29/71	26/74

¹⁾ Including intra-Group sales.

Energy Sector

Lantmännen Aspen

Lantmännen Aspen, with the brands Aspen, Agro Oil and Marline, manufactures and markets alkylate petrol, lubricants and chemical products.

Aspen alkylate petrol is virtually free of hazardous components such as benzene and is used in lawn mowers, chainsaws and boats. Lantmännen Aspen's alkylate petrol is market leader in large parts of Europe and Canada. Sales were negatively affected by the coronavirus pandemic during the year when key markets such as France went into lockdown. Demand rose during summer when northern Europe reached record levels. Inroads have been made in the US and agreements have been signed with a number of distributors.

Agro Oil manufactures high quality lubricants and chemical maintenance products for the professional market for agriculture, forestry and contracting under the Agrol brand. The products are optimized based on customers' needs and with the best support on the market, they help to reduce maintenance costs and environmental impacts.

Marline is the leading distributor of alkylate petrol in France. With its position in machine rental and construction, Marline complements Aspen's already strong position in servicing specialized trade.

Learn more at [→ aspenfuels.com](https://aspenfuels.com), agrol.se (in Swedish) and marline.fr



Lantmännen Aspen, key figures	2020	2019
Net sales, MSEK ¹⁾	1,016	971
Average number of employees	108	94
of which women/men, %	27/73	27/73

¹⁾ Including intra-Group sales.



Good food from
Lantmännen

Food Sector

The Food Sector refines grain and other raw materials from arable land and produces, among other things, flour, bread, breakfast products, pasta and ready meals. Lantmännen's green sprout emblem, which can be found on the product packaging, is a guarantee of responsibly produced food. The Sector offers "Good food" to customers in areas such as food retail, food service and the food industry and accounts for 31 percent of the Group's sales.

The Food Sector consists of Lantmännen Unibake, Lantmännen Cerealia and Lantmännen's ownership interests in the partly owned company Viking Malt, see ➔ page 58. The Sector produces food in 50 facilities in 18 countries under well-known brands such as *Kungsörmen*, *Axa*, *Start*, *Bonjour*, *Hatting*, *Korvbrödsbagarn*, *Schulstad*, *Finn Crisp*, *Amo*, *Vaasan*, *GoGreen* and *Gooh!*.

Market and business environment

The effects of the global coronavirus pandemic have had a significant impact on the Sector's operations. Foodservice sales have fallen sharply as a result of lockdowns of society in large parts of the world. At the same time, other product categories have benefited from more people eating more at home.

The trends we have seen in recent years, with strong price pressure on food and competition from private labels, continue. Online food shopping continues to increase, both in the Nordic region and in the global market.

Health, sustainability and origin remain important consumer trends in the Nordic region, together with interest in products with low climate impacts and organic goods. Demand for non-animal-based proteins and functional foods is increasing.

The coronavirus pandemic has highlighted the importance of secure and robust food supply. A likely effect of the pandemic is that many countries and food producers are reviewing their value chains to make them shorter and more regional.

Key sustainability issues

Key sustainability issues for the Sector include products and raw materials from a sustainable value chain, resource-efficient production, sustainable packaging solutions, transport with a low climate impact, safe work environments, and responsible sourcing and business relationships.

Outlook for 2021

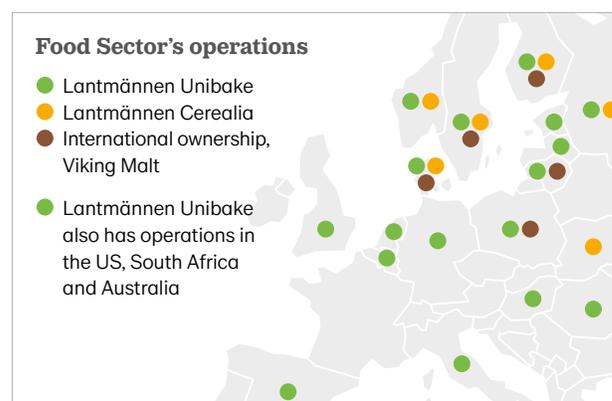
Lantmännen's investments in research, development and innovation throughout the value chain means that we are well equipped to meet external trends. The Food Sector will generate profitable growth with measures such as continued efficiency improvements, digitalization and factory optimization. Through investments in production and our brand portfolio, we continue to create efficiency throughout the value chain, developing and producing food products with clear added values and in line with consumer preferences.



Food Sector, key figures	2020	2019
Net sales, MSEK ¹⁾	15,017	16,867
Operating income, MSEK	786	924
Operating margin, %	5.2	5.5
Return on operating capital, %	4.7	5.2
Investments in non-current assets, MSEK	552	619
Average number of employees	6,347	6,694
of which women/men, %	41/59	42/58
Women/men in executive management, %	21/79	19/81
Sick leave, %	4.8	4.9
CO ₂ emissions, thousand tonnes	88	101

¹⁾ Including intra-Group sales.

Excl. items affecting comparability	2020	2019
Operating income, MSEK	786	1,018
Operating margin, %	5.2	6.0
Return on operating capital, %	4.7	5.7



Sales by market	2020	2019
Nordic countries	63 %	59 %
Rest of Europe	31 %	33 %
Rest of world	6 %	8 %

Lantmännen Unibake

Lantmännen Unibake is one of Europe’s largest bakery groups. With a presence in more than 20 countries, bakeries in 15 and sales in more than 60 countries worldwide, the company can quickly respond to its customers’ local needs. Unibake provides bake-off and fresh bakery products for food retail and food service markets.

Following the implementation of a well-defined strategy in recent years, Lantmännen Unibake entered 2020 stronger. Unibake’s commercial strategy focuses on organic growth and cost optimization in its operations, which has proven to be a successful path. But when the coronavirus pandemic hit Europe, Russia and the United States in March, the company adapted to new market conditions.

Foodservice channels, which account for almost half of Unibake’s sales, were particularly hard hit by the corona pandemic.

With lockdowns in virtually all markets, sales were negatively affected. In retail, national guidelines and restrictions led to significantly reduced shopping and lower impulse-driven sales.

Bake-off was hit hard by the coronavirus pandemic, while Lantmännen Unibake’s fresh bread business increased sales thanks to a change in consumer behavior which focused on pre-packed bread and products for home cooking. Unibake’s pre-packed products are well suited for e-commerce and enable optimization of sales also through these channels.



“
Lantmännen Unibake has launched a new product concept of healthy pastries for consumers seeking convincing sweet alternatives.

Well-adapted business

When the markets closed, Lantmännen Unibake acted decisively and focused on three key areas: *employee safety*, *business continuity* and *cost control*. The business quickly switched to remote work and the entire organization implemented extensive safety measures, which were coordinated so that the business units could develop solutions for adapting to local conditions.



Lantmännen Unibake, key figures	2020	2019
Net sales, MSEK ¹⁾	11,128	12,853
Average number of employees of which women/men, %	4,990 41/59	5,311 42/58

¹⁾ Including intra-Group sales.

Lantmännen Unibake’s Brands





“
With consistently high quality and fast deliveries, Lantmännen Unibake is the perfect partner for some of the world’s largest food suppliers.

We offer frozen and fresh bakery products for retail and food markets in 60 markets around the world.



“ A variety of freshly baked treats, whenever you want.



“ Welcome to a world of bakery products for all tastes!



Reduced demand due to the pandemic affected operations. Some business units adapted to shifts while others were shut down for a period. Despite volatile forecasts, the businesses were able to adapt and quickly increase capacity as demand rose again. Lantmännen Unibake implemented a number of global cost mitigation initiatives including travel bans and the freezing of marketing and recruitment activities.

New commercial initiatives were launched in several markets, such as fast-food bread and frozen bread for consumers, and e-commerce. Lantmännen Unibake marketed fast-food bread for consumers in its main markets, and developed and launched new brands and products in the bread and pastry categories.

Lantmännen Unibake is looking ahead

Due to the pandemic, Unibake carried out activities during the year to ensure a safe working environment for all employees by implementing comprehensive measures in all bakeries and offices.

Unibake is preparing for certain changes to remain, such as the balance between work at the office and at home, and direct selling. E-commerce in retail and foodservice increased and Unibake expects growth in these segments to continue. The trend of health and sustainability is expected to continue.

In addition to the necessary adaptation to the current situation, Lantmännen Unibake continues to develop and implement its long-term plans. In 2020, the focus was mainly on developing product categories and digital marketing.

Despite the pandemic, several important projects continued as planned, including the acquisition of the bakery operations of the Norwegian *French Bakery Company*. Among other things, the focus on fast-food bread in the main markets was strengthened and new launches were carried out. Lantmännen Unibake's development of a global brand structure is an ambitious project to increase profitability, and is aimed at increasing transparency throughout the value chain and implementation of a global business system in the fresh bread business in Denmark.

Outlook for 2021

During early summer 2020, consumers returned to previous consumption patterns as restrictions were lifted. This may indicate a recovery when the pandemic is under control in the future. The pandemic is expected to affect Lantmännen Unibake at least during the first half of 2021. Lantmännen Unibake continues to operate and develop its business with agile management, strict cost control and the ability to quickly adapt to short-term and long-term changes in customer and consumer patterns.

Learn more at lantmannen-unibake.com

Lantmännen Cerealia

Lantmännen Cerealia develops, produces and markets grain-based products such as flour, hulled grains, muesli, granola, pasta, pancakes and crispbread, a vegetarian range of pulses, food grains, whole grains and vegetables, and ready meals.

Lantmännen Cerealia's operations are conducted in Sweden, Norway, Denmark, Finland, Ukraine and Russia, with sales through food retailers, the food service sector and directly to industrial bakeries and food producers. Lantmännen Cerealia also has significant exports, mainly crispbread and breakfast products, to about 30 countries around the world.

Business environment

Consumer trends in the Nordic region continue to focus on health and sustainability. Simplicity and eating between meals are persisting trends. However, the coronavirus pandemic has affected consumers during the year, with an interruption to the strong trend of easily accessible consumption outside the home we previously saw. The two sales channels Foodservice and B2C are increasingly overlapping, with consumers being given more choices.

During the pandemic, there has been growing demand for healthy and sustainable products with clear information on origin and content. At the same time, the pandemic exposed the vulnerability of long supply chains, and the Nordic countries are seeing increasing retail and consumer demand for domestically produced food.

Sustainability aspects have recently become increasingly important for both retail and industrial customers. Lantmännen Cerealia is well positioned in the area of sustainability.

Lantmännen has launched the *Climate & Nature* cultivation program in the Swedish market, which has been well received by customers and consumers alike. Continuing the dialogue with customers to create conditions for farming of the future together is a focus area for the coming year.

Demand for both legume-based and grain-based protein continues to increase. Major Swedish trade players estimate that plant-based protein will account for about 20 percent of protein consumption in 2025. Annual growth for oats in food and beverages is about 4 percent, with a strong positive trend, and conditions for growing oats in Sweden and Finland are very good.

During the year, we examined how consumer trends vary in our home markets. The common denominator is that taste is always the highest priority, although preferences vary considerably across the Nordic countries in terms of what tastes best. This calls for a product portfolio that meets local conditions.

Consumer trends are relatively stable, apart from an interruption in growth for the food service sector. If anything, the pandemic has strengthened the existing trends. This works to Lantmännen Cerealia's advantage now and in the long term.



Our customers and consumers should feel confident that we have knowledge and control throughout the value chain and do what we can to minimize negative impacts on people, the environment and natural resources.

Lantmännen Cerealia, key figures	2020	2019
Net sales, MSEK ¹⁾	4,267	4,419
Average number of employees	1,357	1,383
of which women/men, %	41/59	41/59

¹⁾ Including intra-Group sales.

Lantmännen Cerealia's Brands





“ **High-quality products based on Nordic grain.**



“ **Our brands can be found on dining tables both in Sweden and globally.**



Market and market performance

Good earnings for the operations were generated in early 2020 and when the pandemic struck, we benefited from changed working methods, processes and the organization we put in place in 2019. During March and April, there was a strong increase in demand for our consumer products as a result of the wave of hoarding in the Nordic countries. Efficient working methods and good dialogue with customers enabled us to prioritize and reorganize production, thereby ensuring availability of our most popular products.

The local management teams in each country and at our production units have worked continuously on tightened guidelines and rules of conduct during the pandemic in order to protect the health and safety of our personnel, to protect our business and to uphold our responsibility as a socially critical supplier of food.

The competitive situation in Cerealia's home markets – Sweden, Norway, Denmark, Finland, Ukraine and Russia – remains intense. The highly consolidated food retail sector, retailers' continued rationalization of the product range, private labels and new suppliers chasing market shares create a challenging situation.

During the year, Cerealia gained market shares in all categories in Sweden. After many years of decline, the baking category has shown an upturn. We see that consumers have rediscovered the pleasure and benefits of baking at home. The same trend can be seen in Denmark and Norway.

All countries delivered above expectations during the year and the organization has managed the challenges of the pandemic in a highly effective way. We have been able to deliver significantly higher volumes to the food retail sector without incurring significant costs in the production system. This has had a clear impact on profitability but has also shown that the measures to stabilize and streamline production and planning are now producing results.

During the year, as part of Lantmännen's plastic strategy, the black plastic trays for our ready meals from Gooh were replaced by transparent trays that are more easily recyclable.

Outlook for 2021

Conditions are still very uncertain and highly dependent on how the pandemic develops. Cerealia has a good B2B-B2C balance, but the big risk lies in how personnel and facilities are affected by the pandemic.

Lantmännen Cerealia's strategy stands firm, and the focus is on continuing efforts to further improve the efficiency of processes and working methods, thereby increasing profitability. To take maximum advantage of the measures implemented in 2019 and 2020, we will also devote our energies to growing the business. We will take the initiative to achieve more long-term targets, based on the more efficient and profitable platform for which we have laid the foundation.

Learn more at lantmannencerealia.com



“

With sustainability underpinning our business, our goal is to make meals and food products of the highest quality.

Durum wheat is a demanding crop that thrives in Gotland's calcareous soil. It is locally grown, where it tastes best!



Swecon Business Area

Swecon is a partner of Volvo Construction Equipment and a dealer in machinery for the construction and civil engineering industry in Sweden, Germany, Estonia, Latvia and Lithuania. Swecon offers a broad range of construction machinery, equipment, spare parts, training, servicing and support through its 96 service facilities. The Business Area accounts for 16 percent of the Group's sales.

Business environment and market

After years of very high demand, the total market for construction machinery has decreased significantly, the main reason being the pandemic. Swecon has still managed to strengthen its market share in Sweden and the Baltic region, but competition has intensified in Germany, notably in the heavy machinery segment. Demand for servicing has been good. Spare part sales have declined due to lower utilization of older machines. Our rental business has been stable.

During the coronavirus pandemic, Swecon has prioritized protecting employees, ensuring business continuity and taking social responsibility. Volvo Construction Equipment closed its factories for a couple of months and Swecon introduced furloughs and temporary wage cuts.

In Estonia, two spare parts delivery points have been introduced to keep availability high while reducing the spread of infection. In Germany, spare parts have been sent to service technicians or directly to the customer. In Sweden and Germany, sales meetings and training sessions have been held online.

Key sustainability issues

Swecon is working on a climate strategy and sees machine manufacturers investing in electrification, as well as hybrids and alternative fuels. The long-term *safe@swecon* initiative will create safer workplaces through, among other things, increased awareness and training. Other important sustainability aspects are energy use in properties, responsible sourcing and business relationships.

Outlook for 2021

Demand for new machines is expected to stabilize in Swecon's markets in 2021, but with a somewhat more cautious assessment for Germany. Major infrastructure projects are expected to continue in Swecon's main markets next year, including Rail Baltica, a rail connection through all three Baltic countries, which goes into production in 2021. We anticipate an increased need for construction machinery from fall 2021.

Swecon continues to invest in digitalization, such as the *mySwecon* service, and more developed e-commerce.

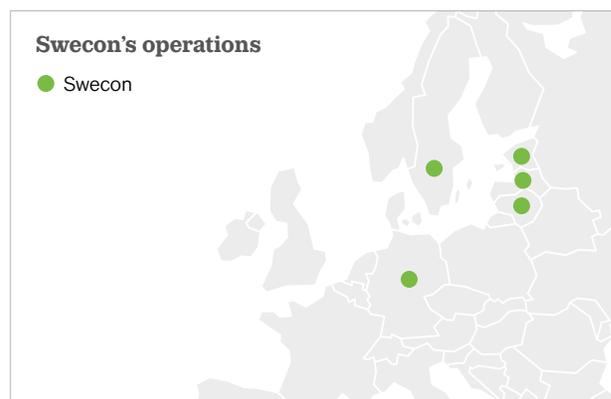
New business systems are being introduced in Sweden and the Baltic region, and Swecon's new website will be



Swecon Business Area, key figures	2020	2019
Net sales, MSEK ¹⁾	7,827	8,588
Operating income, MSEK	505	514
Operating margin, %	6.5	6.0
Return on operating capital, %	35.3	37.4
Investments in non-current assets, MSEK	514	939
Average number of employees	1,246	1,198
of which women/men, %	12/88	11/89
Women/men in executive management, %	11/89	13/87
Sick leave, %	5.3	4.2

¹⁾ Including intra-Group sales.

Swecon is not covered by the measurement of climate emissions.



Excl. items affecting comparability	2020	2019
Operating income, MSEK	505	514
Operating margin, %	6.5	6.0
Return on operating capital, %	35.3	37.4

Brands





“ Swecon works continuously to improve the safety culture.



“ Swecon continues to develop the mySwecon service and e-commerce.



launched this summer, with a customer portal for easier e-commerce.

Swecon continues to work on digital and technical aids, such as augmented reality. The goal is to reduce travel and the time taken to resolve customers' problems, and to improve and digitalize internal training and machinery demonstrations.

Spring 2021 will see the first deliveries of Volvo's electric machines in the smaller size classes. Learn more at swecon.se (in Swedish)

Operations

Sweden

Demand for new machines declined in 2020 but is still at a high level. A strong order intake at the beginning of the year was weakened by the pandemic but recovered to normal levels later. The construction and mining industry is less affected by coronavirus effects than other industries.

The Yrkesakademin training institution invested in 34 machines, both excavators with assist systems and compact wheel loaders, for training construction machine operators in various locations. Instrumental in the customer's choice was the *mySwecon* app, where the customer can follow up and find information about all of the machines, servicing, driving hours, etc.

In 2020, Swecon delivered wheel loaders to the Swedish Defence Materiel Administration. This was the third delivery under the framework agreement signed in 2018. A number of wheel loaders were also delivered to the Swedish Air Force during 2020.

In October, Volvo CE and Swecon Anläggningsmaskiner launched two compact electrical construction machines in the Swedish market with low maintenance levels, improved operator comfort and compliance with strict environmental and noise regulations.

Germany

In February, Swecon Baumaschinen GmbH was named "Best Dealer" in the TCO Services category by Volvo CE.

Due to the coronavirus pandemic, the market for construction machinery in Germany declined significantly. Sales of new larger machines, such as wheel loaders, excavators and dumpers, were adversely affected. Competition has intensified, mainly for large wheel loaders in the German market, with both sales volumes and market shares declining.

In June, Swecon opened a service facility in Berlin in accordance with the latest energy standards. The workshop gives employees a good, modern work environment and, among other things, offers short service times.

In July, a large transaction was signed with a customer for 40 dumpers and wheel loaders, which were delivered at the end of the year.

Despite the challenges related to the coronavirus pandemic, our service, spare parts and rental operations have contributed in a stable and positive way, which has also ensured a satisfactory result for 2020.



Baltic region

The energy and forestry sector has continued to perform well, partly due to a good geographical spread of end customers.

A general decline has been noted in property construction and road maintenance, partly due to reduced EU funding. Customers' investments in machinery have been negatively affected by the coronavirus situation, but it has also led to increased demand for rental and financial solutions. The flow of goods through the ports of the Baltic countries has remained good, although there has been growing uncertainty about the future in the outside world.

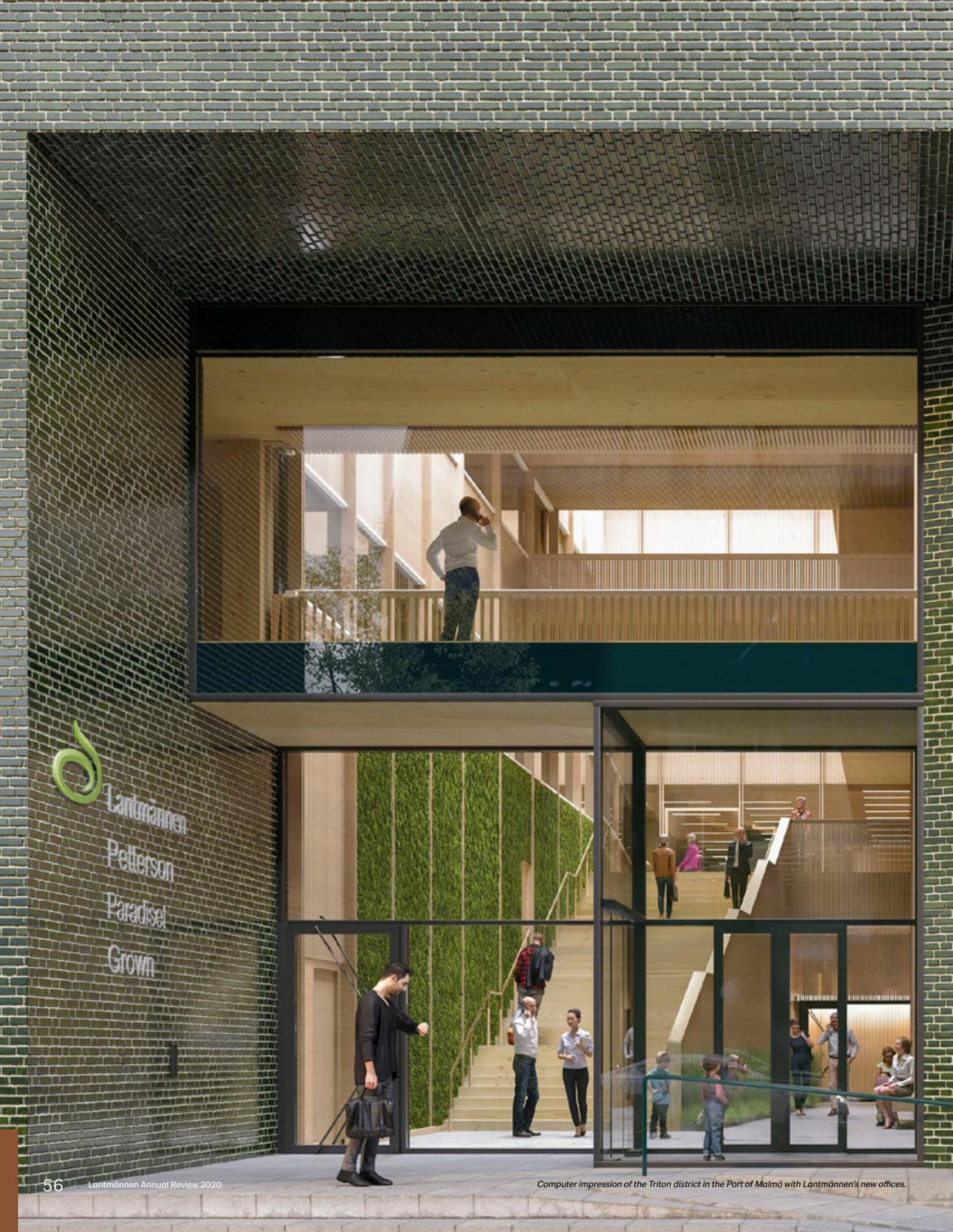
In February, Swecon opened a service facility in Tallinn to increase servicing and availability for customers in Estonia.

In spring 2020, Swecon Latvia delivered the Baltic region's largest ever single machine transaction, consisting of ten large machines, including Volvo's largest excavator, the EC950.

“

Swecon offers everything from used and renovated spare parts to brand new original parts from Volvo.

Energy-efficient, high-quality and safe machines that contribute to sustainable development.



Lantmännen
Peterson
Paradise
Grown

Real Estate Business Area

The Business Area consists of Lantmännen Fastigheter and Lantmännen Agrovärme and accounts for 1 percent of the Group's sales. The real estate operations provide Lantmännen with appropriate properties and premises, and optimize the return through active management. Lantmännen Agrovärme provides customers with environmentally sound heating.

Lantmännen Fastigheter

Lantmännen Fastigheter focused on the internal property portfolio in 2020. To safeguard future operations and development, a project for the Group's strategic properties was initiated.

A machinery plant has been built in Vara, with occupancy in 2021. The Triton precinct project in Malmö Port, which will include Lantmännen's new offices and be owned by Lantmännen's Grodden pension fund, is in progress, with occupancy scheduled for 2022. The construction contractor Veidekke is also building about 40 apartments. The project includes construction of a retirement home, which is in progress and will be owned by Lantmännen's community property company Lanthem (jointly owned by Lantmännen Fastigheter and the property company Hemsö). Construction of a retirement home has begun in Tygelsjö outside Malmö, where Lantmännen's silo facility once stood. Occupancy is scheduled for 2022. Property development projects are in progress in locations including Kävlinge, Örebro, Karlstad, Arboga, Kristianstad and Nyköping. The company is responsible for managing the properties of the Group's Grodden pension fund. The portfolio is about 100,000 m² and includes the head office in Stockholm. Learn more at lantmannenfastigheter.se (in Swedish)

Market developments

The property market remained strong during 2020, despite the coronavirus pandemic. The market for logistics properties showed the best development, but community properties also continued to show strong growth. International interest

in Swedish properties remained strong. The number of publicly listed Swedish property companies increased sharply.

Lantmännen Agrovärme

Lantmännen Agrovärme supplies district heating and ready heat to about 20 locations in central and southern Sweden in our own plants and with partners. Our heating plants supply about 135 GWh annually from local biofuels. Agrovärme's district heating has almost 100 percent security of supply, which creates confidence. In 2020, Agrovärme rebuilt two district heating plants to enable biochar to be produced during heat production. Biochar has the potential to become an important new commercial product, both in soil improvement and as a carbon sink, as one kilo of biochar binds about 2.6 kilos of carbon dioxide. Learn more at lantmannenagrovärme.se (in Swedish)

Key sustainability issues

Key sustainability issues include energy-efficient properties and heat production with low climate impacts, future-proofing properties for climate change, and responsible sourcing and business relationships. An environmental and sustainability project has been initiated to develop a long-term plan for our environmental work.

Outlook for 2021

Lantmännen Fastigheter's work on strategic properties continues. A major focus is directed on management to ensure the long-term standard of the internal property portfolio.



Real Estate Business Area, key figures	2020	2019
Net sales, MSEK ¹⁾	551	556
Operating income, MSEK	228	349
Operating income, excl. property sales	223	223
Return on operating capital, %	8.1	12.8
Return on operating capital, excl. prop. sales, %	8.0	8.2
Investments in non-current assets, MSEK	212	259
Average number of employees	44	46
of which women/men, %	36/64	38/62
Women/men in executive	40/60	40/60
Sick leave, %	0.1	0.5
Total CO ₂ emissions, thousand tonnes	5	5

¹⁾ Including intra-Group sales.

Excl. items affecting comparability	2020	2019
Operating income, adjusted for items affecting comparability, MSEK	228	252
Return on operating capital, adjusted for items affecting comparability, %	8.1	9.3

Real Estate Business Area, surface distribution



The properties represent a total surface area of about 1,200,000 m².

International ownership

An important part of Lantmännen's strategy Field to Fork 2030 is to profitably develop strategic portfolio holdings, mainly in the Nordic region, Germany, Poland and the Baltic countries. Sweden is our base and the Baltic Sea region is our expanded home market for international investments.

Lantmännen's joint ownership with DLG

In order to strengthen and expand existing international agricultural cooperation, Lantmännen and the Danish agricultural company DLG (Dansk Landbrugs Grovvarereselskab) have established the company Lantmännen DLG International (LDI). The purpose of the company is to expand the position in markets and businesses where Lantmännen and DLG already have a strong partnership and to expand into new, mainly European, markets.

HaGe Kiel Ownership 41 %

HaGe Kiel engages in grain trading, agri-supply sales and the manufacture and sale of feed. Hauptgenossenschaft Nord (HaGe Kiel) has an annual turnover of approximately EUR 2 billion and about 1,400 employees. Lantmännen owns 41 percent of HaGe Kiel, while DLG owns 55 percent. Operations include grain trading and sales of agri-supply. HaGe Kiel has well developed logistics chains and port terminals located in Hamburg, Kiel and Rostock which supply the market with grain and oilseeds, both locally and internationally. Lantmännen's share of income is included in the Agriculture Sector. Learn more at [→ hagekiel.de](https://hagekiel.de)

Scandagra Group Ownership 50 %

Scandagra Group operates in the Baltic region. The Group has an annual turnover of approximately EUR 500 million and about 350 employees. The company is jointly owned (50-50) by Lantmännen and DLG. The operations are conducted through three sales companies – Scandagra Eesti, Scandagra Latvia and Scandagra Lietuva. The sales companies engage in the sale of crop production inputs and the purchase and sale of grain. Scandagra Eesti also has a feed plant with a production capacity of just over 100,000 tonnes. Lantmännen's share of income is included in the Agriculture Sector. Learn more at [→ scandagra.com](https://scandagra.com)

Scandagra Polska Ownership 50 %

Scandagra Polska, a merchant of grain and other agri-supply in the Polish agricultural market, has an annual turnover of about PLN 700 million (about EUR 160 million) and about 120 employees. The company is jointly owned (50-50) by Lantmännen and DLG. Scandagra Polska is one of many traders in the large and fragmented Polish market. Lantmännen's share of income is included in the Agriculture Sector. Learn more at [→ scandagra.pl](https://scandagra.pl)

Lantmännen's other ownership

Scandbio Ownership 50 %

Scandbio is the largest solid processed wood fuel company in Sweden and sells 100 percent renewable energy in the form of heat pellets, briquettes, wood powder, bedding pellets and district heating. The products are manufactured by using residues from the sawmill industry. The company has an annual turnover of approximately MSEK 900 and about 140 employees. Scandbio has a strong position in the Swedish market and in the Baltic Sea region. Lantmännen and Neova each own 50 percent of the company. Lantmännen's share of income is included in the Energy Sector. Learn more at [→ scandbio.com](https://scandbio.com)

Viking Malt Ownership 37.5 %

Viking Malt refines grain and supplies about 600,000 tonnes of malt annually to breweries and distilleries in northern Europe, and a number of customers around the world. Viking Malt produces malt in Finland, Sweden, Denmark, Poland and Lithuania. The company has an annual turnover of approximately EUR 230 million and about 250 employees. Lantmännen owns 37.5 percent of the company, with the remainder being owned by the Finnish company Polttimo. Lantmännen's share of income is included in the Food Sector. Learn more at [→ vikingmalt.com](https://vikingmalt.com)



Corporate Governance

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Corporate Governance Report 2020

Lantmännen ek för is a Swedish cooperative economic association headquartered in Stockholm, Sweden. The Group's governance is based on the Association's Articles of Association, the Swedish Economic Associations Act, other applicable laws and rules and the Code for the Governance of Cooperative and Mutual Enterprises (the Code). The Code was adopted by Lantmännen's Annual General Meeting on May 7, 2020. Its objective is to promote member dialogue and democratic decision-making processes in cooperative enterprises and increase transparency of the Board's work.

The Corporate Governance Report for 2020 is presented according to the principles of the Code for the first time. The Code is built on principles and is based on reporting in accordance with the concept of comply and explain. This Corporate Governance Report is based on the principles set out in the Code. The heading and description of each principle are presented first, followed by comments on how the principle was managed during the year. As this is the first year of reporting under the Code's principles, the work is under development.

The Group's Parent Company is Lantmännen ek för, a cooperative company, which had 19,172 members as owners at the end of 2020. Members of Lantmännen can be both direct members and local associations.

Lantmännen's Board of Directors and executive management endeavor to ensure the enterprise is able to respond in the best possible way to the openness and information that members, employees and other stakeholders expect.

Principle 1. Objective and benefits for members

The Board shall ensure that the objective, values and strategies of the enterprise are based on the opinions of the members, and that the enterprise can deliver benefits for its members in the long term.

The Board shall ensure that the enterprise maintains open communication with its members, employees and other stakeholders, set out guidelines for the behavior of the enterprise in society and state the regulations and principles the enterprise follows.

Lantmännen's assignment is to contribute to the profitability of members' farms and optimize the return on their capital in the association. The long-term goal is to be a leading participant in the grain value chain from field to fork in northern Europe. The EGM on November 12, 2020 adopted an initiative to follow up the Owners Dialogue, which came to an end in 2018, with a focus on the Group's long-term direction.

Lantmännen's Annual Report with Sustainability Report 2020 shows the various initiatives Lantmännen is involved in with regard to sustainability throughout the value chain. Lantmännen reports according to the GRI guidelines and has signed the Global Compact. Lantmännen's Sustainability Report undergoes an external review which results in a Limited Assurance Report. The section "Collaboration for increased growth" on → page 28, describes collaboration with different organizations and the work at the intersection between politics, business and interest groups. There is also information about some of the organizations of which Lantmännen is a member.



Lantmännen's Annual General Meeting

The Meeting was conducted digitally on May 7, 2020. Lantmännen's 101 delegates participated, voted and contributed by means of digital tools.

Those leading the meeting gathered at Lantmännen's head office in Stockholm and the proceedings could be followed on Lantmännen's website.

An Extraordinary General Meeting was held on November 12 to deal with the motions received during the year.

Principle 2. Democratic processes

Cooperative enterprises have democratic processes whereby members' opinions have a clear impact. The processes must openly and transparently promote the involvement of members in different forums and provide opportunities for influence and insight in the business. Members also appoint representatives to the highest decision-making bodies.

The Board shall continuously evaluate the company's democratic organization and initiate changes if necessary.

Each member of the Association has one vote, regardless of turnover or size of investment. The district meeting and different members' meetings provide an opportunity for members to express their views to the Board of Directors and management in various ways, including motions and written communication.

Corporate governance and the democratic processes at Lantmännen take place in many different forums and forms, including district meetings, membership meetings, reference groups, nomination committees, the general meeting and the council of trustees. Pages → 14-15 describe the democratic organization and how members can participate and gain insight into the business in different ways. Each member is entitled to have business considered at the AGM.

The Board's Owner Committee, see → page 66, has the task of evaluating the Company's democratic organization and initiating changes if necessary.

Council of Trustees

The Association has a Council of Trustees. The Council consists of the chairmen of the district boards, the Group Board and the member representative auditors. The five largest districts in terms of members are entitled to appoint two persons. The role of the Council of Trustees is to advise the Group Board on development issues of a more long-term nature as well as communicate information between the Board of Directors and the districts. The Council of Trustees

is also charged with the preparation of matters of principle and the nomination of members to the Association's Nomination Committee at the Annual General Meeting.

Council of Trustees in 2020

In addition to the obligatory members as stated above, the Board of Directors appointed one representative of the local associations and the Nomination Committee chairman to the Council of Trustees. The Council of Trustees had three minuted meetings during the year.

Owner Relations 2020

The Owner Relations department is responsible for member communication and assists members and elected representatives in corporate governance. The Owner Relations Department had eight employees during the year – the Head of Owner Relations, six member services staff and the editor of Grodden. The cost of the department and its total activities amounted to approximately MSEK 22.8 (30.9) in 2020. MSEK 6.4 (9.3) of this amount related to costs for the 20 districts and included fixed fees of MSEK 4.1 (3.9) adopted by the AGM (63.8 percent) and variable fees of MSEK 1.1 (2.4), 17.4 percent.

The other MSEK 1.2 (3.0), 18.8 percent, related to costs of the districts' activities and travel. Other activities handled by the department include training of elected representatives, the Council of Trustees, District Board Conference, Nomination Committee and the members' newsletter "Grodden".

Principle 3. Participation of the members in the enterprise's value creation

The cooperative business model is based on the members participating in the enterprise's value creation through two roles: a business relationship and an owner relationship.

The Board shall ensure that these relationships are designed so as to promote the members' economic position, commitment and loyalty.



Member activities during 2020

Winter: Year-end Report, Council of Trustees, Annual Report, District Meetings, Ambassador Program.

Spring: Annual General Meeting, Inaugural Council of Trustees, Interim Report, Period 1, Training elected representatives.

Summer: Summer Meetings, District Meetings.

Fall: Council of Trustees, Interim Report, Period 2, District Board Conference, Regional Nomination Committee preliminaries, District Meetings.

Lantmännen's cooperative ownership model is based on business partnership and ownership. Members of Lantmännen are both direct members and local associations. A direct member is assumed to be a natural person or legal entity conducting business in Sweden. Pursuant to the Articles of Association, direct members shall be engaged in farming, primary food production or have as their principal activity the sale of services to agriculture. Members' participation in value creation is through trade with the association, e.g., supply of grain, purchase of feed, machinery and inputs. Members also invest capital through, among other things, their contributions.

The dividend policy sets out the principles for dividends. See → page 16. A value-creating industrial and processing business provides a market for members' grain and generates significant added value. Refunds and supplementary payments are based on earnings from the Swedish agriculture operations in Lantmännen Lantbruk, Lantmännen Maskin and Swecon. Contribution dividends and contribution issues are mainly based on the results of the processing and industrial operations in Sweden and internationally: food, energy, construction machinery and real estate.

Refunds are calculated on members' purchases from Lantmännen Lantbruk, Lantmännen Maskin's and Swecon's Swedish operations. Supplementary payments are calculated on members' sales of grain, oilseeds and pulses to Lantmännen Lantbruk Sweden. Contribution dividends are paid in proportion to members' paid-in and issued contribution capital. Contribution issues mean that some of the earnings, mainly from Lantmännen's industrial operations, are distributed among the members by transferring collective capital to individual capital.

With 100 percent of operating profit from agricultural operations going back to the farmers as a refund and supplementary payment, there is a clear connection between the business relationship and member relationship. 50 percent of the contribution issue is based on trading with the association, which also strengthens the business relationship with

the association. Lantmännen also contributes to the development of farming and members' profitability through large investments in research and development in many areas.

Principle 4. General Meeting

The General Meeting shall be prepared and conducted in such a way as to ensure the creation of good conditions to allow the members to exercise their membership rights.

At the General Meeting, one or more persons shall be selected to review the business from a member perspective and present a report on this review to the General Meeting.

The Annual General Meeting is Lantmännen's supreme decision-making body. The meeting consists of representatives of members, delegates, who are elected at the district meetings. The districts are the basis of the members' role as owners of the Association. Delegate seats are distributed on the basis of a divisor in proportion to the number of members in a district. If a district has only one delegate seat, the district vice chairman may join the meeting, but without voting rights. Each delegate has one vote at the meeting and each member is entitled to have business considered at the meeting. Information about the AGM is available on Lantmännen's website no later than three months before the meeting. The meeting is webcast so that as many members as possible can take part in the proceedings.

2020 Annual General Meeting

The Annual General Meeting was held digitally on May 7, with the Chairman and presiding officers present in Stockholm. Board members of Lantmännen ek för are elected for two-year terms. The Meeting resolved that the Board of Directors of Lantmännen ek för would consist of nine elected members. At the Meeting, Sonat Burman-Olsson and Per Wijkander were re-elected after their term of office expired. Jan Ehrensward was elected as a new member after Ove Gustafsson left the Board at his own request. Maude Fyrenius and Jimmy Grinsvall



were re-elected as member representative auditors. Kristina Glantz Nilsson was elected as a new member representative auditor to succeed Gustav Jansson, who did not seek re-election. The auditors are elected for one year at a time. The accounting firm Ernst & Young AB was re-elected as the Association's authorized auditor. The Meeting also adopted the Nomination Committee's proposal on the remuneration of the Board and other elected representatives, including fixed annual fees and per diem and travel compensation. The Meeting also appointed nine members to the Nomination Committee for the period up to the 2021 AGM.

The Meeting adopted the Board's proposal for a contribution dividend on both paid-in and issued contribution capital, a contribution issue and a refund and supplementary payment. The total dividend amounts to MSEK 237. The Meeting also adopted a dividend on subordinated debentures of MSEK 16.

In view of the special conditions under which the AGM was held, it was decided to defer the motion business until the next General Meeting or an Extraordinary General Meeting.

The total number of appointed delegates was 101 and all 101 delegates and deputies participated in the Meeting digitally. All serving Board members, the CEO and elected auditors participated in the Meeting digitally.

2020 Extraordinary General Meeting

In spring 2020, the Board decided to hold an Extraordinary General Meeting on November 12 to consider the five motions received. The EGM was held digitally, with the presiding officers present in Stockholm. The motion business was prepared through a digital "motion marketplace" on November 5, with representatives of the Board and delegates present.

The total number of appointed delegates was 101 and 98 delegates and deputies participated in the Meeting digitally. All serving Board members, the CEO and elected auditors participated in the Meeting digitally.



Principle 5. Nomination committee

All elections – to the Board, as auditor and other elected representative positions – must take place openly and transparently and be prepared through a structured nomination committee process. The nomination committee shall also submit proposals for fees for elected representatives.

Nomination committees may exist at multiple levels in the organization and each committee should be given guidelines for its assignment. Regardless of how they are appointed, the members of the nomination committee must safeguard the interests of the enterprise and the members.

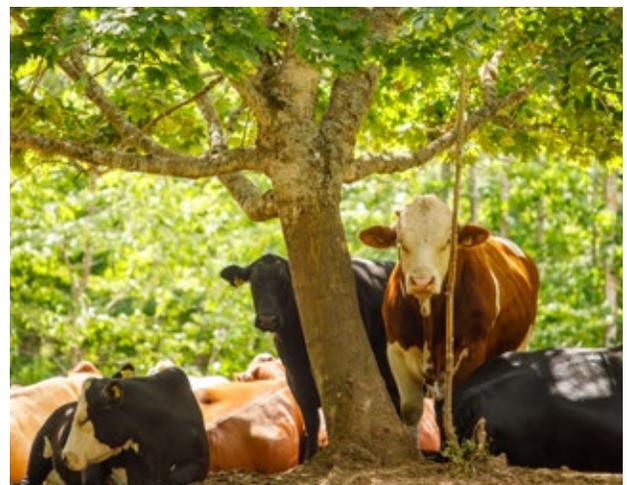
Nomination Committee

The Nomination Committee is tasked with preparing and presenting proposals for the election and remuneration of Group Board members and auditors, and making recommendations on the remuneration of other elected representatives. The Nomination Committee is elected at the AGM following a proposal from the Council of Trustees. The Nomination Committee elects a chairman from among its members.

Based on the Association's current situation and future direction, the Nomination Committee assesses whether the Board is appropriately composed with regard to collective expertise. This assessment is based in part on an evaluation of the Board's work methods and decision processes performed by an independent party at the request of the Chairman of the Board. The Nomination Committee's work on diversity and equality issues is based on, among other things, Lantmännen's equality and diversity policy. Lantmännen's Nomination Committee works according to rules of procedure adopted by the AGM.

Nomination Committee 2020

In 2020, the Nomination Committee consisted of nine members: Göran Brynell (chairman), Inge Erlandsson, Gunilla Carlsson, Leif Karlsson, Anders Rickardsson and Michael Hübsch and



three new members elected at the AGM: Marianne Andersson, Desirée Nyman and Henrik Claesson. They succeeded Kjell Eriksson, Kristina Glantz Nilsson and Marie-Louise Åhsell who did not seek re-election. At the statutory meeting after the AGM, Göran Brynell was elected Chairman and Anders Rickardsson as Vice Chairman.

The Nomination Committee's final minutes and proposals were available on the association's website prior to the meeting and were sent out to delegates with the meeting documents.

At regional level, there is a nomination committee in each district. These committees make proposals on members of the district boards. Training and preliminaries for the district nomination committees are held during fall. Representatives of the Group's Nomination Committee participate in these training sessions.

Principle 6. Board of Directors

The Board's competence shall match the complexity and scope of the business. In addition to members of the association, the Board may, where necessary, also have external members who bring in additional competence.

The Chairman of the Board leads the work of the Board and is responsible for ensuring that the Board works in an efficient manner. The Chairman shall objectively promote open debate and constructive discussions within the Board. Each member shall act independently and with integrity.

Board of Directors

The overall task of the Board of Directors is to manage the Association's affairs on behalf of its members, in such a way that their economic interests are served in the best possible way. The Board shall ensure that the Company's purpose and strategies are based on the members' views. The Board is responsible for the Association's organization and management of its affairs and for ensuring satisfactory control of the Association's accounting, asset management and financial affairs.

The Board decides the Group's overall goals, strategic plans and significant policies and monitors their compliance and updating. The Board also decides on acquisitions, divestments and major investments and approves the annual accounts and interim reports. The Board is also tasked with overseeing the President & CEO and regularly assessing the performance of the Group Management. The Board shall ensure that there is an effective system for follow-up and control of the Association's operations and financial position, that external information is characterized by transparency and objectivity, that there is adequate monitoring of compliance with laws and regulations and that the necessary ethical guidelines are in place.

The work of the Board is directed by a work plan that governs the division of work and responsibility between the Board of Directors, the Chairman and the President & CEO. The work plan is updated and adopted annually at the statutory meeting of the Board. The Board elects a chairman and vice chairman from among its members. The Board has an Audit Committee, a Remuneration Committee and an Owner Committee. The purpose of the committees is to develop and streamline the Board's work as well as prepare business within the respective areas. The committees are advisory to the Board and do not have any decision-making power. Members of the committees are appointed by the Board at the statutory Board meeting. In addition to distributing the minutes of committee meetings to the Board, the committee chairman makes an oral report at the subsequent Board meeting.

The work of the Board of Directors in 2020

Lantmännen's Board consists of nine elected members and three employee representatives. None of the elected Board members has an employment-like relationship with Lantmännen.

Per Lindahl was elected Chairman of the Board and Hans Wallemyr Vice Chairman. The composition of the Board is shown in the presentation on 📄 pages 70-71.



Board meetings, attendance 2020

	Feb 7	Feb 19	Mar 10	Mar 16	Apr 3	Apr 16	May 7	Jun 2	Jun 17	Aug 27	Aug 28	Oct 1	Nov 24	Dec 17	Dec 18
			Per capsulam	Extra board meeting	Extra board meeting		SBM ¹⁾								
Per Lindahl	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Gunilla Aschan	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Tommy Brunsärn	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Johan Bygge	●	●	●	●	●	●	●	●	●	●	●	●	●	○	●
Jan Ehrensvärd ²⁾	-	-	-	-	●	●	●	●	●	●	●	●	●	●	●
Ove Gustafsson ³⁾	○	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pär-Johan Lööf	●	○	●	●	●	●	●	●	●	●	●	●	●	●	●
Sonat Burman-Olsson	●	●	●	○	●	●	●	●	●	●	●	●	●	●	●
Johan Mattsson	●	●	●	○	●	●	●	●	●	●	●	●	●	●	●
Henrik Wahlberg	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Hans Wallemyr	●	●	●	●	●	●	●	○	●	●	●	●	●	●	●
Tomas Welander	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Per Wijkander	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●

● Attended ○ Did not attend ¹⁾ Statutory Board Meeting ²⁾ Newly elected at 2020 AGM. ³⁾ Left at own request 02/11/2020.

The Board held 15 meetings during the year. The table shows Board members' attendance at the meetings. All of the Association's auditors attended one of the meetings. The Board also participates actively in district meetings, fall meetings, Council of Trustees and more. Participation has been mainly digital during 2020.

An external evaluation of the Board's work was conducted during the year. The results were presented to the Board and the Nomination Committee.

Board Committees

Audit Committee

The Audit Committee is tasked with preparing materials for the Board in matters relating to risk assessment, internal control, financial reporting and auditing. It also serves as a forum for dialogue between different parties, such as external and internal auditors. The Committee also works to ensure

appropriate risk management, compliance with established financial reporting and internal control principles and the maintenance of proper relations with external auditors. The Committee also ensures that the independence of external auditors is maintained, evaluates the audit and informs the Nomination Committee of the results.

Before the AGM, the Committee consisted of Hans Wallemyr (chairman), Gunilla Aschan and Johan Mattsson. The composition of the Committee was unchanged after the 2020 AGM. The Head of Lantmännen's Internal Audit is secretary of the Audit Committee. The Committee held three minuted meetings.

Remuneration Committee

The Remuneration Committee is tasked with preparing matters and drafting principles related to pay and other terms of employment for Group Management. These principles must be approved by the AGM. The Committee prepares and submits



decision-support material to the Board of Directors concerning conditions of employment for the President & CEO, and to the President & CEO for the other members of Group Management. Before the AGM, the Committee consisted of Per Lindahl (chairman), Sonat Burman-Olsson and Johan Bygge, with President & CEO Per Olof Nyman as rapporteur. The composition of the Committee was unchanged after the 2020 AGM. The Group's Senior Vice President Human Resources serves as secretary. The Committee held two minuted meetings during the year.

Owner Committee

The Owner Committee is tasked with preparing matters relating to members and the member organization in the Group. The Committee's work is aimed at ensuring that member issues and democratic processes are dealt with in accordance with the Economic Associations Act, the Cooperatives Code and the Articles of Association. The Committee also works to ensure that the Articles of Association, organization and relationship with elected representatives and members are developed in such a way as to ensure that the operations are marked by transparency and adapted to changes in society and the business environment. The Owner Committee's tasks, which are linked to the Code, are to evaluate the Company's democratic organization and initiate changes if necessary.

Before the AGM, the Committee consisted of Henrik Wahlberg and Per Wijkander, after Ove Gustafsson resigned from the Board. At the AGM, Jan Ehrensvärd was elected as a member of the Committee. The Head of the Legal & Compliance corporate function attends the meetings. The Group's member manager serves as the secretary of the Committee. The Committee held seven minuted meetings during the year.

President & CEO and Group Management

The President & CEO is appointed by the Board and is responsible for the Association's day-to-day management. The division of work between the Board and the President & CEO

is regulated in the Board's work plan. Group Management currently consists of 10 members. The composition of Group Management is shown in the presentation on → pages 72-73. Group Management normally meets about 10 times a year and as required.

Principle 7. Remuneration of senior executives

The enterprise shall have overall guidelines for remuneration, terms and conditions for senior executives (CEO and Management team). The guidelines shall clearly state how remuneration, terms and conditions for the CEO and senior executives are determined.

The Board shall establish a remuneration committee or fulfill the task itself.

Principles on remuneration of senior executives shall be decided by the General Meeting. The enterprise's auditors shall examine how the principles have been applied and submit a written statement to the General Meeting.

Each year, the Annual General Meeting decides on principles for remuneration of senior executives. The support material is included in the documents that are sent out to delegates prior to the Meeting. The proposal is prepared by the Board's Remuneration Committee (see above) and discussed by the Board. Incentive program conditions and the structure of variable salary are reported on for the Council of Trustees. The Company's auditors review how the principles have been applied since the previous AGM, comment on this at the meeting and submit a written statement to the Meeting, which is available in the meeting room.

Variable salary – Short-term incentive program

Lantmännen has a Group-wide variable salary program, which for 2020 covered all members of Group Management and a number of senior executives in the Group. Decisions about target groups and guidelines for variable salary are



made annually by the AGM in the case of the Group Management and by the Board of Lantmännen in other cases. For 2020, the program consists of financial and individual targets. The financial targets represent 75 percent of the maximum variable salary and are linked to the economic value added that the operating units generate for Lantmännen. The individual targets represent 25 percent. The purpose of the short-term variable salary program is to act as a motivation to improve the Group's performance, as the individual Group management member's annual remuneration varies according to the Group's results. The program also supports initiatives that relate to individual performance, which benefit the Group.

Variable salary – Long-term incentive program

Lantmännen's long-term incentive program runs for four years with an initial performance year followed by three lock-in years. The program covers all the members of Group management and a small group of senior executives and business-critical key individuals. The purpose of the program is to drive and reward exceptional value growth and profitability within the Group. The program also has a construction that links the interests of the owners and participants. An initial allocation under the program is contingent on the Group achieving a predetermined minimum result for return on equity (RoE) in the performance year. The initial allocation increases with a higher RoE, but there is a ceiling at which no further allocation takes place.

Principle 8. Audit, risk and internal control

The Board shall establish a framework and processes for risk management and internal control. This shall be adapted to the complexity and scope of the business and be subject to annual evaluation.

The Board shall establish an audit committee or fulfill the task itself.

The Board shall ensure that persons selected to review of the business from a member perspective have access to relevant

information about the business and a regulated working relationship with the external auditors.

Risk management and Internal control

Group-wide policies and governing documents

Lantmännen's Code of Conduct applies to the entire operations, all employees, the Board and elected representatives. The Code of Conduct describes how Lantmännen must conduct itself and make decisions to take responsibility from an environmental, social and business ethics perspective. The Code of Conduct also provides guidance for Board members and elected representatives. In addition to the Code of Conduct, guidance in several areas is provided in policies and guidelines.

Lantmännen's Board is responsible to the members for the Company's risk management. Group management regularly reports on risk issues to the Board and its Audit Committee. The ongoing process of controlling risk mandates and policies takes place in the Risk Committee, which reports monthly to the Board's Audit Committee. Every year, an Enterprise Risk Management process is conducted, when each business unit's risks are identified. See also → Lantmännen's Annual Report with Sustainability Report

Lantmännen's business ethics compliance program includes compliance with competition and anti-corruption legislation. Regular risk assessments, communication, control and monitoring and training are carried out under the program. Lantmännen's Group Compliance function reports regularly to the Board and Group management on compliance, identified risks and the status of compliance work in the business ethics compliance program.

Internal control over financial reporting

The Board has overall responsibility for internal control over financial reporting. A written work plan that clarifies the responsibilities of the Board and governs the division of work between the Board and its committees has been adopted.



An Audit Committee regularly reports to the Board. Lantmännen's process for internal control over financial reporting is designed to provide assurance of the reliability of the financial reporting. Lantmännen's Sectors, Business Areas and companies are responsible for their operational activities, which includes responsibility for internal control in financial reporting.

The most important elements of Lantmännen's system for internal control are the control environment, risk assessment, control activities, information and communication, and monitoring.

The control environment is the basis of internal control within Lantmännen and consists of the decisions on organization, authority and guidelines made by the Board. The Board's decisions have been translated into a functioning management and control system by executive management. The organizational structure, decision-making channels, authority and responsibilities are documented and communicated in governing documents such as Group policies, instructions and other regulations. Internal control is also based on Group-wide accounting and reporting instructions, instructions on authority and authorization rights and manuals.

Risk assessment includes identifying and assessing the risk of material errors in accounting and reporting at all levels in the Group. Risk assessments are made on an ongoing basis.

Control activities are part of normal control and financial reporting activities at all levels and play an important role in ensuring reliability of financial information. The controller organization, like financial responsibility, follows the Company's organizational and responsibility structure. Business controllers are in place at all levels within the organization.

For *information and communication* in the area of financial reporting, Lantmännen has formal information and communication channels for relevant personnel with regard to policies, guidelines and reporting manuals. The formal information and communication channels are complemented by dialogue between the finance and treasury function at different levels.

Monitoring is conducted regularly in order to ensure the efficiency of internal control over financial reporting. The monitoring process includes analysis of regular financial reports against historical figures, budgets and forecasts as well as monitoring of reported activities.

Internal Audit

Internal audit is an independent and objective function that evaluates, recommends and monitors improvements in the efficiency of Lantmännen's risk management, internal controls and control processes throughout the Group. The internal audit unit reports material observations and improvement proposals to the Group Board, both through the Audit Committee and directly to the operating units. The function is under the direct authority of the Board and the Audit Committee and performs its tasks in accordance with an established internal audit plan. It also audits the review function for Lantmännen Finans AB in accordance with the requirements of the Swedish Financial Supervisory Authority.

External Audit

The auditors are tasked with auditing the annual report, consolidated financial statements, accounting records and administration of the Board and President & CEO. At Lantmännen, the persons appointed to review the business from a member perspective are called member representative auditors. All auditors are elected by the AGM for one year at a time. There are four regular auditors. One is authorized and the other three are member representative auditors. The authorized auditor is the accounting firm Ernst & Young AB. The member representative auditors are Maude Fyrenius, Jimmy Grinsvall and Kristina Glantz Nilsson. New for this year is submission of the member representative auditors' review report to the general meeting, in accordance with the Code. They also report regularly to the Council of Trustees, the Board and the Audit Committee.



Member Representative Auditors' Review Report and Statement on the Corporate Governance Report

This is a translation from the Swedish original

To the annual general meeting of Lantmännen ek för, Corporate identity number 769605-2856

Engagement and responsibility

We have reviewed the Board's Corporate Governance Report for 2020 and the application of the principles of the Swedish Code for the Governance of Cooperative and Mutual Enterprises (the Code). The Board is responsible for ensuring that the Code's principles are followed and that this is reported and described in the Corporate Governance Report.

Scope of the audit

We have conducted a review, which is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden.

Our review has taken place from a member perspective in accordance with the eight principles of the Code and in line with Co-operatives Sweden's guidelines for member representative auditors. Particular emphasis has been placed on the Code's principles Objective and benefits for members, Democratic processes and Members' participation in the company's value creation. We believe that this review has provided us with sufficient basis for our opinion.

Opinion

A corporate governance report has been established, in accordance with the Swedish code for the governance of cooperative and mutual enterprises. Our review shows that the code's eight principles have been followed in all material respects.

Stockholm, February 23, 2021

Maude Fyrenius
Member Representative Auditor

Kristina Glantz Nilsson
Member Representative Auditor

Jimmy Grinsvall
Member Representative Auditor

Group Board



Per Lindahl *Chairman*
Kristianstad
Born: 1964
Director since 2011
Member of Lantmännen
Other functions at Lantmännen: Remuneration Committee, Lantmännen Research Foundation
Education: Agriculture
Main occupation: Farmer
Production: Crops (potatoes and grain), broiler breeding, egg production, machinery workshop
Directorships: Lantmännen Dansk Landbrugs Grovareselskab International AB (Chairman), Viking Malt Aktieföretag, Fellow of The Royal Swedish Academy of Agriculture and Forestry (KSLA).
Contribution issues: SEK 3,948,587*
Subordinated debentures: SEK 300,000*



Hans Wallemyr *Vice Chairman*
Falköping
Born: 1956
Director since 2007
Member of Lantmännen
Other functions at Lantmännen: Audit Committee, Lantmännen Research Foundation
Education: Agriculture and economics
Main occupation: Farmer
Production: Wind power, potatoes, forestry, breeding/training showjumpers and dressage horses
Directorships: Källeberg Vind AB (Chairman), Scandbio AB and Åsle Vind AB.
Contribution issues: SEK 622,262*



Gunilla Aschan
Linköping
Born: 1960
Director since 2015
Member of Lantmännen
Other functions at Lantmännen: Audit Committee
Education: Agricultural Economics, Swedish University of Agricultural Sciences
Main occupation: Farmer
Production: Forestry, crops, beef
Directorships: Landshypotek Bank AB, Fyrklövern ekonomi och juridik AB, Ellen Key's Stiftelse Strand and Torseröd Vindkraftpark AB (Deputy).
Contribution issues: SEK 48,534*
Subordinated debentures: SEK 300,000*



Sonat Burman-Olsson
Lidingö
Born: 1958
Director since 2018
Not a member of Lantmännen
Other functions at Lantmännen: Remuneration Committee
Education: M.Sc. (Business and Economics), Executive MBA, Strategic Man Oxford & Harvard
Main occupation: Directorships
Directorships: PostNord AB, NESTE Corporation and Lindab International AB.



Johan Bygge
Lidingö
Born: 1956
Director since 2019
Not a member of Lantmännen
Other functions at Lantmännen: Remuneration Committee
Education: MBA, Stockholm School of Economics
Main occupation: Directorships and Industrial Advisor at EQT
Directorships: Nobina AB (publ) (Chairman), Getinge AB and AP3.
Subordinated debentures: SEK 250,000



Jan Ehrensvärd
Tomelilla
Born: 1968
Director since 2020
Member of Lantmännen
Other functions at Lantmännen: Owner Committee
Education: M.Sc. (Business and Economics)
Main occupation: Farmer
Directorships: Tosterups Gärd AB (Chairman), TreForm Packaging AB (Chairman), Äppelrieket Österlen ek för (Chairman) and ALSOCA Förförvaltning AB.
Contribution issues: SEK 887,703*



Johan Mattsson
Skåne, Tranås
Born: 1960
Director since 2015
Member of Lantmännen
Other functions at Lantmännen: Audit Committee
Education: M.Sc. (Business and Economics)
Main occupation: Farmer
Directorships: Handelsbankens Regionbankstyrelse i Sydöstra Sverige, Aktieföretag Marsvinsholms Gärd, Viking Malt Aktieföretag, Swedpig AB, Raja Gärd AB and Båretofta AB.
Contribution issues: SEK 774,195*
Subordinated debentures: SEK 5,000,000*



Henrik Wahlberg
Soukolojärvi, Övertorneå Municipality
Born: 1967
Director since 2017
Member of Lantmännen
Other functions at Lantmännen: Owner Committee
Education: Aeronautical engineer, agriculture
Main occupation: Farmer
Production: Milk, beef
Directorships: Övertorneå Energi Försäljning AB, Sparbanken Nord, Övertorneå Energi AB and Luttugården AB.
Contribution issues: SEK 294,478*



Per Wijkander

Upplands-Bro
 Born: 1977
 Director since 2019
 Member of Lantmännen
Other functions at Lantmännen: Ownership Committee, Beirat (Advisory Board) HaGe Kiel, LRF Växtodling
Education: Agricultural Economics, Swedish University of Agricultural Sciences
Main occupation: Farmer
Production: Crops
Directorships: 4 Tunnland AB, Hätunaholm AB, Hätunaholm H.T.H. AB, Hätunalab AB, Håbo Häradsallmänning, Westerås Skogsbyrå AB (Deputy) and Hätuna HTH Holding AB (Deputy).
 Deputy auditor, Maskinringen Mälardalen, ek för.
Contribution issues: SEK 2,675,077*
Subordinated debentures: SEK 1,500,000



Tommy Brunsärn

Employee representative
 Södertälje
 Born: 1959
 Director since 2007
 Employee representative Unionen
Main occupation: Lead Buyer MRO/Capex



Pär-Johan Lööf

Employee representative
 Uppsala
 Born: 1966
 Director since 2013
 Employee representative the Union for Professionals
Education: Agriculture, Swedish University of Agricultural Sciences
Main occupation: R&D Manager Agri Lantmännen R&D
Directorships: Naturbutiken på Öland AB, non-profit association Cultivation in Balance (Odling i Balans) and Stiftelsen jordbruks- och miljöteknisk forskning.
Subordinated debentures: SEK 100,000



Tomas Welander

Employee representative
 Gothenburg
 Born: 1961
 Director since 2012
 Employee representative IF Metall
Main occupation: Service technician, Swecon
Other directorships: Employee representative, Swecon Anläggningsmaskiner AB

Member representative auditors

Maude Fyrenius

Lärbo
 Born: 1973
 Auditor for Lantmännen since 2014
Education: Agrotechnician
Main occupation: Farmer, Consultancy and skills development, Gotland County Administrative Board
Production: Crops, lamb and beef, nature conservation
Contribution issues: SEK 74,855*

Kristina Glantz Nilsson

Håbo
 Born: 1975
 Auditor for Lantmännen since 2020
Education: Agriculture
Main occupation: Business Advisor Danske Bank Västerås, Farmer
Production: Grain, on-farm tourism
Contribution issues: SEK 25,801
Subordinated debentures: SEK 200,000

Jimmy Grinsvall

Sätla
 Born: 1974
 Auditor for Lantmännen since 2019
Education: Agricultural and Rural Management
Main occupation: Farmer
Production: Beef, crops and forestry
Contribution issues: SEK 273,811

Authorized Public Accountant

Anders Kriström

Ernst & Young AB, Stockholm
 Born: 1974
 Auditor since 1999
 Auditor for Lantmännen since 2015
Other assignments: Adecco, Bisnode, HL Display, Lundin Energy

Board Secretary

Tove Cederborg

Head of Legal Affairs
 Born: 1964
 Hired: 2011
Education: LLB, Lund University 1992
Directorships: Pensionsstiftelsen Grodden AB.

Board members of Lantmännen ek för are elected for two-year terms.
 The Annual General Meeting will be held on May 11, 2021. Holdings of contribution issues are reported in SEK, as at December 31, 2020.
 Holdings of subordinated debentures are reported as at December 31, 2020.

* Together with related parties, or through wholly or partly-owned companies.

Group Management



Per Olof Nyman

President & CEO, Head of Food Sector

Born: 1956

Hired: 2008

Education: M.Sc. (Industrial and Management Engineering) Linköping Institute of Technology

Directorships: Intercoop Europe (Chairman), HKScan Oy, Hauptgenossenschaft Nord AG, Svensk Kooperations AB and Lantmännen Dansk Landbrugs Grovareselskab International AB.

Subordinated debentures: SEK 4,000,000



Per Arfvidsson

Executive Vice President, Head of IT, Digital Development, Public and Regulatory Affairs, Sustainable Development and R&D

Born: 1962

Hired: 2011

Education: M.Sc. (Mechanical Engineering, Industrial Organization & Logistics) Chalmers University of Technology

Directorships: Sweden Food Arena (Chairman) and Foodhills AB.

Subordinated debentures: SEK 2,000,000



Werner Devinck

Senior Vice President Lantmännen Unibake

Born: 1958

Hired: 2013

Education: Economist, University of Leuven, Belgium



Christian Johansson

Senior Vice President & Group CFO

Born: 1963

Hired: February 2020

Education: M.Sc. (Business and Economics), Stockholm University, INSEAD (Fontainebleau, France)

Directorships: Lantmännen Dansk Landbrugs Grovareselskab International AB



Magnus Kagevik

COO, Head of Energy Sector

Born: 1967

Hired: 2018

Education: M.Sc. (Mechanical Engineering) Linköping Institute of Technology

Directorships: Scandbio AB, SPBI Service AB, Viking Malt Aktiebolag and Hauptgenossenschaft Nord AG.

Subordinated debentures: SEK 2,000,000



Niklas Lindberg

Head of Swecon Business Area

Born: 1974

Hired: 2015

Education: Master of Business Science

Directorships: X-Innovations AB (Chairman) and Hyttbäcken Invest AB.



Elisabeth Ringdahl

Head of Agriculture Sector

Born: 1965

Hired: 2015

Education: M.Sc. (Business and Economics), Uppsala University

Directorships: Rezekne JSC (Chairman), Scandagra Group AB and Scandagra Polska Sp. z o.o.

Subordinated debentures: SEK 500,000



Carl-Peter Thorwid

Senior Vice President Lantmännen Cerealia

Born: 1964

Hired: 2016

Education: M.Sc. (Industrial and Management Engineering), Linköping Institute of Technology.

Directorships: HKScan Oy (Deputy).

Subordinated debentures: SEK 400,000



Elisabeth Wallin Mononen

Senior Vice President HR & Communications

Born: 1959

Hired: 2005

Education: LLB, Lund University, and MBA, University of Illinois at Chicago

Directorships: Hagabergs Mekaniska Aktieföretag (Deputy)



Tove Cederborg

Head of Legal Affairs

Born: 1964

Hired: 2011

Education: LLB, Lund University

Directorships: Pensionsstiftelsen Grodden.

Subordinated debentures: SEK 300,000

Holdings of subordinated debentures are reported as at December 31, 2020.



Financial overview and facts

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Performance per segment

MSEK	Agriculture Sector		Energy Sector		Food Sector		Swecon Business Area		Real Estate Business Area		Lantmännen Group	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Net sales	21,501	21,841	3,938	3,741	15,017	16,867	7,827	8,588	551	556	45,990	48,523
Operating income	439	83	530	375	786	924	505	514	228	349	2,223	1,983
Return on operating capital, %	5.4	1.0	40.5	30.3	4.7	5.2	35.3	37.4	8.1	12.8	8.1	6.8
Operating income, adjusted for items affecting comparability	439	210	530	355	786	1 018	505	514	223 ¹⁾	223 ¹⁾	2,223	2 087
Return on operating capital, adjusted for items affecting comparability, %	5.4	2.5	40.5	28.7	4.7	5.7	35.3	37.4	8.0 ¹⁾	8.2 ¹⁾	8.1	7.2

¹⁾ Operating income and return on operating capital excluding property sales.

The Agriculture Sector constitutes Lantmännen's core business, with products and services to promote strong, competitive farming both in Sweden and internationally. The Sector's base is in the Nordic countries. The Sector accounts for 44 percent of Lantmännen's sales. The Swedish operations offer products for crop production, livestock production and agricultural machinery and are a major player in the grain market. The Finnish operations offer feed and agri-supply for crop production. The Sector is also responsible for Lantmännen's ownership interests in the German group *HaGe Kiel*, *Scandagra Group* in the Baltic region and *Scandagra Polska* in Poland.

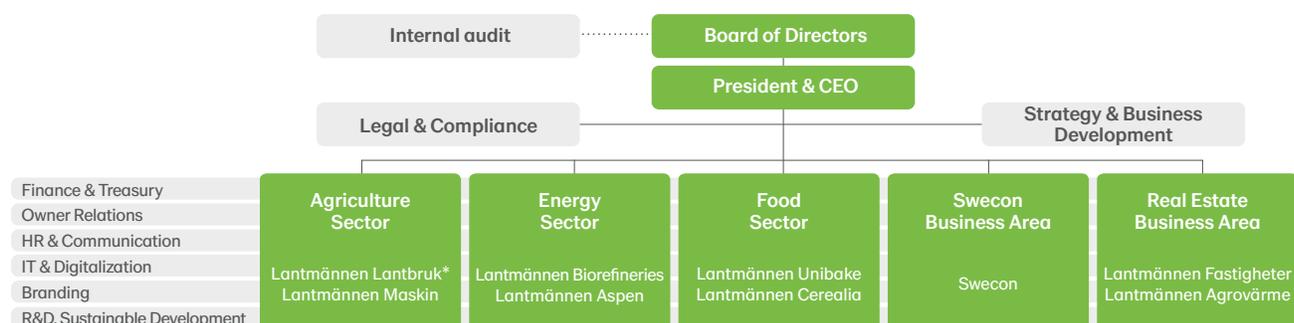
The Energy Sector is one of Sweden's largest producers of bioenergy products and accounts for 8 percent of the Group's sales. The Sector's companies manufacture and market environmentally smart energy, food and industrial products. The Sector includes *Lantmännen Biorefineries* with the businesses *Lantmännen Agroetanol*, *Lantmännen Reppe*, *Lantmännen Oats* and *Lantmännen Functional Foods*, and the company *Lantmännen Aspen*. The Sector also has responsibility for Lantmännen's ownership interests in the partly-owned company *Scandbio*, Sweden's largest solid processed wood fuel company.

The Food Sector refines grain and other raw materials from arable land and produces, among other things, flour, bread, breakfast products, pasta and ready meals. The Sector consists of *Lantmännen Unibake* and *Lantmännen Cerealía*. The Food Sector offers "Good food" to customers in food retail, food service and other parts of the food industry. The Sector accounts for 31 percent of the Group's sales.

The Swecon Business Area is a partner of *Volvo Construction Equipment* and a dealer in machinery for the construction and civil engineering industry in Sweden, Germany, Estonia, Latvia and Lithuania. *Swecon* offers a broad range of construction machinery, equipment, spare parts, servicing and support. The Sector accounts for 16 percent of the Group's sales.

The Real Estate Business Area consists of *Lantmännen Fastigheter* and *Lantmännen Agrovärme*. *Lantmännen Fastigheter* has both internal and external tenants. Its primary task is to provide the Lantmännen Group with appropriate properties and premises. The Sector accounts for 1 percent of the Group's sales.

Lantmännen's organization



* *Lantmännen Lantbruk* Sweden and international operations.

The Group's Ten-year overview

Condensed income statements

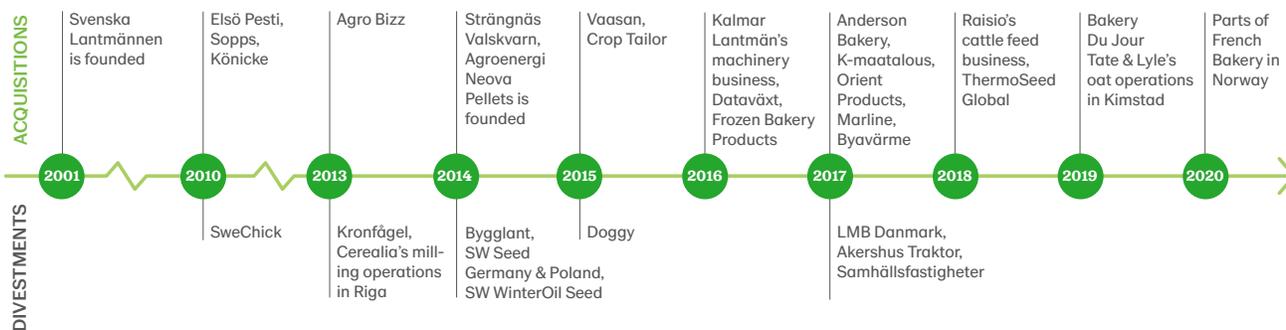
MSEK	2020	2019	2018 ¹⁾	2017 ¹⁾	2016 ¹⁾	2015 ¹⁾	2014 ¹⁾	2013 ¹⁾	2012 ¹⁾	2011 ¹⁾
Net sales	45,990	48,523	43,962	39,686	37,244	35,660	32,666	33,802	36,526	37,896
EBITDA	4,274	4,046	2,806	2,919	2,771	2,573	2,556	2,193	1,698	2,570
Depreciation, amortization and impairment	-2,051	-2,063	-1,363	-1,242	-1,165	-1,222	-1,103	-2,104	-1,185	-1,366
Operating income	2,223	1,983	1,443	1,677	1,606	1,351	1,453	89	513	1,204
Finance income and costs	-182	-210	-193	-156	-149	-105	-111	-4	-182	-337
Income after financial items	2,041	1,773	1,250	1,521	1,457	1,246	1,342	85	331	867
Tax, minority	-244	-222	-68	-216	-183	-156	-117	15	-91	-147
Net income for the year	1,797	1,551	1,182	1,305	1,274	1,090	1,225	100	240	720

Condensed statements of financial position

MSEK	2020	2019	2018 ¹⁾	2017 ¹⁾	2016 ¹⁾	2015 ¹⁾	2014 ¹⁾	2013 ¹⁾	2012 ¹⁾	2011 ¹⁾
Property, plant and equipment	13,288	13,927	10,673	10,030	9,098	7,699	7,178	7,337	8,928	9,258
Goodwill	5,461	5,724	5,350	5,238	4,611	4,424	2,915	2,594	2,554	2,640
Other intangible assets	3,370	3,620	3,451	3,327	2,980	2,782	752	814	875	767
Other non-current assets	3,496	3,499	3,233	3,204	2,825	2,780	2,762	2,542	2,151	2,069
Total non-current assets	25,615	26,770	22,707	21,799	19,514	17,685	13,607	13,287	14,508	14,734
Inventories	6,077	6,561	6,943	5,948	5,270	5,545	5,379	5,249	5,946	5,506
Other current assets	6,224	6,680	6,725	5,866	5,933	5,599	5,087	5,170	5,561	5,642
Cash and cash equivalents	1,415	1,183	720	927	1,773	1,252	3,058	2,295	352	739
Total current assets	13,716	14,424	14,388	12,741	12,976	12,396	13,524	12,714	11,859	11,887
Total assets	39,331	41,194	37,095	34,540	32,490	30,081	27,131	26,001	26,367	26,621
Equity, members of the Parent	17,901	17,411	15,935	14,859	13,795	12,660	11,859	11,016	10,899	10,906
Equity, NCI	105	94	92	89	88	21	17	28	33	36
Total equity	18,006	17,505	16,027	14,948	13,883	12,681	11,876	11,044	10,932	10,942
Non-current liabilities	7,029	7,190	7,005	5,983	6,219	6,135	3,598	4,939	5,919	5,360
Current liabilities	14,296	16,499	14,063	13,609	12,388	11,265	11,657	10,018	9,516	10,319
Total equity and liabilities	39,331	41,194	37,095	34,540	32,490	30,081	27,131	26,001	26,367	26,621
Net debt	7,761	10,165	8,719	7,274	6,289	6,476	3,674	4,963	7,506	7,186
Refund and supplementary payment ^{2) 3)}	305	208	156	245	231	188	135	129	120	110
Extra dividend	-	-	-	133	-	-	-	-	-	-
Contribution dividend, contribution issue ³⁾	597	525	463	322	277	243	328	171	168	230

¹⁾ In accordance with previously applied accounting policies for leasing. ²⁾ Reported amounts may include adjustments compared with previous years' proposals. ³⁾ According to Board's proposal for 2019.

Lantmännen's major acquisitions, divestments and ownership interests



The Group's Ten-year overview

Key figures	2020	2019	2018 ¹⁾	2017 ¹⁾	2016 ¹⁾	2015 ¹⁾	2014 ¹⁾	2013 ¹⁾	2012 ¹⁾	2011 ¹⁾
Operating margin, %	4.8	4.1	3.3	4.2	4.3	3.8	4.4	0.3	1.4	3.2
Capital turnover rate, times	1.7	1.7	1.8	1.8	1.8	1.8	2.1	2.0	2.0	2.1
Return on equity, %	10.2	9.1	7.6	9.0	9.6	8.9	10.6	0.9	2.2	6.7
Return on operating capital, %	8.1	6.8	6.0	7.8	8.0	7.5	9.1	0.5	2.8	6.5
Equity ratio, %	45.8	42.5	43.2	43.3	42.7	42.2	43.8	42.5	41.5	41.1
Net debt/EBITDA (bank definition)	1.60	2.25	3.25	2.70	2.53	2.85	2.02	2.62	4.31	
Net debt/equity ratio, times	0.4	0.6	0.5	0.5	0.5	0.5	0.3	0.4	0.7	0.7
Average number of employees	10,017	10,250	9,940	9,850	9,880	8,911	8,311	9,133	10,249	10,296

Excl. items affecting comparability	2020	2019	2018 ¹⁾	2017 ¹⁾	2016 ¹⁾	2015 ¹⁾	2014 ¹⁾	2013 ¹⁾	2012 ¹⁾	2011 ¹⁾
Operating income, MSEK	2,223	2,087	1,580	1,708	1,697	1,351	851	805	747	1,063
Operating margin, %	4.8	4.3	3.6	4.3	4.6	3.8	2.6	2.4	2.0	2.8
Income after financial items, MSEK	2,041	1,877	1,387	1,552	1,548	1,246	740	683	565	841
Net income for the year, MSEK	1,797	1,652	1,289	1,353	1,457	1,066	595	494	457	634
Return on equity, %	10.2	9.7	8.2	9.4	11.0	8.7	5.1	4.4	4.2	5.9
Return on operating capital, %	8.1	7.2	6.6	7.9	8.4	7.5	5.3	4.7	4.1	5.7

Condensed statements of cash flows

MSEK	2020	2019	2018 ¹⁾	2017 ¹⁾	2016 ¹⁾	2015 ¹⁾	2014 ¹⁾	2013 ¹⁾	2012 ¹⁾	2011 ¹⁾
Cash flow from operating activities before changes in working capital	3,811	3,637	2,268	2,453	2,571	2,159	1,362	1,570	1,358	1,655
Cash flow from operating activities	4,503	4,226	1,023	2,398	3,136	2,167	1,767	2,294	983	1,015
Cash flow from investment in/sale of property, plant and equipment and intangible assets, net	-1,608	-1,929	-1,626	-2,274	-1,884	-811	-697	-862	-1,163	-160
Cash flow from operations	2,895	2,297	-603	124	1,252	1,356	1,070	1,432	-180	855
Cash flow from acquisitions and divestments of operations, net ²⁾	-54	-473	-333	-852	-357	-4,154	1,065	1,196	0	0
Cash flow before financing activities	2,803	1,837	-824	-703	826	-2,674	2,077	2,450	-222	876
Cash flow for the year	254	454	-219	-852	489	-1,775	778	1,943	-379	-128
Cash and cash equivalents at end of year	1,415	1,183	720	927	1,773	1,252	3,058	2,295	352	739

¹⁾ In accordance with previously applied accounting policies for leasing.

²⁾ 2020 2020 includes acquisition of a bakery business in Norway.

2019 includes acquisition of Bakery Du Jour and Tate & Lyles oat operations.

2018 includes acquisition of Raisio's cattle feed business and ThermoSeed Global.

2017 includes acquisition of Anderson Bakery, K-maatalous, Orient Products and Marline and divestment of LMB Danmark and 50 percent of Akershus Traktor.

2016 includes acquisitions of Kalmar Lantmän's machinery business, DataVäxt and Frozen Bakery Products.

2015 includes acquisition of Vaasan and sale of Lantmännen Doggy.

2014 includes acquisition of Strängnäs Valskvarn, sale of shares in Scandi Standard and divestment of Lantmännen Lantbruk's

German and Polish plant breeding and seed operations (SW Seed Poland, SW Seed Germany, SW Winter Oil Seed).

2013 includes acquisition of 46 percent of Scandi Standard and divestment of Kronfågel Group and Rigas Dzirnāvnieks.

How to read the **Income Statement**

The income statement summarizes the year's finances, showing all income and expenses from the operations contributing to net income for the year.

Sales

This is where you will find the Company's total sales.

Costs

The costs of producing and selling goods and services are shown here.

Operating income

This shows whether sales are profitable.

Financial items

Income or expenses associated with loans, investments, shares, securities, etc.

Income

This is also called profit after tax.

Consolidated Income Statement

MSEK	2020	2019
Net sales	45,990	48,523
Other operating income	429	482
Changes in inventories of finished goods and work in progress	-488	-207
Raw materials and consumables	-14,392	-14,298
Merchandise	-14,342	-16,734
Employee benefits expense	-6,362	-6,573
Depreciation, amortization and impairment	-2,051	-2,063
Other operating expenses	-6,713	-7,113
Share of income of equity accounted companies	152	-34
Operating income	2,223	1,983
Finance income	109	112
Finance costs	-291	-322
Income after financial items	2,041	1,773
Tax	-244	-222
Net income for the year	1,797	1,551
Net income for the year attributable to:		
Members of the economic association	1,788	1,545
Non-controlling interests	9	6

The statement of comprehensive income is based on net income for the year. OCI shows the fair value remeasurement of balance sheet items and exchange gains and losses. These count as income/expense and are part of the Group's comprehensive income for the year. OCI is added to equity and is included in the amount that can be distributed to owners.

Consolidated Statement of Comprehensive Income

MSEK	2020	2019
Net income for the year	1,797	1,551
Other comprehensive income		
<i>Items that will not be reclassified to the income statement</i>		
Actuarial gains and losses on defined benefit pension plans, net before tax	87	-298
Financial assets at fair value through other comprehensive income, net before tax	-98	121
Tax attributable to items that will not be reclassified	-13	53
Total	-24	-124
<i>Items that will be reclassified to the income statement</i>		
Cash flow hedges, net before tax	-12	-60
Exchange differences on translation of foreign operations	-795	317
Net gain on hedge of net investment in foreign operations, net before tax	73	-31
Tax attributable to items that will be reclassified	-12	9
Total	-746	235
<i>Share of OCI in equity accounted companies</i>		
Items that will be reclassified to the income statement	-104	30
Total	-104	30
Other comprehensive income, net of tax	-874	141
Total comprehensive income	923	1,692
Total comprehensive income attributable to:		
Members of the economic association	914	1,686
Non-controlling interests	9	6

Total comprehensive income

This shows the results of the year's operations and remeasurements. The amount increases or reduces the Group's equity.

How to read the Statement of Financial Position

The statement of financial position provides a picture of existing assets and how they have been financed. The value of total assets is always equal to the value of liabilities, which consist of liabilities to owners, equity and other liabilities.

Non-current assets

Non-current assets are assets that are used or owned for more than one year and contribute to the company's value growth. This is where we find the value of tangible assets (factories, other property, machinery, equipment, etc.) and intangible assets (non-physical assets, e.g., goodwill, purchased trademarks and patents). Goodwill is the portion of the purchase price of a subsidiary that cannot be attributed to other assets and mainly reflects anticipated synergies and staff skills. Non-current assets is also where we find the value of our share in the equity of joint ventures and associates (20-50 per cent ownership) under Equity accounted holdings.

Current assets

Current assets are assets held for sale or used in the business. These are assets that are consumed in a short time and can readily be converted to cash. This is where we find the value of goods still in stock, and our receivables from customers for products and services sold but not yet paid for. Cash and cash equivalents, mainly bank deposits, are reported under current assets.

Equity

Equity shows the existing net assets (assets - liabilities) belonging to the owners and on which they expect a return. Lantmännen's overall financial goal is to provide a long-term return of 8 percent on this equity over a business cycle and with the present business portfolio. The result used to calculate the return is "Net income for the year" in the consolidated income statement. Member contributions, both paid-in and issued, are an important component of equity. Other capital is amounts earned over the years in the parent association and Lantmännen companies; this is not distributed to members but is used as financing for assets that will generate future earnings. Non-controlling interests are also called minority interests. Minority interests are the proportion of equity in subsidiaries not owned directly or indirectly by the Parent Company.

Liabilities

Liabilities are divided into non-current and current liabilities, which is a way of denoting the length of time before they are due for settlement.

Consolidated Statement of Financial Position

MSEK	2020 Dec 31	2019 Dec 31
ASSETS		
Non-current assets		
Property, plant and equipment	12,601	13,297
Investment properties	687	630
Goodwill	5,461	5,724
Other intangible assets	3,370	3,620
Equity accounted holdings	2,517	2,490
Non-current financial assets	538	620
Deferred tax assets	275	252
Other non-current assets	166	137
Total non-current assets	25,615	26,770
Current assets		
Inventories	6,077	6,561
Trade and other receivables	5,967	6,488
Current interest-bearing assets	173	123
Current tax assets	84	69
Cash and cash equivalents	1,415	1,183
Total current assets	13,716	14,424
TOTAL ASSETS	39,331	41,194
EQUITY AND LIABILITIES		
Equity		
Contributed capital	3,228	2,959
Other contributed capital	3,110	3,110
Reserves	-124	819
Retained earnings incl. net income	11,687	10,523
Total equity attributable to members of the economic association	17,901	17,411
Non-controlling interests	105	94
Total equity	18,006	17,505
Non-current liabilities		
Non-current interest-bearing liabilities	5,034	5,263
Provisions for pensions	897	942
Deferred tax liabilities	807	720
Other non-current provisions	264	251
Other non-current liabilities	27	14
Total non-current liabilities	7,029	7,190
Current liabilities		
Current interest-bearing liabilities	3,956	5,886
Trade and other payables	9,375	9,714
Current tax liabilities	185	149
Current provisions	780	750
Total current liabilities	14,296	16,499
TOTAL EQUITY AND LIABILITIES	39,331	41,194

How to read the Statement of Cash Flows

The statement of cash flows contains information on the Group's financial flows, i.e., the Company's cash receipts and payments. It is divided into three parts.

Operating activities

Operating activities are net income for the year plus non-cash items, i.e., items that are not cash inflows or outflows but accounting costs. For example, depreciation and capital losses reduce earnings but do not involve a payment. Taxes paid during the year are deducted. Adjustments are also made for changes in inventories, current receivables (mainly trade receivables) and current liabilities (mainly trade payables).

Investing activities

Investing activities show cash outflows for various investments and inflows from sales of operations, non-current assets or financial investments. Unlike the income statement, this shows the full year's payments for an investment – e.g., a company acquisition is not a cost in the income statement, and an asset's cost is divided using depreciation, based on the asset's estimated useful life.

Financing activities

Financing activities show how activities and investments are funded if cash flow from operating activities is insufficient. They also show payments (e.g., dividends to owners or loan repayments) to the parties funding the activities.

Consolidated Statement of Cash Flows

MSEK	2020	2019
OPERATING ACTIVITIES		
Operating income	2,223	1,983
Adjustment for non-cash items ¹⁾	1,939	2,037
	4,162	4,020
Financial items paid, net	-177	-210
Taxes paid	-174	-173
Cash flow from operating activities before changes in working capital	3,811	3,637
<i>Cash flow from changes in working capital</i>		
Change in inventories	412	468
Change in operating receivables	303	68
Change in operating liabilities	-23	53
	692	589
Cash flow from operating activities	4,503	4,226
INVESTING ACTIVITIES		
Acquisitions of operations (incl. capital contribution)	-54	-669
Divestment of operations	0	196
Investment in property, plant & equipment	-1,690	-2,086
Investment in intangible assets	-105	-115
Sale of property, plant & equipment and intangible assets	187	272
Change in financial investments	-38	13
Cash flow from investing activities	-1,700	-2,389
Cash flow before financing activities	2,803	1,837
FINANCING ACTIVITIES		
Change in interest-bearing liabilities including pension provisions	-2,079	-1,054
Paid-in contributed capital	132	114
Refunded capital contribution	-151	-69
Dividend paid	-451	-374
Cash flow from financing activities	-2,549	-1,383
Cash flow for the year	254	454
Cash and cash equivalents at beginning of year	1,183	720
Exchange differences in cash and cash equivalents	-22	9
Cash and cash equivalents at end of year	1,415	1,183

¹⁾ MSEK	2020	2019
Adjustment for non-cash items		
Depreciation, amortization and impairment of non-current assets	2,051	2,063
Share of income of equity accounted companies	-110	92
Capital gains/losses on sale of non-current assets and operations	-12	-130
Other non-cash items	10	12
Total	1,939	2,037

Consolidated Statement of Changes in Equity

MSEK	Note	Contributed capital	Other contributed capital	Reserves	Retained earnings incl. net income	Total Lantmännen's owners	Non-controlling interests	Total equity
Opening balance, January 1, 2019		2,664	3,110	442	9,834	16,050	92	16,142
Net income for the year		-	-	-	1,545	1,545	6	1,551
Other comprehensive income, net of tax		-	-	377	-236	141	-	141
Total comprehensive income		-	-	377	1,309	1,686	6	1,692
Distributions to owners		250	-	-	-620	-370	-4	-374
Contributed capital paid in by members		114	-	-	-	114	-	114
Contributed capital paid out to members		-69	-	-	-	-69	-	-69
Closing balance, December 31, 2019	22	2,959	3,110	819	10,523	17,411	94	17,505
Opening balance, January 1, 2020		2,959	3,110	819	10,523	17,411	94	17,505
Net income for the year		-	-	-	1,788	1,788	9	1,797
Other comprehensive income, net of tax		-	-	-943	69	-874	-	-874
Total comprehensive income		-	-	-943	1,857	914	9	923
Distributions to owners		288	-	-	-733	-445	-6	-451
Contributed capital paid in by members		132	-	-	-	132	-	132
Contributed capital paid out to members		-151	-	-	-	-151	-	-151
Other change		-	-	-	40	40	8	48
Closing balance, December 31, 2020	22	3,228	3,110	-124	11,687	17,901	105	18,006

Equity attributable to members of the economic association, MSEK	2020	2019
Contributed capital, paid in	1,402	1,373
Contributed capital, issued	1,826	1,586
Other equity	14,673	14,452
Total equity attributable to members of the economic association	17,901	17,411

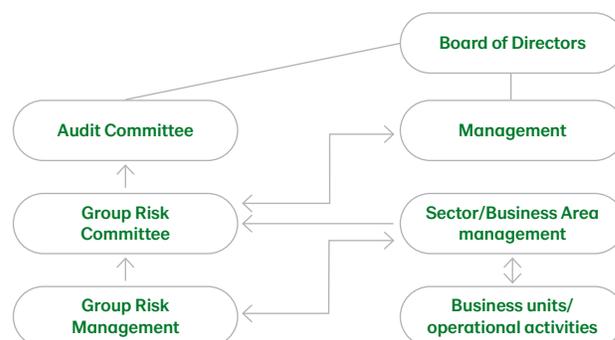
The Group's Risk management process

Lantmännen's Board is responsible to the members for the Company's risk management. Group management regularly reports on risk issues to the Board and its Audit Committee.

The ongoing process of controlling risk mandates and policies takes place in the Risk Committee, which reports monthly to the Board's Audit Committee. The business managers are responsible for implementing risk management in the daily operations, while risk identification and continuity planning are an important part of every manager's responsibility. Each year, a Group-wide Enterprise Risk Management process is implemented with all business units. This takes place in workshops with the management teams and the Group Risk Management, Group Compliance, Sustainable Development, Health and Safety, Information and IT Security and Internal Audit functions.

The risks of the business are identified and assessed on the basis of probability and impact on results, reputation and people.

The Group's risks are aggregated and the most significant ones are dealt with by the Risk Committee, Group Management and the Board, with continuous monitoring. The business managers ensure that risk measures for the businesses are in place.



Description of financial performance measures

Key figures	Description	Reason for use
Adjusted income	Adjusted income is income net of items affecting comparability.	An adjustment to exclude items affecting comparability.
Average equity/operating capital	Average capital is computed on the closing balance of each month in the accounting period, i.e., twelve periods for the full year. All average capital ratios are calculated in this way.	Ensures accurate calculation of return on equity and operating capital.
CAGR	Compound annual growth rate.	Shows the return on an investment.
Capital turnover rate	Net sales divided by average operating capital.	Shows the efficiency of the use of operating capital.
Cash flow from operating activities	Net income for the period adjusted for items that are not cash inflows or outflows but accounting costs, such as depreciation and capital gains/losses. Adjustments are also made for financial items and income taxes paid, and changes in inventories, operating receivables and operating liabilities.	Shows cash flow from operations that can be used for investments and acquisitions.
EBITDA according to bank definition	Operating income, excluding income from associates, and excluding depreciation, amortization and impairment. Operating income is also adjusted for acquired and divested companies and refers to the last 12 months.	To calculate the key ratio Net debt according to bank definition/EBITDA according to bank definition.
Equity ratio	Equity divided by total assets.	Shows the proportion of the assets that are financed by the owners.
Interest coverage ratio	Interest coverage ratio is calculated as income after financial items plus interest expenses divided by interest expenses.	Shows the ability to cover interest expenses.
Investments in non-current assets	Total of the period's investments in property, plant & equipment and intangible assets, excluding right-of-use assets.	The size of the investments made to maintain existing capacity and to achieve expansion and growth.
Items affecting comparability	The Group's income can be inflated or reduced by certain items that affect comparability. These are one-time items not directly related to the planned future operations and outside the range of MSEK +/-30.	Accounting for items that have been adjusted due to specific events that otherwise affect comparability between different periods. Provides a better understanding of the operating activities.
Liquidity reserve	Cash and cash equivalents and loans granted under the provisions in the existing loan agreements.	Shows the available borrowing capacity based on the current loan agreements.
Net debt	Net debt comprises interest-bearing liabilities, including pension liabilities and accrued interest, less financial assets.	Shows the net of interest-bearing assets and interest-bearing liabilities.
Net debt according to bank definition	Net debt according to bank definition is based on net debt, but it is calculated as the effect of no financial assets being included, except cash and cash equivalents and certain listed (liquid) shares, and less subordinated debentures.	To calculate the key ratio Net debt according to bank definition/EBITDA according to bank definition
Net debt according to bank definition/EBITDA according to bank definition	Net debt according to bank definition divided by EBITDA according to bank definition.	Indicates how fast a company can repay its debt (expressed in years).
Net debt/equity ratio	Net debt divided by equity.	Shows financial risk and is therefore used to view the level of debt funding.
Net financial income	Net financial income is finance income less finance costs.	Shows the net result of the company's financial operations.
Operating capital	Operating capital is calculated as non-interest-bearing assets minus non-interest-bearing liabilities. Tax assets and tax liabilities are not included in operating capital's assets and liabilities.	Shows how much capital is used in the operations.
Operating income	Operating income consists of net sales and other operating income less operating expenses.	Shows the result of operating activities.
Operating margin	The operating margin is operating income as a percentage of net sales for the period.	Shows operating income as a percentage of net sales in operating activities.
Return on equity	Return on equity is calculated as annualized net income for the period divided by average equity.	Shows owners the return on their invested capital.
Return on operating capital	Return on operating capital is calculated as annualized operating income for the period divided by average operating capital.	Measures the return on the capital used in the business.

Glossary

Agenda 2030 • The UN's 17 Global Goals in Agenda 2030 were adopted by the UN countries in September 2015 and are a common vision with goals for achieving sustainable development for all.

Agrodrank • Protein-rich animal feed produced at Agroetanol in Norrköping.

Audit • Third-party inspection of suppliers through notified or unannounced visits, with follow-up of requirements in the Supplier Code of Conduct.

B2B • Business-to-business, non-consumer related sales.

Biodiversity • Describes the variation between species, within species and habitats found on Earth.

BRC • British Retail Consortium, a global food safety standard.

Carbon Law • Researchers' name for the rate required to reduce the climate impact in line with the Paris Agreement target of keeping the global warming increase well below 2 degrees, with the ultimate aim of 1.5 degrees. To achieve this, the Carbon Law requires carbon dioxide emissions to be halved every decade from 2020.

Catch crop • Catch and intermediate crops provide the soil with cover between the cultivated crops. In this way, they help to increase carbon sequestration in the soil and catch any excess nitrogen from the cultivation.

Code of Conduct • Guidelines on ethical and responsible business operations for companies and organizations.

CO₂e, carbon dioxide equivalents • Measurements of greenhouse gas emissions. All emissions, apart from carbon dioxide, are multiplied by a Global Warming Potential (GWP) to allow comparisons for all greenhouse gases.

CSA • A credit support annex is an agreement that governs how a party with an outstanding debt must provide collateral in the form of cash or securities.

CSR • Corporate Social Responsibility. Also describes companies' efforts to integrate social and environmental considerations into their business.

Ecosystem services • Describes functions in the cycle that nature's ecosystems contribute to – e.g., air and water purification, crop pollination, bacteria and worms that make the soil fertile.

ERM process • Enterprise Risk Management, a structured and proactive risk management process.

Functional food • Food with documented health benefits.

Genomic selection • New plant breeding technology based on statistical models and genetic mapping.

Global Compact • UN corporate social responsibility initiative. An international framework of ten principles in the areas of human rights, labor, environment and anti-corruption.

GRI • Global Reporting Initiative. Provides guidelines for sustainability reporting that can be used by organizations to report environmental, social and economic aspects of their business, products and services.

IFRS • International Financial Reporting Standards. Learn more at ifrs.com

ISDA agreement • A standardized contract for financial trading.

LCR • Liquidity coverage ratio, can also be described as the proportion of highly liquid assets that can be used to settle current liabilities.

Pulses • Cultivated large-seeded legumes, such as peas, vetches, lupins and beans.

R&D • Research and Development.

RSPO • Round Table on Sustainable Palm Oil. International round table process to develop criteria for sustainable palm oil. More about the RSPO certification levels Book & Claim, Mass Balance and Segregated can be found at rspo.org

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

Stem-shortening agent • An agent that reduces the risk of crop lodging. A stem-shortening agent is basically the only plant protection agent that can be sometimes found in detectable residue levels in the grain raw material.

Value added • EBITDA plus employee benefits expense.

Vigor test • The germination capacity of the seed is tested in real soil under more authentic conditions than traditional tests. In this way, weaker batches can be removed.

Zoonoses • Diseases or infections that are transmissible between animals and humans – may be caused by viruses, bacteria, fungi and parasites.



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This applies to every stage of the production chain

– from the felling of a tree to the departure of the

finished product from the factory gate.

All carbon emissions involved in the production

of this paper have been climate-compensated.



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**Lantmännen creates
value from arable land
resources in a responsible
way, from field to fork**



**Together we take
responsibility
from field to fork**