



2022

Lantmännen Annual Review

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Sustainability Report

The statutory sustainability report can be found in Lantmännen's Annual Report with Sustainability Report 2022, and can be downloaded from → lantmannen.com/financial-information

Listen to us!

Listen to selected parts of Lantmännen's Annual Report with Sustainability Report on a computer or mobile.

→ lantmannen.se/lyssna2022 (available in Swedish)

Lantmännen's Annual General Meeting

The Annual General Meeting will be held at Hilton Stockholm Slussen on Wednesday, May 3, 2023. The meeting will also be broadcast digitally.

Financial Reports

Interim 1st four months	May 31, 2023
Interim 2nd four months	October 4, 2023

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



**From field to fork
with thriving farming!**



The Group in figures 2022

Net sales

MSEK 60,612

Net sales for the Group amounted to MSEK 60,612 (48,183), an increase of 26 percent.

Operating income

MSEK 2,307

Operating income was MSEK 2,307 (2,302) and adjusted for items affecting comparability MSEK 2,715 (2,323).

Income after financial items

MSEK 2,128

Income after financial items was MSEK 2,128 (2,181) and adjusted for items affecting comparability MSEK 2,536 (2,202).

Net income after tax

MSEK 1,791

Net income after tax amounted to MSEK 1,791 (1,887).

Cash flow

MSEK -2,468

Total cash flow before financing activities was MSEK -2,468 (1,704).

Proposed dividend

MSEK 1,080

The Board proposes a refund and supplementary payment of MSEK 374 (341), a contribution dividend of MSEK 403 (362) and a contribution issue of MSEK 303 (297). The Board also proposes a dividend on subordinated debentures of MSEK 15 (18).

Number of employees

10,356

The average number of Lantmännen employees was 10,356 (10,092), an increase of 3 percent.

Number of members

18,256

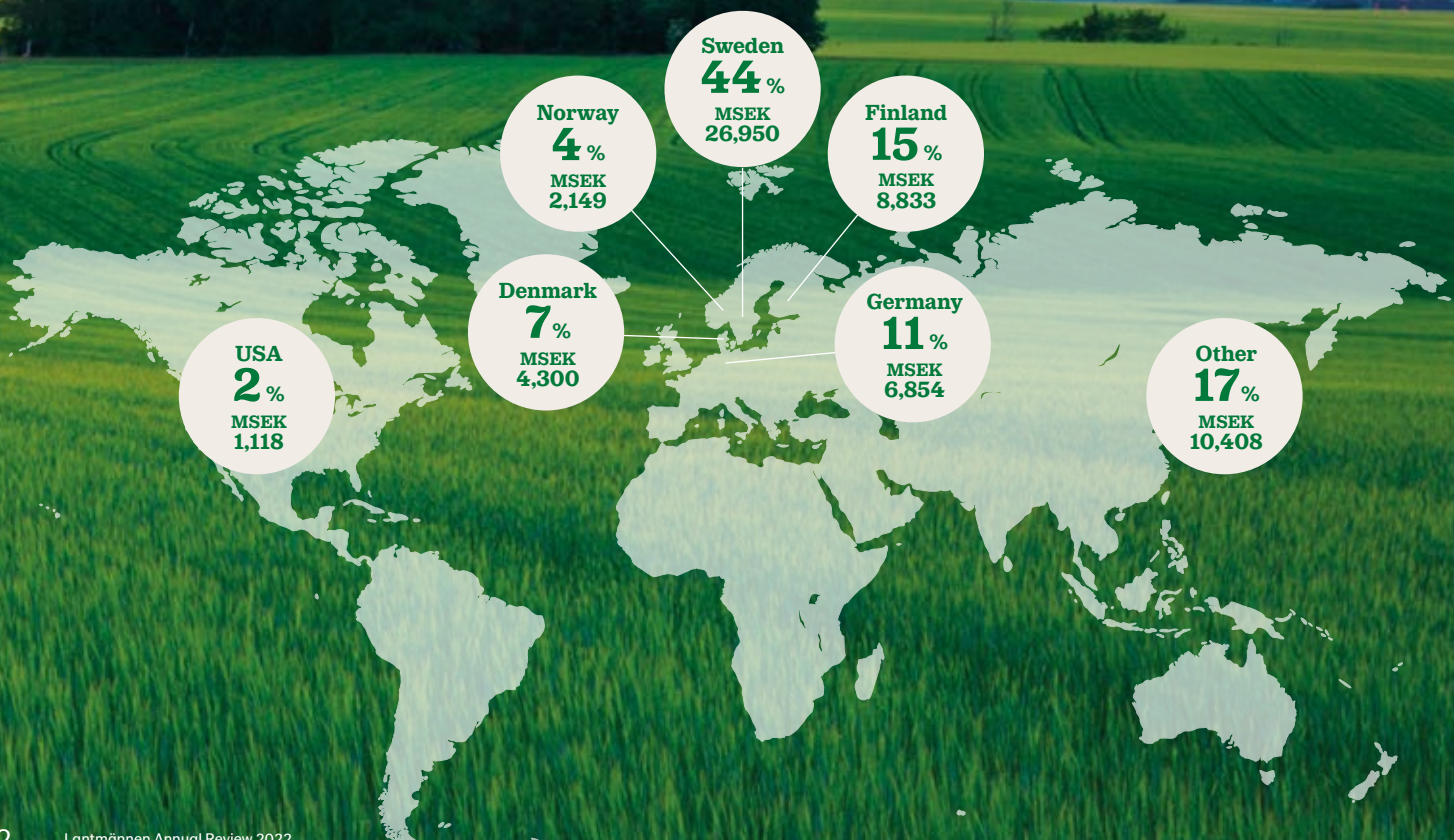
The number of Lantmännen members was 18,256 (18,726), a decline of 2.5 percent.

Reduced climate impact

31 % CO₂e

From 2019 to 2022, Lantmännen reduced emissions by 31 percent, calculated as CO₂e tonnes per MSEK net sales.

Sales by market



Key figures

Financial performance measures	2022	2021
Net sales, MSEK	60,612	48,183
Operating income, MSEK	2,307	2,302
Operating margin, %	3.8	4.8
Income after financial items, MSEK	2,128	2,181
Net income after tax, MSEK	1,791	1,887
Cash flow before financing activities, MSEK	-2,468	1,704
Investments in non-current assets, MSEK	3,074	2,362
Net debt, MSEK	9,761	6,673
Total assets, MSEK	51,099	43,347
Return on operating capital, %	7.2	8.4
Return on equity, %	8.3	10.0
Equity ratio, %	44.9	46.4
Net debt (bank definition)/EBITDA	1.9	1.3

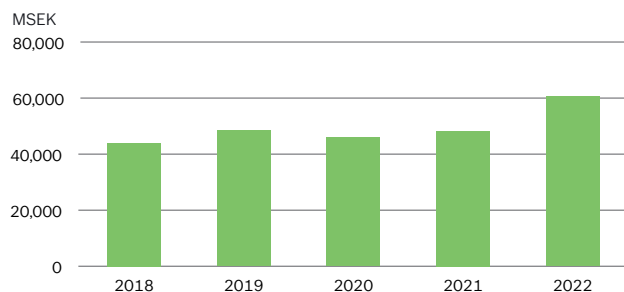
Lantmännen reports alternative performance measures in accordance with the European guidelines from ESMA (European Securities and Markets Authority).

For a description of financial performance measures, see → page 77.

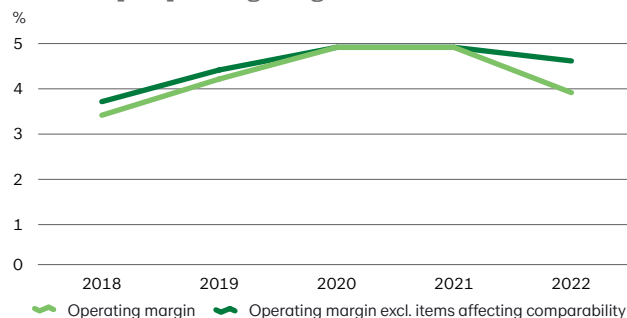
Excl. items affecting comparability	2022	2021
Operating income, MSEK	2,715	2,323
Operating margin, %	4.5	4.8
Income after financial items, MSEK	2,536	2,202
Net income after tax, MSEK	2,157	1,904
Return on operating capital, %	8.4	8.5
Return on equity, %	10.1	10.1

Non-financial key figures	2022	2021
Number of members	18,256	18,726
Average number of employees	10,356	10,092
of which women/men, %	35/65	35/65
Employee satisfaction/Leadership	70/76	70/76
Sick leave	5.2	4.4
Injury rate	13.5	14.3
Tonnes CO ₂ e/MSEK net sales	1.98	2.50
Weighted grain volume, thousand tonnes	2,482	2,422
of which Climate & Nature, volume, thousand tonnes	115	94

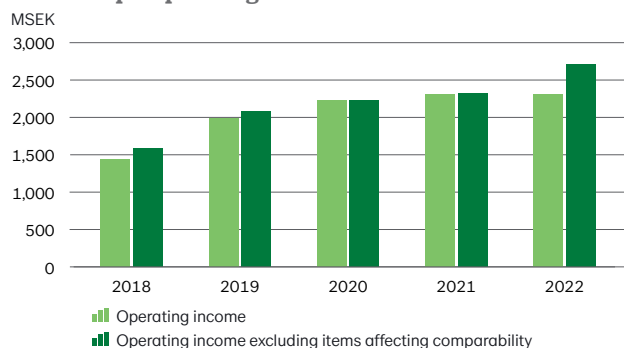
The Group's net sales



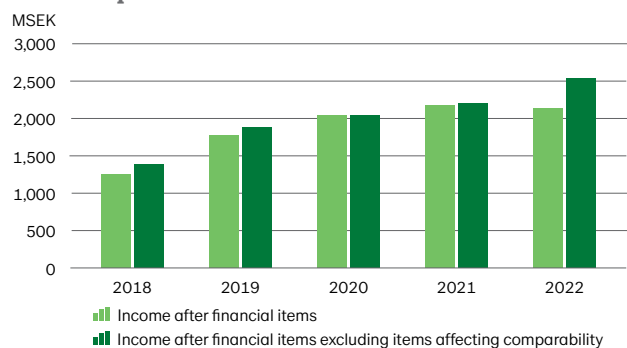
The Group's operating margin



The Group's operating income



The Group's income after financial items



Our Sectors and Business Areas

Lantmännen is a farmers' cooperative and Northern Europe's leader in agriculture, agricultural machinery, bioenergy and food products. We are owned by 18,000 members, and have 10,000 employees, operations in over 20 countries and an annual turnover of SEK 60 billion.



Agriculture Sector

The Agriculture Sector is Lantmännen's core business, promoting strong, competitive farming, with operations in Sweden and internationally. The Sector is based in Sweden and has a strong position in the Baltic Sea region and international ownership.

47% of the Group's sales

Grain, feed, fertilizer, crop production, machinery, servicing
→ see page 34



Energy Sector

The Energy Sector is one of Sweden's largest producers of bioenergy products and operates in a global market with the main focus in Europe.

10% of the Group's sales

Ethanol, protein feed, starch, gluten, vodka, fuel pellets, oat protein, alkylate petrol
→ see page 40



Food Sector

The Food Sector refines grain and other raw materials from arable land and produces flour, bread, breakfast products, pasta and ready meals. The Sector offers "Good food" to food retail and food service customers and the food industry.

29% of the Group's sales

Flour, bread, pasta, breakfast products, ready meals
→ see page 44



Swecon Business Area

Swecon is a partner of Volvo Construction Equipment and a dealer in machinery for the construction industry in Sweden, Germany, Estonia, Latvia and Lithuania. Swecon also offers servicing and support through its 96 service facilities.

13% of the Group's sales

Construction machinery, equipment, spare parts, training, servicing and support
→ see page 50



Real Estate Business Area

Lantmännen Fastigheter's task is to provide the Group's businesses with appropriate properties and optimize the return on externally leased properties.

1% of the Group's sales

Property leasing, property management and construction
→ see page 54

Lantmännen's business model

Lantmännen is a farmers' cooperative owned by Swedish farmers. Research, development and operations throughout the value chain enable us to take responsibility together from field to fork. Our business model creates the conditions for long-term, profitable and sustainable farming. Profit from our operations is reinvested in farming, which creates value for Swedish farming.

The farmers' cooperative

Our 18,000 members are both owners and business partners. Together, we utilize the benefits of the cooperative form of enterprise to contribute to the profitability of members' farms and optimize the return on their capital in the association.

Value from farmland

We refine arable land resources in a responsible way 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.

Research and innovation

Our profit is reinvested in making farming thrive, either directly on members' farms, in Lantmännen's operations or in research and innovation. Every year, for example, approximately MSEK 400 is invested in research and development within farming of the future, bioenergy and food.

Operations from field to fork

We have operations throughout the value chain, from field to fork. Having a presence in several businesses, both locally and globally, creates business opportunities, stability and sustainability, and particularly a unique opportunity to influence development and take responsibility from field to fork.



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The harvest is the basis of Sweden's food supply and it is vital that Swedish farmers are able to bring in a good, high-quality harvest.



Chairman's comments

2022 an unforgettable year

The first thing that comes to mind when I think about 2022 is of course Russia's war in Ukraine, which affected both Lantmännen and the members in various ways throughout the year.

Ukraine has been an important part of international grain trading, but the war has restricted exports from Ukraine and the surrounding region, leading to a rise in world grain prices. Availability of inputs and raw materials was also affected. Supply has been limited and prices have risen, which has affected the cost situation for farming in Sweden. This means that financial performance differs significantly from farm to farm depending on when they bought inputs and sold their grain, and their type of production.

The harvest has been normal, or even a little better, in large parts of the country. In total, 5.8 million tonnes were harvested, which is slightly higher than the five-year average. The exception was the eastern parts of the country, which were below the average figure.



Membership activities during the year have been characterized by well-attended members' meetings and a high level of commitment from our elected representatives.

Active members

I welcome the fact that we have been able to resume physical meetings after the pandemic. We need to meet properly in order to develop organizations, relationships and business. Membership activities during the year have been characterized by well-attended members' meetings and a high level of commitment from the elected representatives. The Group Board has also set up several working groups with the task of making Lantmännen even better in various ways.

Consumer attitudes have changed

Society's attitude to Swedish farming has changed in a positive direction. There is an appreciation, which manifests itself in various forms, that Swedish farmers produce good quality food in a sustainable way. This change in attitude creates opportunities to increase production and to develop new business that strengthens the individual agricultural company.

Lantmännen's overall strategy, from field to fork, is a perfect fit – today and in the future. It has never been more relevant than now. Lantmännen takes total responsibility for the food we eat, from field to fork, bringing the farmer all the way into the kitchen.

Robust food chain

Sweden got a new government during the fall and, as always, hopes are raised when a new government takes office. In the light of developments in recent years – drought, pandemic and now war – there is support for advancing farming's positions in many areas and, for example, creating a robust food supply chain. The issue of Sweden's food preparedness will continue to be relevant for many years to come, and Lantmännen is in a key position to find solutions to ensure food security. Expanded Nordic collaboration on these issues is a high priority. We can learn from each other and find common solutions. It was therefore logical that the Lantmännen and Ultuna Student Union 'From Field to Fork Scholarship' this year went to an essay on how Sweden's self-sufficiency in beef can be increased.

Sustainability work bears fruit

Lantmännen's work for climate-neutral farming continues. There is great interest in our work. Never before have so many customers of Lantmännen contacted us, wanting to visit one of our three farms of the future, Viken, Bjertorp and Svalöv. Lantmännen's farms of the future carry out testing and evaluation of new cultivation methods, technological development and data collection. In short, farming of the future is demonstrated in real life, as well as how we create the conditions for a sustainable food chain.

In the work on climate targets and development of Lantmännen's Climate & Nature cultivation program in Sweden and Finland, we have reached the point where we can reap the benefits. Lantmännen will be able to offer food products produced in a fossil-free value chain.

Research and development creates profitability at members' farms

Lantmännen's investments in research and development have been considerable in 2022. In total, approximately MSEK 400 has been invested in research programs, product development and innovation. We are collaborating with SLU on the

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We face challenging times in an unsettled world, but we are strong as a company. We will continue to develop a world-class Lantmännen and world-class Swedish farming.

Grogrund program, which works on plant breeding aimed at producing varieties adapted to our north European climate. Lantmännen is also one of the initiators and founders of the company Agronod, whose business concept is data collection that can support measures to reduce climate impact and be of use to Swedish farmers. It is increasingly important for farmers to have ownership of the farm's data. In 2022, Lantmännen's research foundation financed about 20 projects with a total budget of MSEK 50. Overall, this helps to create the conditions for profitability at members' farms and to equip farming for the future.

World-class strategy, businesses and employees

The last year has challenged our business and operations in various ways, but it has also shown that we have a world-class strategy and employees who are able to handle uncertainty, risk and challenges. It is very pleasing that Lantmännen has been able to deliver its best result ever this year.

The record result for 2022 creates opportunities and confidence in the future for both active Swedish farmers and Lantmännen.

On the basis of the record result, Lantmännen's Board proposes a dividend of MSEK 1,080 to Lantmännen's members. The dividend proposal consists of a refund and supplementary payment totaling MSEK 374, a contribution dividend of 10 percent and a contribution issue of MSEK 303.

This is the highest dividend ever that Lantmännen's AGM will decide on in Stockholm on May 3 and it represents an important contribution to securing profitable, thriving Swedish farming and a robust Swedish food supply.

I would like to conclude by thanking Lantmännen's Group President & CEO Magnus Kagevik, who has had to manage many challenges in his first year. He has done so with inspiring leadership and with great care for Lantmännen and our employees and members in these turbulent times.

Mosslanda, February 2023

Per Lindahl
Chairman, Lantmännen





President's overview

Lantmännen stands firm

Lantmännen delivered a historically strong result for 2022, while facing major challenges in the external environment – including the ongoing war in Ukraine and an unstable global economy.

We currently find ourselves in a challenging situation, with significant economic uncertainty and a generally troubled external environment. 2022 was largely dominated by the tragic Russian war in Ukraine and its consequences. Since the start of the war, Lantmännen's top priority has been the safety of our employees in Ukraine. I am proud of the way our employees have dealt with the war and of their courage and commitment to continue producing and delivering food to the Ukrainian people.

Prices of all types of raw materials, energy and transport have risen to historically high levels in recent years. In the second half of 2022, inflation also rose to the highest levels in a very long time, both in Sweden and globally, resulting in higher key interest rates. In short, the global economy is under severe pressure, which affects all of Lantmännen's businesses. At the same time, Lantmännen delivered a historically strong result for 2022. Income after net financial items, adjusted for items affecting comparability, amounts to MSEK 2,536.

Our broad and stable business portfolio is a major reason for this, and as in previous difficult times, such as the 2018 drought and the coronavirus pandemic, some businesses have delivered stronger results while others have faced challenges. In 2022, the businesses in the Energy Sector and Swecon Business Area delivered their highest operating income ever, while our Food Sector businesses were squeezed by increased costs of raw materials and energy, which have not been fully offset by price increases.

How our Sectors and Business Areas performed

The Agriculture Sector's earnings were significantly higher than in the previous year, mainly driven by the Swedish agricultural operations. Earnings for the Finnish agricultural operations were lower than in the previous year as result of poorer earnings for the grain business. Lantmännen Maskin's earnings also declined, partly due to the general downturn in the machinery market.

The Energy Sector improved its earnings significantly compared with the previous year, largely due to historically high ethanol prices, as well as good production and sales for all businesses. Earnings were also positively affected by Lantmännen being the sole owner of pellet manufacturer Scandbio since April and by the addition of the UK company Coryton, which was acquired in February.

The Food Sector's earnings have declined compared with the previous year. All businesses in the Sector have faced major challenges in the form of rising prices of raw materials, energy and transport. Cost-based price increases to customers have been implemented, but the Sector's earnings were adversely affected by time lags and the price increases will need to be continued.

The Swecon Business Area delivered new record results in 2022. Machine availability has remained limited due to factors such as component shortages and difficulties related to shipping and logistics. Despite this, Swecon's sales have increased in all markets. Aftermarket sales also showed

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The new geopolitical market situation presents new strategic development opportunities for Lantmännen.

Together we will continue to develop Lantmännen to ensure profitable, thriving farming and, of course, keep the climate issue high on the agenda in all our businesses.



positive development, with good demand for both servicing and spare parts.

The Real Estate Business Area showed stable development, although earnings for 2022 were lower than in the previous year, largely due to lower profit shares from partly-owned companies and the negative impact of high energy prices.

Continued investments throughout the grain value chain

Lantmännen continues to invest throughout the chain from field to fork – partly in the form of new production facilities and product areas, and partly through collaborations and new cultivation concepts. Our gluten facility in Norrköping underwent final testing towards the end of 2022, with production scheduled to start in the first half of 2023. The gluten facility will complement the production of biofuels, carbon dioxide and feed. During the year, we also started the detailed design of a new large-scale pea protein production facility in Lidköping. The investments strengthen our operations in food ingredients and plant-based proteins.

Two other key investments are related to reducing the climate impact in the cultivation stage. During fall, the first batch of malting barley was harvested, grown according to Lantmännen's Climate & Nature cultivation method, which reduces climate impact by up to 30 percent. Spendrups will use approximately 3,000 tonnes of the malting barley harvest to brew almost 18 million liters of beer with lower climate impact. Lantmännen's collaboration with Yara on fossil-free mineral fertilizer will enable us to offer fertilizer produced with renewable energy rather than natural gas. This is a crucial step in achieving climate-neutral farming, and means that we will be able to offer the very first grain products from a fossil-free value chain this year.

Lantmännen is also investing in the rest of the Baltic Sea region. One example is the acquisition of the Finnish food company Myllyn Paras, which was completed in June.

With the company's mill and bakery business, we now have operations throughout the chain from field to fork in Finland, which strengthens the scope for long-term innovation and offering attractive and sustainable products on the Finnish market. Since 2015, we have made significant investments in Finland, which is now our second-largest market.

Lantmännen can manage the challenges

The great uncertainty in the external environment has led to rapid macroeconomic changes and extreme price movements in the market – a situation that is expected to persist. The economy is slowing across the whole of Europe and high inflation is placing pressure on businesses and individuals alike. Against this backdrop, it is heartening to note that Lantmännen stands firm and is ready to manage the challenges it faces.

First and foremost, we remain in a strong financial position, with a strong balance sheet and good results. This gives us important maneuverability to take action to deal with the challenges and to invest when opportunities arise. Secondly, we have a strong brand, which reflects the important role we play in society and the investments we are making for the future. Lantmännen is perceived as a purposeful, responsible and sustainable company, something we should all be proud of. Our clear focus on organization and talent development, skills supply and leadership helps us to perform better, adapt to changing conditions and create innovative solutions and offerings.

I am confident that we are well positioned to face the future in both the short and long term. Lantmännen's ambition is to be the world's best agricultural cooperative and I look forward to continuing to develop the Group together with all our members and employees.

Stockholm, February 2023

Magnus Kagevik
Group President & CEO

Significant events in 2022



City of Västerås acquires silo facilities from Lantmännen

An agreement has been reached whereby the city of Västerås will acquire and take over the silo facilities in the center of Västerås by 2029. *January 2022*



Magnus Kagevik new Lantmännen Group President & CEO

Magnus Kagevik, former Lantmännen COO and Head of the Energy Sector, succeeds Per Olof Nyman who has retired. Magnus has solid international experience, strong industrial expertise and is an appreciated leader. He also has a genuine interest in Swedish farming and its conditions. *April 2022*

Agreement for fossil-free fertilizer

Lantmännen and Yara are the first companies to sign a commercial agreement to launch fossil-free mineral fertilizer, produced with renewable energy. *January 2022*

Lantmännen Aspen acquires Coryton

Lantmännen Aspen expands internationally as it acquires specialty fuel supplier Coryton. With a base in the UK and operations on both the European and American continents, the acquisition creates opportunities and synergies within the growing sustainable fuel segment. *February 2022*



Lantmännen's acquisition of Scandbio completed

In February, Lantmännen signed an agreement to acquire the remaining shares in Scandbio. Following approval by the relevant competition authorities, the acquisition has now been completed and Scandbio is wholly owned and operated by Lantmännen. *April 2022*



Acquisition of shares in KG:s Ägg

Lantmännen has acquired 30 percent of the shares in KG:s Ägg, a leading Swedish egg packaging company. The acquisition brings increased scope for development in the Swedish egg value chain and is in line with our strategy to increase initiatives and investments within food supply in Sweden. *March 2022*

Update of Lantmännen's green bond 2022

Lantmännen's Board has decided to update its Medium Term Note (MTN) program, under which Lantmännen is able to issue green bonds. Finansinspektionen (the Swedish Financial Supervisory Authority) has approved and registered the base prospectus. *April 2022*



Swecon acquires Kewab Rental

Lantmännen-owned Swecon Anläggningsmaskiner has broadened its operations by acquiring the rental company Kewab Rental. With one of Sweden's biggest and widest range of large construction machines for rental and hire purchase, the acquisition creates synergies and the opportunity to meet customer demand for rental machines. *May 2022*



Lantmännen Cerealia in partnership with Mycorena

Lantmännen Cerealia has initiated a partnership with Foodtech company Mycorena, with the shared ambition to develop food of the future, based on mycoprotein, for the Nordic market. *May 2022*



Lantmännen in partnership with Spendrups

Lantmännen and Spendrups have started a collaboration where malt barley, the main ingredient in beer, is grown according to Lantmännen's Climate & Nature program. These cultivation methods reduce climate impact and promote biodiversity. *May 2022*

Lantmännen completes acquisition of Finnish Myllyn Paras



The acquisition is a key step in strengthening Lantmännen's position in Finland and broadening its range of grain-based products to meet the growing demand for products with local origin in the Nordics. Lantmännen welcomes the 110 employees into the Group. *June 2022*



Inauguration of Svalöv farm of the future

At Lantmännen's plant breeding department in Svalöv, future crops are developed much faster than before. With new cultivation chambers, enhanced computing power and an advanced laboratory, crop characteristics can be mapped with high precision. The aim is to develop new varieties with increased yields, better quality, and stronger resistance to climate change, disease and infestation. *June 2022*



Plant breeding of oats

Lantmännen's research company CropTailor and ScanOats in Lund have sequenced the entire genome of oats. This opens opportunities to develop oats that are healthy and can be grown sustainably. Plant breeding is crucial for sustainable, thriving farming and an innovative, forward-looking food industry. *May 2022*

Lantmännen Research Foundation – 2022 Open call

Each year, Lantmännen Research Foundation awards MSEK 25 to research in the entire value chain from field to fork. The goal is sustainable farming aiming for climate neutrality by 2050 and increased productivity to ensure viable agriculture and food supply over time. Through Lantmännen Research Foundation, we invite researchers to collaborate on future opportunities in agriculture, food, bioenergy and green materials.

July 2022



Lantmännen Agrovärme divested

Lantmännen has divested Lantmännen Agrovärme, which produces, distributes and sells district heating in southern and central Sweden. The buyer is Solör Bioenergi – one of the largest players in the Swedish and Nordic district heating market.

September 2022

Billion investment makes Lantmännen unique in northern Europe

The investment of over SEK 1 billion in a new large-scale production facility for pea protein in Lidköping strengthens Lantmännen's leading position in plant-based proteins. The pea proteins will complement the existing range of sustainable grain-based proteins from wheat and oats. The new facility is expected to be completed in early 2026. The billion-sized investment enables Swedish farmers to grow another crop in their crop rotation, which has several advantages for both environment and climate.

September 2022



Expansion in Romania

Lantmännen Unibake has begun the first step in a planned MEUR 90 investment in a state-of-the-art bakery in Romania. The total investment will create more than 300 new jobs on top of the 130 people already employed at Lantmännen Unibake Romania.

September 2022

FINN CRISP snacks – Grocery of the Year

The Grocery of the Year award, presented for the 16th year in a row, goes to FINN CRISP snacks – Creamy Ranch – from Lantmännen Cerealia. The prize, awarded by the industry organization Svensk Dagligvaruhandel, aims to draw attention to successful launches, while inspiring further innovation and product development.

October 2022



Lantmännen's history, major acquisitions, divestments and ownership interests

SVENSKA
LANTMÄNNEN
IS FOUNDED

2001

ACQUISITIONS

- Elsö Pesti
- Sopps
- Könicke

2010

DIVESTMENT
• SweChick

ACQUISITION
• Agro Bizz

2013

DIVESTMENTS
• Kronfågel
• Cerealias mill in Riga

ACQUISITION

- Strängnäs Valskvarn

FOUNDED

- Agroenergi Neova Pellets

2014

DIVESTMENTS
• Bygglant
• SW Seed Germany & Poland
• SW WinterOil Seed

ACQUISITIONS

- Vaasan
- Crop Tailor

2015

DIVESTMENT
• Doggy

ACQUISITIONS

- Kalmar Lantmäns machinery operations
- Dataväxt
- Frozen Bakery Products

2016

Lantmännen converts its HaGe Kiel shares into shares in team SE

team SE, a German company with operations in building materials and energy became the majority shareholder of HaGe Kiel and Lantmännen has converted its HaGe Kiel shares into newly issued team SE shares. Danish cooperative DLG is the majority owner of both HaGe and team SE.

October 2022

Reduced climate impact from plastic

By 2025, Lantmännen, Felleskjøpet (Norway) and Hornsyld Købmandsgaard (Denmark) will replace Trioworld's entire range of bale wrap film with products made from at least 30 percent recycled material. October 2022



Lantmännen ranks no. 1 as Sweden's most purposeful company

Management consultancy Lynxeye conducts an annual survey of how purposeful the general public perceive Sweden's 50 largest companies to be. Lantmännen takes first place as Sweden's most purposeful company. October 2022



2022 Harvest

According to the Swedish Board of Agriculture's latest forecast, the Swedish grain harvest for the year was 5.8 million tonnes, which was higher than the five-year average and what had previously been forecast. The harvest quality was generally good, with low water content. In addition, the total oilseed harvest is estimated at 0.4 million tonnes, 27 percent higher than the latest five-year average. A very intense harvest period put pressure on reception and transport capacity. Low grain stocks in exporting countries, combined with the war in Ukraine, led to historically high grain prices and an unusually volatile market. Lantmännen's broad network continues to be important for our trading activities. The outbreak of war initially brought higher demand for wheat from the EU.

MSEK 35 for growth on Swedish farms

Tillväxtbolaget has raised MSEK 35 in new capital from its owners to enable further investments on Swedish farms. Venture capital is needed to increase the productivity and profitability of Swedish agricultural enterprises.

October 2022

Lantmännen's business portfolio creates value from farmland for our members

ACQUISITIONS

- Anderson Bakery
- K-maatalous
- Orient Products
- Marline
- Byavärme

ACQUISITIONS

- Raisios cattle feed business
- ThermoSeed Global

ACQUISITIONS

- Bakery Du Jour
- Tate & Lyles oat business in Kimstad

ACQUISITION

- Parts of French Bakery in Norway

ACQUISITIONS

- Coryton
- KG:s Ägg
- Scandbio
- Kewab Rental
- Myllyn Paras

2017

DIVESTMENTS

- LMB Danmark
- Akershus Traktor

2018

2019

2020

2022

DIVESTMENT

- Lantmännen Agrovärme

A valuable membership

Lantmännen's cooperative form of enterprise has many advantages, notably the democratic structure, one member one vote, and the economic benefits of being an owner who receives dividends and returns. As a cooperative enterprise, Lantmännen contributes to the profitability of members' farms, providing knowledge, research and development, and advice.

Involvement and activities in the districts

Members of Lantmännen are both business partners and owners of Lantmännen. They are members of an association that processes the grain that is produced and they are involved in stewardship of the earth for future generations.



Lantmännen creates business value and contributes to the profitability of the members' farms.

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. Lantmännen's 20 districts are the basis for the members' influence and an important link between the members and Lantmännen. *The district boards* work on overall strategic issues regionally in close cooperation with Lantmännen Lantbruk and Lantmännen Maskin.

Benefits for members

Savings account

A savings account with Lantmännen is a safe choice to make money grow. Lantmännen members also receive an extra preferential interest rate.

Members' meetings

Every year, a number of different meetings and gatherings are organized for Lantmännen members. What is offered varies from district to district depending on needs and interest.

Ambassador program

Each district can propose participants in Lantmännen's Ambassador program for young members. Around 30-40 participants from across the country meet and are given the opportunity to get to know different parts of Lantmännen.

Training

All Lantmännen members can learn more about how the member organization works – e.g., through the website, LM² etc. New elected representatives on the district boards and nomination committees undergo a three-day training program. Participants are trained in Lantmännen's business operations, communication and IT security.

Grodden members' magazine

Grodden comes out four times a year. In addition to the Grodden magazine, there is also a Grodden podcast.



LM² portal

Members have access to the LM² portal's digital services. The LM² portal's business overview shows current agreements and order information. Under the Machinery



Lantmännen's AGM May 5, 2022

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 adopted dividend was MSEK 1,000, the highest ever.

All Board members, the Group President & CEO, Group Management, the presiding officers, delegates, authorized auditors and member representative auditors attended the meeting, which could also be followed via webcast.



tab members will find servicing history, Lantmännen Maskin's e-commerce and the option to book a machine service.

My grain business gives a full overview of physical grain business with Lantmännen. For example, how much harvest of each crop a member has sold and at what prices. LM² also gives access to financial trading in grain, directly on one of the world's largest commodity exchanges.

Under the *Feed tab*, members can view all their feed agreement details and information on when they expire.

VäxtRåd's newsletters can be found in *Dataväxt's* services.

Where earnings are created

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 added value.

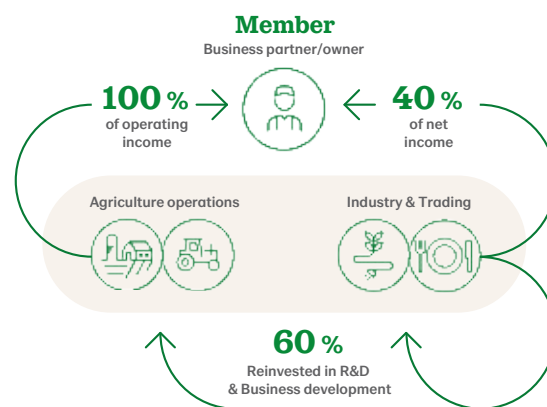
Dividend policy

The Board evaluated and updated the dividend policy in 2022. The intention is that the dividend level will be adjusted to the Group's earnings, financial position, cash flow and strategic investment needs. The Board's aim is that Lantmännen's will generate regular and stable dividends for members over time.

Members receive dividends through:

- *Refund* – calculated on members' purchases from Lantmännen Lantbruk Sweden, Lantmännen Maskin and Swecon's Swedish operations.
- *Supplementary payment* – calculated on members' sales of grain, oilseeds, pulses and forages to Lantmännen Lantbruk.
- *Contribution dividend* – paid in proportion to members' paid-in and issued contribution capital. The dividend is based on the results of the processing and industrial operations.
- *Contribution issue* – some of the earnings from Lantmännen's industrial operations are distributed to members by transferring collective capital to individual capital. The contribution issue distribution is 50 percent on trading with Lantmännen and 50 percent on paid-in and issued contributions.

Lantmännen's dividend model

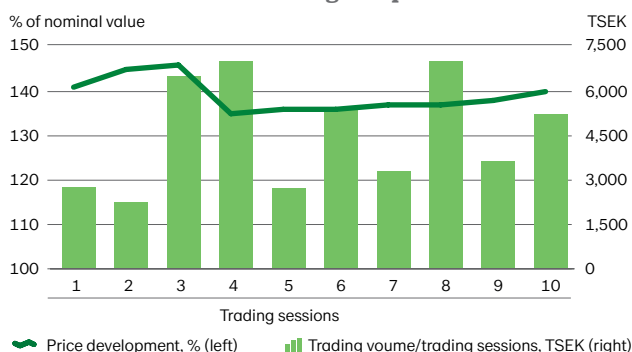


Trading in contribution issues

Contribution issues are one of many good reasons to be a member of Lantmännen. They are based on the portion of the profit from Lantmännen's industrial operations that is distributed to the members.

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 10 trading sessions in 2022 and the total turnover was MSEK 44 (52). The transaction price varied between 135 and 146 percent of the nominal value.

Contribution issues – trading and price trend 2022



Dividend to members 2022

Refund, supplementary payment, contribution dividend and contribution issue are terms that keep coming up when we talk about benefits of being a Lantmännen member. All of the terms are linked to the fact that you are a member and that you benefit directly from both trading with and owning Lantmännen.

For 2022, the Board has proposed that the AGM adopt a dividend as follows: refund and supplementary payment of 2.0 (2.5) percent on trading with Lantmännen Lantbruk Sweden, excluding the fuel business, a 0.5 (-) percent refund on members' purchases from Lantmännen Lantbruk Sweden's fuel business and a 0.5 (1.5) percent refund on members' purchases from Lantmännen Maskin's and Swecon's Swedish operations. The total refund and supplementary payment is estimated at MSEK 374 (341).

The Board proposes a contribution dividend of 10 (10) percent of the contributions' nominal value, totaling MSEK 403 (362), and a contribution issue of MSEK 303 (297).

In addition, a 6.0 (7.25) percent dividend on subordinated debentures, totaling MSEK 15 (18), is proposed, based on the conditions in the subordinated debenture offer.

Contributed capital – paid-in and issued

Lantmännen's members invest capital through their contributions in the association. Contributed capital amounted to MSEK 4,027 (3,624) at the end of 2022 and consisted of paid-in contributions of MSEK 1,642 (1,512) and issued contributions of MSEK 2,385 (2,112).

The contribution issue members receive is collected in their account for issued capital and this is the capital that constitutes contribution issues. Our members can easily see their balance via LM² Finance.



Contributed capital

MSEK	2022	2021	2020	2019	2018
Paid-in contributions	1,642	1,512	1,402	1,373	1,318
Issued contributions	2,385	2,112	1,826	1,586	1,346
Total	4,027	3,624	3,228	2,959	2,664

“All members get to share in the Group's profit and can influence how Lantmännen is governed.”

Dividend ¹⁾

MSEK	2022 ²⁾	2021	2020	2019	2018	2017	2016	2015	2014	2013
Refund and supplementary payment	374	341	305	208	157	245	231	188	135	129
Extra dividend	-	-	-	-	-	133	-	-	-	-
Contribution dividend	403	362	291	237	213	222	207	193	178	171
Contribution issue	303	297	306	288	250	100	70	50	150	-
Total	1,080	1,000	902	733	620	700	508	431	463	300

¹⁾ Reported amounts may include adjustments compared with previous years' proposals. ²⁾ Pursuant to Board's proposal for 2022.

Market and business environment

Lantmännen's principal market is northern Europe, with a focus on the Nordic and Baltic Sea region. The war in Ukraine and the subsequent sanctions against Russia have affected our businesses and also contributed to a completely changed trade picture both in Europe and globally. The year has been marked by the complex situation of inflation, soaring prices of grain, feed, food and energy, supply disruptions and the energy crisis resulting from the global pandemic, as well as the current geopolitical turmoil in the world.

The effects of the war in Ukraine are reducing the global supply of agricultural products both this year and in future growing seasons. Farmers are at risk of continued disruptions and price increases in the global agri-supply chains. However, the current situation of reduced global supply and higher prices for agricultural products means that farmers can be paid more, while there is a risk that the continued high energy prices and more expensive inputs will erode profitability.

“
Strategic access to price-hedged sustainable energy and capacity supply is increasingly important for the entire food value chain.

For Lantmännen, the costs of several key raw materials and services for our industrial operations, such as electricity, natural gas and freight, have risen sharply. Transport problems and labor shortages have worsened, leading to supply problems, notably in the manufacturing sectors. This has

affected agricultural and construction machinery, which has been unable to meet demand due to long lead times for new machines.

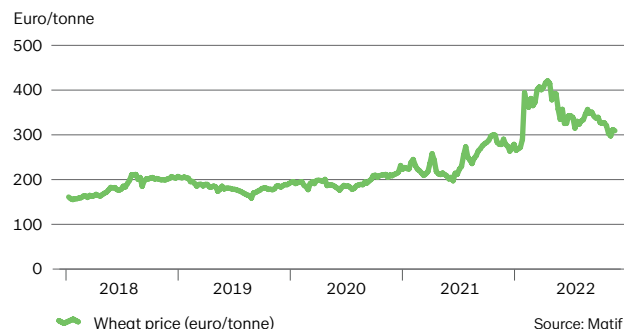
Commodity markets and the year's grain harvest

The Black Sea region produces 30 percent of the world's traded wheat and Russia was the world's largest exporter of mineral fertilizer before the war in Ukraine. Rising energy prices in Europe are linked to reduced supplies of Russian oil and gas. High commodity and energy prices have caused inflation to rise to levels not seen for a very long time.

In 2022, sharp price increases for key agricultural and input raw materials and food ingredients meant that price adjustments had to be made throughout the value chain. The price of fertilizer for agriculture follows the price of energy. The situation is challenging for agricultural companies and puts pressure on livestock producers – mainly from high feed and energy prices.



Wheat commodity exchange price trend



Ethanol commodity exchange price trend



“Our main markets are in the Baltic Sea region and we are present virtually everywhere in the world through wholly and partly-owned companies.

Share of the Group's net sales

44%
Sweden

15%
Finland

11%
Germany

7%
Denmark

4%
United Kingdom

4%
Norway

The Swedish grain harvest for 2022 was higher than the previous year's and a record harvest of oilseeds was noted. The 2022 grain harvest was 5.8 million tonnes, an increase of 16 percent from the 2021 harvest. The increase was mainly due to higher yields per hectare for all grain crops.

Winter wheat yielded a total Swedish harvest of 3.0 million tonnes, 10 percent above the average for the last five years. The total oilseed harvest is estimated at 0.4 million tonnes, 27 percent higher than the latest five-year average. The total harvest for pulses is estimated at 86 thousand tonnes, 31 percent above the five-year average.

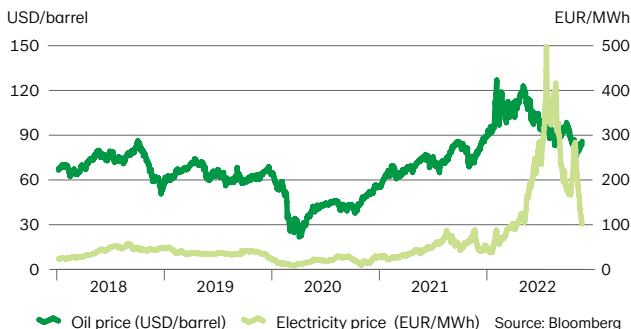
Inflation affects purchasing behavior

The high rate of inflation in Sweden and other European countries is persisting, with higher costs of inputs, energy and transport driving the inflation. Lantmännen has navigated between planning for cost containment and ensuring price compensation. However, the process of passing on price increases along the chain is affected by time lags, which is having a particularly negative impact on our food operations. Inflation has consequences for both retailers and end consumers. Lantmännen is monitoring how consumer behavior is changing and how it affects Lantmännen's businesses. The pandemic and the current global situation have underlined

Chemical fertilizer commodity exchange price trend



Oil and electricity commodity exchange price trend



the importance of local production and robust value chains, from both a business and societal perspective.

Focus on sustainability and climate issues

The EU's "Green Deal" is gaining momentum in the political arena. This means that a large number of regulations and strategies related to agriculture, the climate, energy and the environment are being revised. Learn more on → page 32.

In the market, sustainable products are being challenged in the short term by a cost focus due to inflation. In the longer term, ambitions are being strengthened and companies in the food value chain are joining the Science Based Targets initiative. This means a commitment to set climate targets for their value chain in line with what is needed to limit global warming to no more than 1.5 degrees.

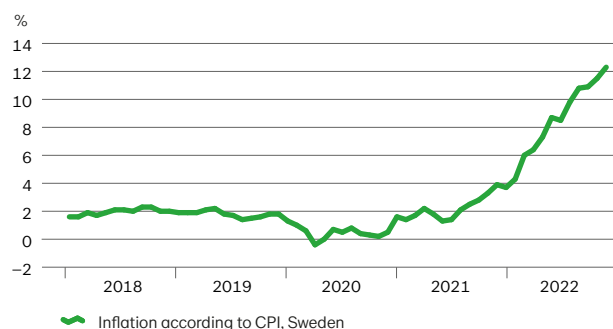
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Sustainable food supply is a key issue in resolving the climate challenge and ensuring biodiversity, while a growing population brings increasing needs.

Investment and policy instruments in the private and public sectors are being increasingly steered towards sustainable growth-oriented initiatives, as underlined by the EU Taxonomy.

Increased digitalization and access to relevant data is a key enabler for developing productivity, climate performance and sustainability across the value chain.

“
Global uncertainty has led to rapid macroeconomic changes and large price movements.

Inflation



Three global challenges for Lantmännen and agricultural companies

Population growth and increased prosperity

Climate, real and political

Geopolitical complexity

Population growth and increased prosperity – 10 billion people by 2050

Population growth forecasts and a rapidly growing middle class are driving global demand for agricultural and food products.

Climate, real and political – Net zero emissions by 2050

To meet the UN's net zero emissions target for 2050, the climate impact needs to be reduced throughout the value chain from cultivation to processing and transport. In parallel, the value chain needs to be adapted to a real change in climate.

Geopolitical complexity – Food security

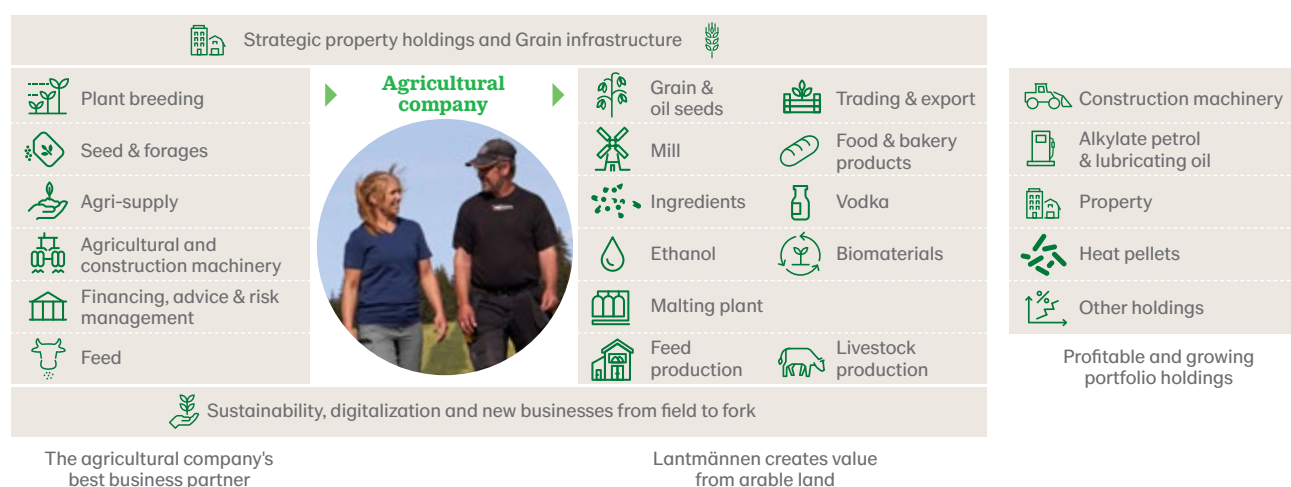
We are living in a completely new external situation that has a tangible and new impact on the opportunities and activities of our businesses. From this perspective, securing infrastructure and capacity in the food value chain is key.

In the long term, this means that food production needs to increase in view of population growth, sustainability and an increasingly geopolitically complex world.

Strategy – Field to Fork 2030

Lantmännen's assignment is to contribute to the profitability of our members' farms and optimize the return on their capital in Lantmännen, and this is the basis for our strategy. The vision is to be the world's top agricultural cooperative: a world-class company and the leading player in the grain value chain from field to fork in northern Europe.

The agricultural company – at the center of Lantmännen's value chain



Lantmännen – a world-class company

Our strategic focus areas will contribute to world-class Swedish farming by *strengthening the competitiveness and profitability* of members' farms. This will be achieved by ensuring leading *profitability* in all our industrial operations and by leading and accelerating the development of *sustainable solutions* across the business.

Comprehensive work is also in progress to further strengthen trust in the *Lantmännen brand*. Our goal is to be the most *innovative company* and the most *attractive employer* in our industries.

“

Lantmännen's strategy creates sustainable value from field to fork as agriculture's best business partner.

Our operations maximize the value of members' grain and our portfolio companies contribute to financial stability.

Our grain strategy

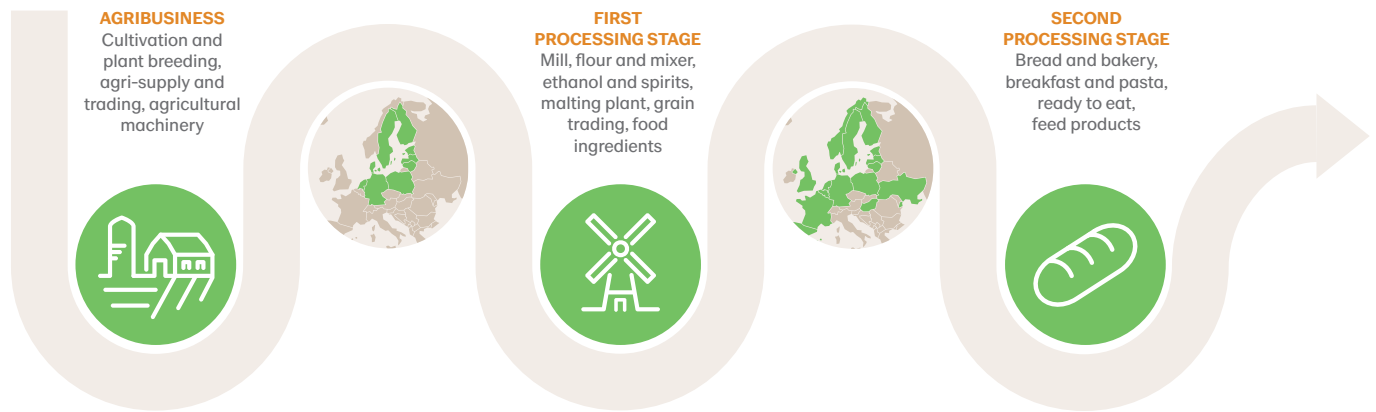
Lantmännen's grain strategy is based on increasing the Swedish grain harvest by 1 million tonnes per decade and achieving net zero climate impact by 2050. The grain strategy follows the grain value chain all the way, from describing how we source grain and create value through cultivation concepts to industrial operations and how we reach export markets.

A leading brand

The Lantmännen brand has a valuable position, based on our members, agricultural operations and our responsibility from field to fork. Branding includes developing this position and creating further influence for our consumer brands and businesses, and being an attractive employer. Branding also includes development and implementation of value-creating concepts from field to fork, such as Climate & Nature, organic labeling and origin labeling.

We are working to clarify the connection of all brands to Lantmännen and our responsibility. Lantmännen has been ranked as one of Sweden's most sustainable brands in customer surveys for many years.

Lantmännen as a strategic player throughout the value chain



Strategic initiatives for food security

The issue of securing strategic food production facilities is a priority from Lantmännen's perspective. The aim is to build resilience in the food value chain and the storage of critical inputs over time.

Sustainable business and a responsible employer

Our external analysis describes global challenges such as climate change and increased demand for raw materials for a growing population. Lantmännen's role is to drive progress towards farming of the future and sustainable food and bio-energy systems. We process and develop products and offerings with sustainable added value and have the knowledge to make farming more sustainable. Lantmännen is driving a number of sustainability issues that support the vision strategy Field to Fork 2030. Lantmännen is a responsible player and wants to be an attractive employer that offers a safe work environment, good leadership and an inclusive corporate culture.

From field to fork in Finland

Since 2015, Lantmännen has made significant investments in Finland, which is now our second most important market. We strengthened our position further with the acquisition of the Finnish food company Myllyn Paras during the year.

With Myllyn Paras's mill and bakery business, we now have operations throughout the chain from field to fork in Finland, which strengthens the scope for long-term innovation and strategic development of both agricultural and food activities. The similarities between the Swedish and Finnish agriculture and food sectors create synergies in the development of products and concepts. Investment in the Climate & Nature cultivation program in Finland continued during the year. Lantmännen also has collaborations within Nordic Oats to promote exports of oats and oat products from Sweden and Finland.



- Further develop the green protein value chain
- Develop opportunities in the transition from fossil to renewable fuels
- Secure long-term electricity supply on competitive terms
- Develop a strategy for green fertilizer
- Further develop the strategy for Finnish operations
- Create offerings based on science-based targets as a driver for sustainable business opportunities from field to fork, with a focus on climate data
- Develop incentive systems to ensure that farmers are fairly remunerated in the market for sustainable production methods

Strategic targets

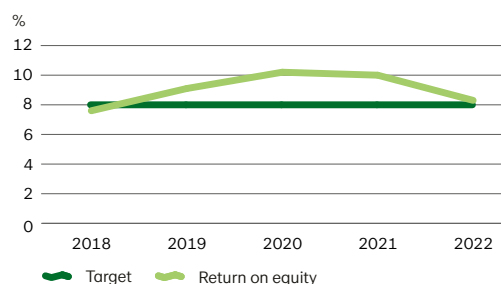
Each Lantmännen business has a business plan with financial targets. The strategic targets for the Group and businesses also include non-financial targets.

Return on equity

The Group's return target is dependent on the composition of the business portfolio. The current business portfolio is estimated as having a total return on equity potential of 8 percent. Return on equity was 8.3 (10.0) percent in 2022. The average return on equity for the last five years is 9.1 percent.

Target >8 %

Outcome 8.3 %

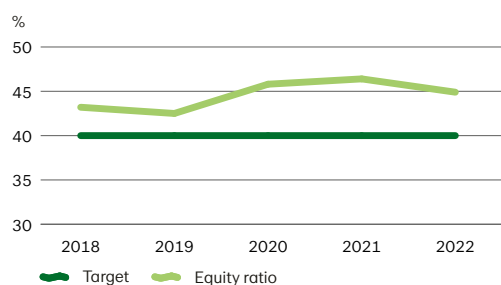


Equity ratio

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 on December 31, 2022 was 44.9 (46.4) percent.

Target >40 %

Outcome 44.9 %

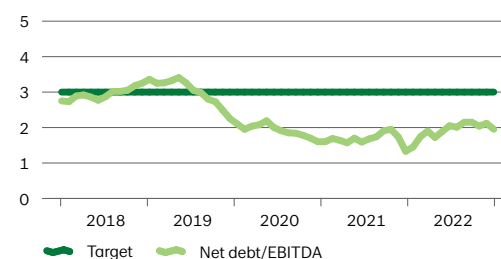


Net debt*/EBITDA

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 1.9 (1.3). *According to bank definition.

Target <3

Outcome 1.9

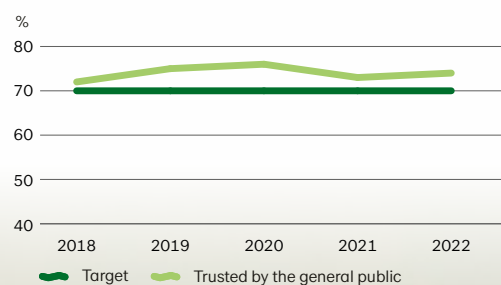


Trusted by the general public

För 2022, an average of 74 percent of the public said they trusted Lantmännen, which is among the highest results of all Swedish companies. Trust is the brand attribute proven to make the greatest contribution to business. This creates greater credibility and loyalty among customers and consumers, as well as attractiveness as an employer and business partner.

Target ≥70 %

Outcome 74 %



For a description of financial performance measures, see → page 77.

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We have ambitious sustainability targets and report on the progress of work in areas such as employees, sustainable products and climate.

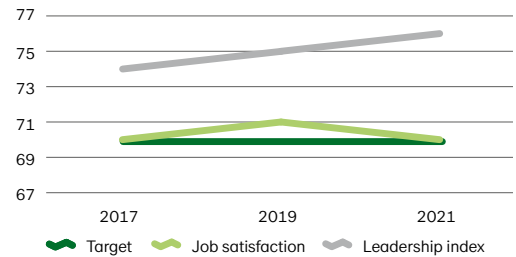


Employees/Leadership

Our employees' commitment 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 2021 showed strong results. We achieved the job satisfaction target: 70 (71) and exceeded the leadership target: 76 (75).

Target >70

Outcome 70 and 76

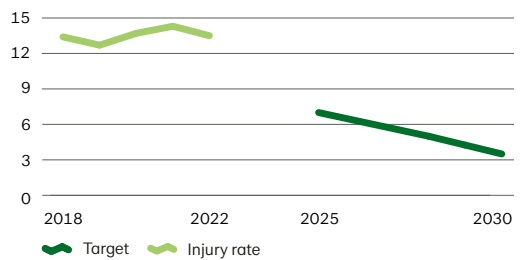


Injury rate

Lantmännen has a zero vision for work-related accidents. The target will be achieved with a risk-based and proactive approach, in which health and safety are part of day-to-day work, with a focus on continuous improvement. The injury rate fell to 13.5 from 14.3 in the previous year.

Target 2025 <7

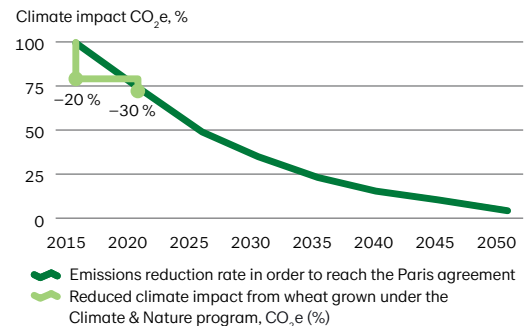
Outcome 13.5



Sustainable products

The target is for the Climate & Nature cultivation program to halve the climate impact every decade in line with the reduction rate in the Paris Agreement. New 2020 criteria for fossil-free fuels reduced emissions by a further 10 percent/kg flour.

Target -50%/ten yr. Outcome -30% CO₂e

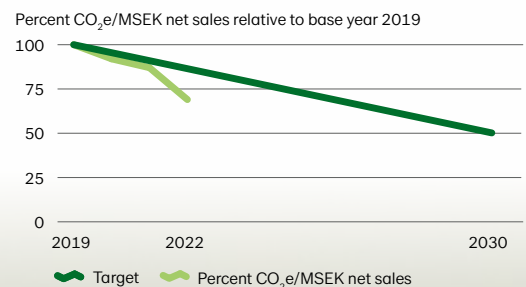


Reduced climate impact

The Group's target is to reduce climate emissions from its operations by 50 percent in the period 2019-2030, calculated as CO₂e tonnes per MSEK net sales. The target will be achieved by continuing the transition to fossil-free production and energy efficiency. From 2019 to 2022, emissions were reduced by approximately 31 percent.

Target -50%/ten yr.

Outcome -31%



For a description of financial performance measures, see → page 77.

Strategy for sustainable business

Our external analysis describes global challenges such as climate change and increased demand for raw materials for a growing population. Lantmännen's role in dealing with the global challenge is to drive progress towards farming of the future with sustainable food and bioenergy systems.

With operations throughout the grain value chain, Lantmännen has a unique opportunity to pursue sustainable business development, which is the basis for Lantmännen's and our members' long-term profitability. Lantmännen's Field to Fork 2030 strategy is leading and accelerating the development of sustainable solutions throughout the value chain. 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.

“
Responsibility and sustainability are a key driver we have been working on and reporting annually for over 20 years.

We have prioritized sustainability topics that are essential for Lantmännen's contribution to sustainable development and sustainable business. They are found in three areas: climate and ecosystems, sustainable products and renewable raw materials, and responsible employer and business partner.

Our framework for sustainable business sets out ambitions and targets for the priority issues and the outcomes are reported in the Sustainability Report.

Governance

The Group Board is ultimately responsible for governance, monitoring and following up the Group's responsibility and sustainability work. Group Management drives responsibility issues and sustainable business development as part of strategic business planning. Learn more on → page 20. The Sectors and Business Areas pursue their relevant sustainability issues.

The work is based on Lantmännen's Code of Conduct, which is a tool for steering the business towards ambitions and goals see → page 22. The Code of Conduct describes how Lantmännen's operations and employees must conduct themselves and make decisions to take responsibility from an environmental, social and business ethics perspective.

Sustainable business development is integrated into our processes and is central to Lantmännen's strategy for managing risks and opportunities. Lantmännen's work is driven by the Farming of the Future program, our brand strategy, research and innovation activities, green financing, the Business Ethics Compliance Program, supplier monitoring systems, Health & Safety Excellence strategy, Employee Branding, and external dialogue.

Milestones in Lantmännen's long-term work with sustainability and climate

Sustainable business development

Sustainable methods for seed treatment	Agroetanol invests in another line	Climate-declared food and climate-calculated feed	Launch of Climate & Nature cultivation program	Report Farming of the Future: Crop cultivation	Climate & Nature, improved performance	Report Farming of the Future: Beef & Dairy Green bond	Investment in plant breeding in Svalöv
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2001 – 2007 – 2009 – 2015 – 2019 – 2020 – 2021 – 2022

Responsibility

First Sustainability report	Code of Conduct adopted	Global Compact signed Climate target adopted	Updated climate target	Target for climate-neutral primary production by 2050	Climate targets achieved	New climate targets for 2030	New materiality analysis
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Lantmännen's framework for sustainable business



“ In 2022, our climate work and development of the Climate & Nature cultivation program took important steps towards a fossil-free food value chain.

Farming of the Future – our plan

Swedish farming is considered to be among the most sustainable in the world, yet we still face new challenges. More renewable resources for food and energy are needed, while the impact on climate must be further reduced. Lantmännen has a clear strategy to meet the challenges – a plan we call Farming of the Future.

In the Farming of the Future report, Lantmännen shows that yields can increase while climate and environmental impacts are reduced. Lantmännen's goal is to create conditions for a sustainable primary production with increased yields and climate neutrality by 2050.



With operations throughout the value chain from field to fork, we have unique opportunities to drive change

We are creating a fossil-free value chain

Under Climate & Nature, Lantmännen's program for Farming of the Future, grain is grown according to criteria for reduced climate impact and increased biodiversity. With Climate & Nature, we drive development, meet the market's demand for sustainably produced food and create opportunities for farmers to reduce the climate and environmental impact of cultivation. Wheat, rye, barley and oats are grown under the program, and products from the program have reduced the climate footprint by up to 30 percent since 2015.



Kungsörnen's flour range comes from the Climate & Nature cultivation program, as do pancake products and AXA oats.

Now we are adding a crucial piece of the puzzle – fossil-free fertilizer – enabling what is probably the world's first large-scale fossil-free food production. The commercial offering from the cultivation is in line with the reduction rate in the Paris Agreement and *Science Based Targets initiative's* targets for the agricultural sector. This means a significant further reduction in the climate footprint. Lantmännen's role in the transition will be to continue to drive commercial offerings for large-scale implementation.

Increased harvests with reduced climate impact

Lantmännen's Field to Fork 2030 strategy describes the need for increased food production, taking into account population growth and sustainability. In simple terms, this means that the Swedish grain harvest needs to increase by one million tonnes per decade and at the same time reach net zero emissions by 2050.

Lantmännen is driving this development, with the main building blocks being fossil-free plant nutrients and fuels, together with precision farming, digitalization, management, plant breeding and carbon sequestration. We test future solutions and demonstrate them in practice on our Farms of the Future and develop concrete market offerings in our businesses. Together with other stakeholders, we want to overcome the challenges by 2050.



The Viken Farm of the Future is Lantmännen's own dairy farm. Here we test and drive the development of sustainable and productive dairy production.

Industrial investment enables sustainable farming

The market demand for Swedish-grown green proteins is increasing. Lantmännen's goal is to make Sweden self-sufficient on green proteins and profitably increase the pea cultivation in Sweden to 40,000 hectares.

An investment of over SEK 1 billion in a new large-scale production facility for pea protein in Lidköping will strengthen Lantmännen's leading position in plant-based proteins. The investment will enable Swedish farmers to grow an additional crop in their crop rotation, and has several advantages for both environment and climate. Pea protein complements Lantmännen's existing range of sustainable grain-based proteins for food and could also become an important substitute for imported soybeans.

“ **Farming of the Future is our vision and strategy for sustainable and profitable farming. The target is a sustainable primary production with halved climate impact every decade until 2050.** ”



Knowledge

We continue to build on our knowledge base, with the report as a starting point

In the two special reports “Farming of the Future: Crop Cultivation” and “Farming of the Future: Beef & Dairy” we analyzed the possibilities for a more sustainable future production, with increased production and reduced climate impact in line with science-based targets, in close cooperation with other players throughout the animal value chain.



Proof

We test future solutions and demonstrate them in practice on our Farms of the Future

Farms of the Future provides proof of how productivity, resource efficiency and environmental impact can be improved for sustainable and profitable farming of the future. In 2022, we launched the Svalöv Farm of the Future, where we carry out state of the art plant breeding. We also run two other Farms of the Future - Bjertorp for crop production and Viken for dairy production and feed development.



Offering

We develop concrete offerings to the market – wheat, rye, barley and oats grown according to Climate & Nature

Climate & Nature, Lantmännen's program for Farming of the Future, continues to grow in volume in Sweden and has now been launched in Finland. The roll-out is an important step towards more sustainable Finnish food production. In 2022, Climate & Nature has been developed to introduce fossil free fertilizer as an important next step.



Collaboration

We work closely with other players in order to overcome the challenges and close the innovation gap by 2050

Lantmännen is initiating and running a number of collaborative projects in the sector. Examples include Agrosfär, a tool for calculating and sharing climate data from farming, and Sustainable Supply Chain for Food, a collaboration for accelerating a commercialization of more sustainable food.



Learn more about Lantmännen's road to climate neutral farming at lantmannen.com/farming-of-the-future

Research develops business

Lantmännen is well positioned for the work required in crop development and farming efficiency to meet the future challenges of global supply and profitability of our owners' farms.

Lantmännen invests approximately MSEK 400 annually in research and development to meet future challenges and ensure competitiveness. The aim is to increase the value from field to fork and create business in cooperation with agricultural companies.

Digitalization – driving sustainable food systems

Digital initiatives support primary production through the development of precision farming solutions in the plant breeding program Dataväxt, improved decision support and digital interfaces for farmers in LM². This is about optimizing processing steps from production to customer and consumer. Lantmännen's investment in the Agronod platform for sharing farming data enables continued development and sustainable innovation in the food system.

Making farming thrive

Priority areas for development are plant breeding, fossil-free and recycled plant nutrient products, grain storage monitoring systems and emissions from arable land. Sustainable and profitable livestock production requires research on high quality roughage, innovative feed strategies for free-range laying hens and pigs under varying weather and climate conditions and the development of recycled feed phosphate.



Innovation and research are needed for the development of Farming of the Future in crop and livestock production.

Plant-based raw materials for food

One of Lantmännen's research areas is the development of food from grain and other plant-based raw materials. Examples of project areas include the health effects of grain and legume-based foods, improved bread quality and fractionation to produce new ingredients and foods.

Bioenergy and green materials

Lantmännen conducts research projects that contribute to a more bio-based society based on grain and pulses. Research is underway to develop biochemicals such as bioplastics and other renewable materials. Raw materials from farming provide side streams and, with knowledge and different processing methods, components such as starch, protein, fiber, cellulose and lignin can have increased value in innovative applications.

Strategic research collaboration

Strategic partnerships are important for Lantmännen's research initiatives and Lantmännen participates in several of Formas' centers for food research and innovation. Under the Mistra Food Futures program, strategies for a sustainable Swedish food system for healthy food will be developed. Learn more on → page 32.



The Greenhouse

The Greenhouse is Lantmännen's program for open innovation. It is a platform where colleagues, startups and members can develop ideas together and build solutions around a theme. In 2022, a Greenhouse program on the topic of smart farming was arranged, with several activities such as innovation days, demo days and accelerator programs. Learn more at → lantmannen.com/greenhouse



LANTMÄNNEN
RESEARCH FOUNDATION

During the year, Lantmännen Research Foundation invested MSEK 25 in research to create new business opportunities for Lantmännen and on members' farms. One example is a newly launched study on carbon sequestration of agricultural fields, which is run by the Finnish Meteorological Institute and Lantmännen's Finnish operations. In addition, the Foundation's investment resulted in an increase of over 100 percent from other funders. See → lantmannen.com/research-and-innovation/research-foundation/

Our employees

Lantmännen works in a long-term framework to attract and develop employees and leaders. Cooperation and commitment are important to us; we work constantly to create a stimulating and safe work environment.

The purpose of Lantmännen's employer brand and communication is to create pride and engagement among existing employees and to attract and arouse the interest of potential employees. We want to be an employer whose employees enjoy their work and develop – with a good working environment, good leadership, plenty development opportunities, and, with ambitious, challenging and inspiring goals.

We aim to give employees internal growth and development opportunities in specialist and management careers. It is also our aim for half of all managerial recruitments to be filled with an internal candidate; the outcome for 2022 was 48 percent.

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At Lantmännen, employees can influence and make a difference – not only to our future solutions and success, but also to society.

We are committed to skills and leadership development for all employees and run a wide range of employee and leadership training programs each year, from local courses to longer global leadership development programs. During the year, a new Group-wide digital training platform (Workday) was rolled out, with an improved interface and enhanced

functionality that creates a better experience and adds value to the training our employees receive.

All Lantmännen employees have performance appraisals with their immediate supervisor, with a primary focus on individual goals, development plans and acting in accordance with Lantmännen's values – openness, a holistic view and drive. In addition, an employee survey to monitor development of employee satisfaction and leadership is conducted every two years. The most recent survey, in 2021, showed a strong result, with a score of 70 (71) for the Employee satisfaction index and 76 (75) for the Leadership index.

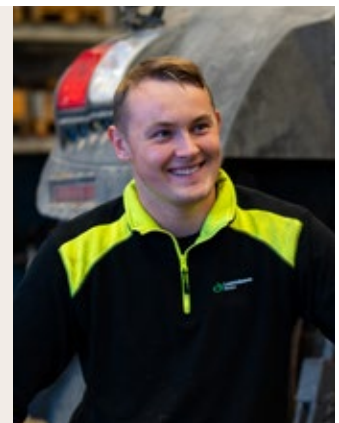
In August 2022, a new round of Lantmännen's popular graduate trainee program began: out of more than 800 applicants, nine trainees have the opportunity to try out a number of different roles in the Group's various businesses. The graduate trainee program lasts 15 months, and is designed to give graduate trainees a holistic view of Lantmännen as a company and prepare them for a continued career within the Group.

During the year, Lantmännen as an employer received a number of awards from talent networks and in external rankings: including a silver in Talent Company of the Year, awarded by 4Potentials, and for the third consecutive year we are a “Career Company” – one of Sweden's 100 most attractive companies, elected by a jury. In 2022, Lantmännen appeared on the “Young Professional Attraction Index” for the first time, a survey run by Academic Work and Kantar Sifo, which measures how attractive companies are to young professionals.



“

Lantmännen values employees' commitment and desire to develop.





Openness and respect

We have a friendly culture based on openness and respect for each other, where it is easy to make your voice heard and exert influence. By taking ownership of results, cooperating and exploring new opportunities, together we take our business to an even higher level.



International career opportunities

We are an international group with exciting business throughout the value chain. With our breadth in agriculture, machinery, bioenergy, food and real estate, we can offer career opportunities in different industries, countries, companies and areas of expertise.

A safe work environment

Lantmännen's goal is to achieve health and safety excellence at our workplaces by 2030. The focus of Lantmännen's strategy is to change the safety culture by integrating health and safety work more clearly into leadership, employee management and daily operational and strategic processes. An important part of this involves creating conditions for changed behavior and Lantmännen has therefore developed a number of tools and training courses. In 2022, we rolled out our new digital training, combined with a physical workshop, Health & Safety Awareness Training, which aims to raise awareness among managers and employees about Lantmännen's work on health and safety. All Sectors also continue to work on long-term action plans in this area.

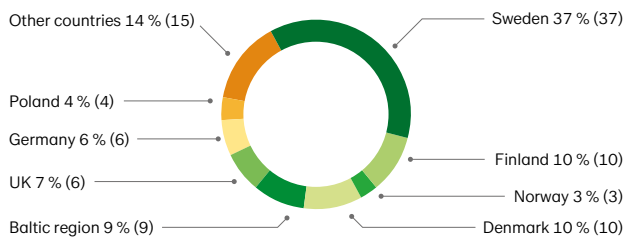
During the year, the UN's World Day for Safety and Health

at Work raised awareness of health and safety, and during a week, a Group-wide training course on qualitative accident investigation was held.

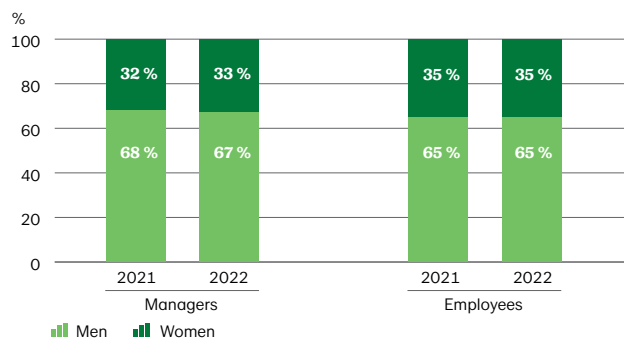
We create and maintain a good safety culture by identifying and minimizing risks in order to prevent injury. This is done by conducting around 60 inspections per year in our production facilities and continuous health and safety training. A web-based tool for reporting, investigation and follow-up of accidents, near misses and risk observations is available to all employees, as well as statistics for analyses and decisions.

In 2022, the injury rate fell to 13.5 (14.3). The target for the injury rate is to be below 1 by 2030. Continuous work is done to identify and follow up areas for improvement. Sick leave increased to 5.2 (4.4) in 2022.

Our employees – Geographic distribution



Gender distribution





Looking to the future

Lantmännen is a cooperative with companies in many industries and rooted in a proud history. We continue our successful journey and develop our businesses with a clear strategy for growth, exploring new markets and expanding globally.

Lantmännen has an established whistleblowing system giving employees a simple and anonymous way of reporting malpractice and violations of Lantmännen's Code of Conduct, values, guidelines or policies, as well as suspected irregularities. A total of 19 reports from three countries were recorded in 2022. All cases have been investigated and acted on.

We value employees' skills, qualities and experience, and work actively to create an inclusive culture where cooperation, commitment and safety are highly regarded. We work on gender equality and diversity in a long-term perspective through defined goals, activity plans and regular follow-up. No form of discrimination, bullying or harassment is accepted and we have guidelines and procedures on how to deal with this if it occurs.

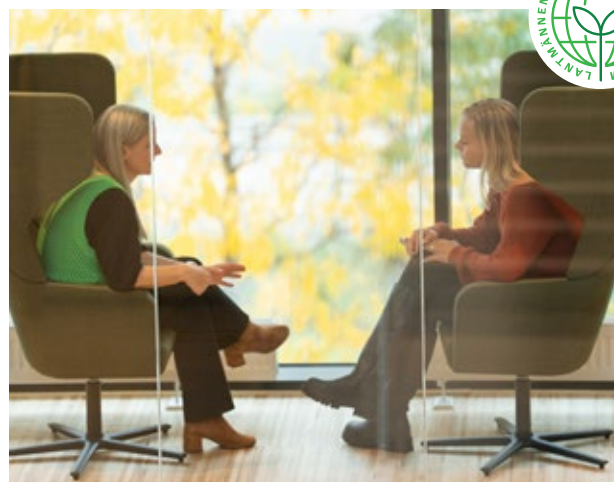
Our employees, work-related accidents and near misses

	2022	2021
Number of fatalities due to accidents	0	0
Number of accidents ¹⁾	233	247
Injury rate ²⁾	13.5	14.3
Number of reported near misses ³⁾	2,692	2,831
Number of risk observations	15,334	13,271

¹⁾ Work-related accident resulting in at least one day's absence after the accident occurred.

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

³⁾ Near misses are defined as unintended events that could have resulted in ill health or an accident.



Lantmännen Graduate Trainee Program

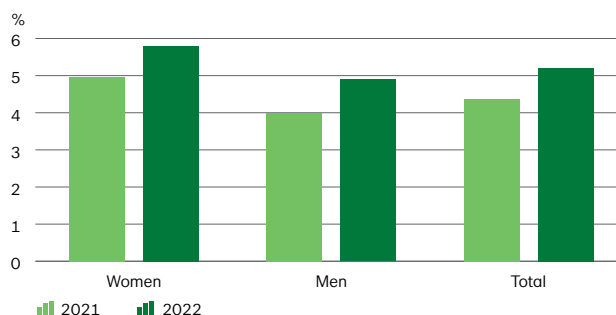
Lantmännen's graduate trainee program provides training in leadership, change management and project management, while Lantmännen's Summer Internship offers young potentials the opportunity to build on their experience within our operations.

Our operations in Ukraine

Since the start of Russia's war in Ukraine early in the year, Lantmännen's top priority has been the safety of our employees in Ukraine. Management and employees have worked hard to maintain operations in Ukraine as much as possible, in order to produce and distribute food to the local market.

With good internal cooperation between different business areas, we have also been able to distribute bread to refugees on Ukraine's borders with Romania and Poland and provide assistance for our employees and their families, including transport and accommodation.

Sick leave



Collaboration for sustainable growth

Lantmännen has a leading role in the development of Swedish farming, the food value chain, bioenergy and food production. We drive issues for robust and sustainable growth in priority areas through collaboration.

Lantmännen's agenda for sustainable growth in the Swedish agriculture and food sectors creates opportunities for our members, Lantmännen and the food sector. The agenda is in line with the Swedish food strategy, international sustainability goals and food security objectives.

Key regulatory issues

Lantmännen pursues regulatory issues of key importance to our businesses and strategies. In Sweden, Lantmännen focuses on the competitiveness of agriculture and food production, and biofuels. Food security as part of total defense involves Lantmännen, working in cooperation with LRF, the Confederation of Swedish Enterprise and the Swedish Food Federation.

The EU is discussing crop-based biofuels, bioenergy and the role of agriculture in climate action. Work has intensified due to new external events, with rising prices of food, energy and plant nutrients. The EU's "Green Deal" means that all EU regulations and strategies related to agriculture, the climate, energy and the environment are being revised. This may affect the bioenergy and food value chains, both in the primary production and industry stages. Although the Green Deal contains some negative elements in terms of the competitiveness of European agriculture, it is considered generally positive for Lantmännen's business as it increases demand for bio-based alternatives to fossil fuel.

Current dialogue topics

We engage in collaborations on issues that are particularly important for Swedish farming and our stakeholders.

- **Thriving farming:** LRF, KRAV, Sweden Food Arena, Spannmålsodlarföreningen, LRF Plant Breeding and Co-operatives Sweden.
- **Responsibly produced food:** Swedish Food Federation, DLF, Consumer associations, Sustainable Supply Chain for Food and Swedish Platform for Risk Crops.
- **Green energy/Bio-economy:** Haga Initiative, Drivkraft Sverige, Copa-Cogeca, Svebio, World Bioenergy Assoc. and ePURE.
- **Robust food security:** Consultative Group for Emergency Preparedness Planning for Food Security (SKAL), LRF, Swedish Food Federation and Confederation of Swedish Enterprise.

Learn more at lantmannen.com/sustainable-development/cooperation-and-dialogue

Sustainable growth in the sector

Eight particularly important areas have been identified where Lantmännen is active together with academia, business sector players and authorities. Investing in all areas will accelerate robust and sustainable growth.

Joint efforts for profitable growth in the Swedish agriculture and food sector

Crop production – Grogrund



Animal research – SustAinimal



Digitalization – Agronod



Supply and preparedness – Grain infrastructure



Venture capital – Tillväxtbolaget



Food exports – Nordic Oats



Innovation – Sweden Food Arena



More than 60 Swedish food sector participants collaborate for innovation-based growth.

Swedish green proteins – Pea protein facility



Our Sectors and Business Areas

Lantmännen's operations are divided into three Sectors and two Business Areas. Lantmännen also has ownership shares in several international companies. Lantmännen is both a business partner for agriculture and a part of consumers' daily life.

Agriculture Sector	34
Energy Sector	40
Food Sector	44
Swecon Business Area	50
Real Estate Business Area	54
International ownership	56



Agriculture Sector

The Agriculture Sector, which constitutes Lantmännen's core business, develops and markets products and services to promote strong, competitive farming. 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, and accounts for 47 percent of Lantmännen's sales.

The Agriculture Sector includes *Lantmännen Lantbruk Sweden*, *Lantmännen Maskin*, *Nötcenter Viken*, *Lantmännen Kraft*, *Lantmännen Bioagri*, *Lantmännen Agro in Finland*, *Lantmännen Agro in Denmark* and *Lantmännen Seed in the Netherlands*. The Sector is responsible for Lantmännen's ownership interests in the Scandagra Group in the Baltic region, Scandagra Polska in Poland and the technology company Dataväxt AB.

During the year, operations were affected by the war in Ukraine and sanctions against Russia. Rising prices of logistics services, inputs, raw materials and energy have forced us to find new suppliers and new trade routes. The Agriculture Sector has handled the new conditions well and operations have shown positive development during the year, particularly in crop production, which has managed to navigate the volatile market.

The feed business has shown its strength, with Lantmännen having been able to optimize feed based on available raw materials and customers' needs, thus strengthening its position in the market.

Outlook

The volatile commodity market and developments in the external environment are expected to continue creating uncertainty for suppliers and customers in 2023. High fertilizer and fuel prices will affect us, and our members' profitability. The availability and price of energy is an uncertainty factor that has a major impact on Lantmännen's and its members' production.

Experience and new business contacts from a turbulent 2022 have left us well equipped for 2023. We will continue to invest in business development, with an increased focus on our sales channels, as well as technological and digital development. We will also review new business models and services to reduce the implementation gap that exists in farming in terms of using available technology and knowledge. We continue to work on development under the Farming of the Future program at our three farms of the future, Bjertorp, Svalöv and Nötcenter Viken.

Agriculture Sector, key figures	2022	2021
Net sales, MSEK ¹⁾	30,376	22,834
Operating income, MSEK	516	374
Operating margin, %	1.7	1.6
Return on operating capital, %	5.2	4.5
Investments in non-current assets, MSEK	285	186
Average number of employees	1,733	1,727
of which women/men, %	25/75	24/76
Women/men in executive management, %	42/58	33/67
Injury rate	8.1	11.3
Sick leave, %	4.5	4.1
CO ₂ emissions, thousand tonnes ²⁾	12	9

¹⁾ Including intra-Group sales. ²⁾ Includes Lantmännen Maskin from 2022.

Excl. items affecting comparability	2022	2021
Operating income, MSEK	516	374
Operating margin, %	1.7	1.6
Return on operating capital, %	5.2	4.5



Brands



Nötfor
Fårfor

Piggfor
Renfor

Pullfor
Protect



Sustainability areas in focus

The Sector works to promote sustainable agriculture with energy-efficient and safe machinery, resource-efficient production, climate-smart cultivation methods and feed raw materials, and low-impact transport. It also works on innovation and development of climate-effective feed, technological and digital development, precision farming and plant breeding. As part of Farming of the Future we have launched our farms of the future, where we develop offerings to meet market demand and adapted cultivation methods to meet climate and environmental challenges.

Sustainable products and renewable raw materials

In 2023, Lantmännen Lantbruk will launch fossil-free mineral fertilizer on the Swedish market in partnership with Yara. The use of renewable energy reduces the climate footprint by 80-90 percent. During the year, we also entered

into an agreement with Felleskjøpet (Norway) and Hornsyld Købmandsgaard (Denmark) to switch our stretch film range to products made from recycled plastic raw materials.

Responsible employer and business partner

Health and safety is a focus area of the Agriculture Sector's strategy, and we work actively towards the goal of creating a safe, secure and healthy workplace. The work is conducted at both central and local level throughout the Sector. We also focus on responsible sourcing and business relationships.

“

We develop offerings and cultivation methods to meet climate and environmental challenges.



Lantmännen Lantbruk Sweden

Lantmännen Lantbruk Sweden offers a wide range of products for crop and livestock production. The business is the leader in the grain market through its purchasing of grain, oilseeds, pulses and forages which are sold on to grain traders and Swedish and international industry. The business showed positive development in all its areas during the year. The feed business was affected by rising prices of feed raw materials and energy, and a generally unsettled market, but volumes remained stable. The crop production business showed strong development, managing to navigate the unstable market for plant nutrients, plant protection and specialty products. The year's grain harvest, with good volumes and quality, has created favorable conditions for the grain business.

Grain

Lantmännen Lantbruk Sweden buys and sells grain, oilseeds and pulses. Half of the quantity is used in Lantmännen's own industries. External sales are significant, with exports accounting for the largest share, with sales mainly to Europe and North Africa, and also North America.

According to the Swedish Board of Agriculture's latest forecast, the Swedish grain harvest for the year was 5.8 million tonnes, which was higher than the five-year average and the previous forecast. The harvest quality was generally good, with low water content. A very intense harvest period put pressure on reception and transport capacity. Low grain stocks in exporting countries, combined with the war in Ukraine, led to historically high grain prices and an unusually

Lantmännen Lantbruk Sweden, key figures

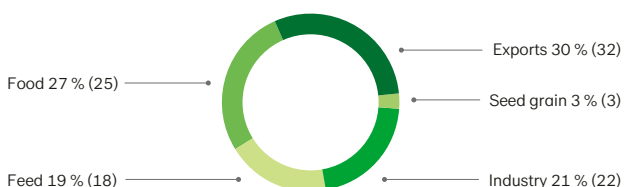
	2022	2021
Net sales, MSEK ¹⁾	20,363	14,102
Operating income, MSEK	339	159
Operating margin, %	1.7	1.1
Return on operating capital, %	5.8	3.6
Investments in non-current assets, MSEK	234	150
Average number of employees	758	797
of which women/men, %	33/67	33/67

¹⁾ Including intra-Group sales.

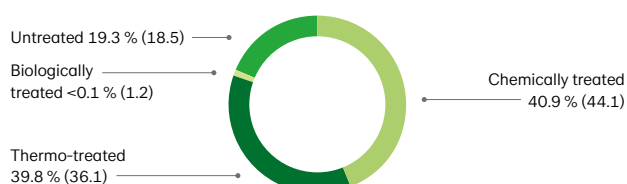
Excl. items affecting comparability

	2022	2021
Operating income, MSEK	339	159
Operating margin, %	1.7	1.1
Return on operating capital, %	5.8	3.6

Use of total volume of sold grain



Seed treatment (calculated as percentage of volume in tonnes)





volatile market. Lantmännen's broad network continues to be important for our trading activities. The outbreak of war initially meant higher demand for wheat from the EU, but high grain prices are likely to affect demand going forward.

Feed

Lantmännen Lantbruk develops, produces and sells feed and supplements. The feed business was significantly affected by the war in Ukraine when raw materials, particularly from protein suppliers, became unavailable and grain prices rose sharply, resulting in historically high feed prices. New supplier contacts for raw materials previously traded from Russia and Ukraine were established.

High feed prices combined with soaring energy and fuel prices have created economic instability for livestock producers. A high settlement price has enabled profitability to be maintained for dairy and chicken producers. Pig and egg production suffered a decline in profitability during the year as the industry struggled to pass on the necessary price increases for eggs and pork to cover increased costs.



Profitable and sustainable crop production requires the right crops, inputs and cultivation strategies.

Climate change and a growing global population present significant, new and ever-changing challenges and opportunities for agriculture.

Crop production

Lantmännen Lantbruk refines, produces and sells seeds in the areas of seed grain, pulses, oilseeds and grass seed. We market and sell other crop production inputs.

Sales of spring seed during the year were lower than normal, partly due to extensive fall sowing and partly due to a shortage of seed as a result of poor harvests in 2021. Winter rape seed sales records were broken during fall. Uncertainty in livestock production has contributed to a reduction in the conversion of ley, which has affected sales of forages.

The mineral fertilizer situation was dramatic during the year, with the price of regular fertilizer products more than tripling compared with 2021. Buyer interest was relatively stable, but with limited supply. Large volumes of fertilizer were previously traded from Russia but we have had to find new suppliers. Other merchandise business developed well during the year. The Future Fit Breeding project, aimed at accelerating advances in plant breeding, was completed at the Svalöv farm of the future. Learn more at lantmannenlantbrukmaskin.com



Nötcenter Viken

The Viken farm of the future is managed by Nötcenter Viken and is Lantmännen's own dairy farm, with 420 dairy cows, 450 heifers and calves and 365 hectares of crop production. We test Farming of the Future in practice at the farm and conduct experimental activities for sustainable and productive milk production. Production results at Viken continued to develop well during the year and are 18 percent higher than the average milk production in Sweden. The experimental activities include a sub-project under the SustAinimal collaboration, in which we investigate the composition of the animals' diet with the aim of achieving the most sustainable milk production possible. The Viken farm is also a meeting place for participants in the agricultural sector.

Lantmännen BioAgri

Lantmännen BioAgri sells and develops *ThermoSeed* – a unique biological method that makes seeds healthy and resilient with heat treatment. The company also develops and markets biological seed treatment products. A new bio-stimulant, a product of biological origin that improves crop productivity, was brought to market during the year. Learn more at lantmannenbioagri.com

Lantmännen Krafft

Lantmännen Krafft is Sweden's largest horse feed supplier and one of the largest in the Nordic region, with additional markets in Europe and the US. The company continued to show good sales figures during the year, but is under pressure from rising prices of raw materials, transport and energy. During the year, KRAFFT was launched in the Climate & Nature cultivation program as part of our climate initiatives and to create an even clearer link to the Lantmännen brand. Learn more at kraffthorsenutrition.com



Lantmännen Maskin

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

The record sales at the end of 2021 took their toll at the beginning of 2022 with reduced demand for new machines. High inflation, rising interest rates and energy price hikes affected customers' investment appetite during the year.

Although the total market for machinery fell during the year, Lantmännen Maskin increased its market share in the declining market. The machinery business was affected by delays in deliveries of new machines throughout the year. The spare parts business performed well during the year. The workshop business was adversely affected by high sick leave at the beginning of the year and a lower number of delivered machines.

Work on replacing the ERP system continued during the year and was intensified during fall. Commissioning is scheduled for the first quarter of 2023. Despite a turbulent year, affected by external factors, Lantmännen Maskin continues its long-term work according to plan, with process optimization in the business bringing increased returns. The new ERP system is part of this long-term development journey. Learn more at lantmannenlantbrukmaskin.com



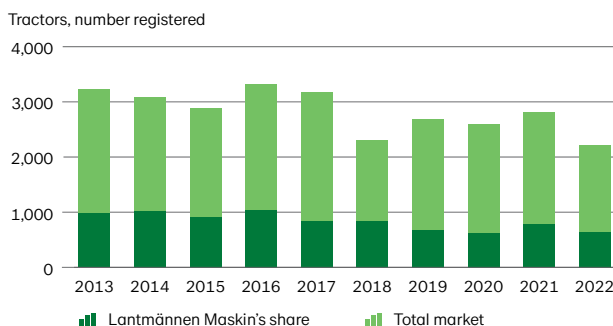
The long-term strategy, aimed at further strengthening processes and profitability, continues as planned.

Lantmännen Maskin, key figures	2022	2021
Net sales, MSEK ¹⁾	3,320	3,636
Operating income, MSEK	1	20
Operating margin, %	0.0	0.6
Return on operating capital, %	0.0	1.7
Investments in non-current assets, MSEK	32	19
Average number of employees	776	750
of which women/men, %	13/87	10/90

¹⁾ Including intra-Group sales.

Excl. items affecting comparability	2022	2021
Operating income, MSEK	1	20
Operating margin, %	0.0	0.6
Return on operating capital, %	0.0	1.7

Total market for tractors in Sweden





Lantmännen Agro Finland

The operations in Finland, Lantmännen Agro Oy, provide agri-supply for crop production, feed, and spare parts and equipment. Sales are conducted through independent Lantmännen-profiled dealers, agricultural stores and direct sales. 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.

Significant winter losses of fall-sown crops and a very low harvest in 2021 led to a shortage of seed. The poor harvest in 2021, combined with rising input prices, resulted in poor profitability for farmers, which had a major impact on machinery sales in 2022. The 2022 grain harvest amounted to 3.6 million tonnes, exceeding the country's total use. However, the rye harvest was lower than normal, resulting in import needs. Two former dealers were acquired in September and Lantmännen Agro

now has seven of its own agricultural stores in strategically important locations.

With the acquisition of the milling company Myllyn Paras in 2022, Lantmännen now has an integrated grain value chain from field to fork, from purchasing of grain from farmers to milling and bakery operations. Coordination of roles in the market creates the conditions for a sound grain business and competitive supply to the industry. Together, Lantmännen Lantbruk in Sweden and Agro in Finland have a market-leading position in good quality food oats. By coordinating oat exports, we can offer customers good quality food oats with good security of supply and on competitive terms, while achieving a strong export business.

Learn more at lantmannenagro.fi

Lantmännen Agro Finland, key figures

	2022	2021
Net sales, MSEK ¹⁾	6,094	4,479
Average number of employees	165	148
of which women/men, %	39/61	36/64

¹⁾ Including intra-Group sales.

Brands

Opti Melli Maituri Herkku Benemilk 

Operations in other countries

Lantmännen Agro – Denmark

Lantmännen Agro A/S is mainly engaged in the purchase of grain in Denmark, which is an important asset in Lantmännen's internal grain value chain. Some quantities are sold to external customers and the company also sells significant quantities of fertilizer. Learn more at lantmannenagro.dk

Lantmännen Seed – Netherlands

Lantmännen Seed BV conducts plant breeding of triticale and potato at the processing station in Emmeloord, Netherlands. The business developed well during the year with the Fontane potato variety and the Lumaco rye wheat variety, and sales results in Germany and France were good. Learn more at lantmannenseed.com



Energy Sector

The Energy Sector is one of Sweden's largest producers of bioenergy products and accounts for 10 percent of the Group's sales. The Sector manufactures and markets sustainable ethanol fuel, protein feed, carbon dioxide, starch products, gluten, vodka, beta glucan, oat protein, alkylate petrol, lubricants and other chemical products, and solid processed wood fuels. The Sector operates in a global market with the main focus in Europe.

The Energy Sector includes Lantmännen Biorefineries which comprises *Lantmännen Agroetanol*, *Lantmännen Reppe*, *Lantmännen Oats* and *Lantmännen Functional Foods*. The Sector also includes *Lantmännen Aspen* and *Scandbio*.

The Sector offers responsibly produced and environmentally smart energy, food and industrial products, with facilities in Sweden, France, the UK, Latvia, Finland and Denmark. The Sector has wholly or partly-owned companies in the Nordic region, France, Germany, the UK and the US.

“We process renewable raw materials into products that can replace fossil fuels.”

Bioenergy accounts for more than a third of Sweden's energy use, and sustainable transport and biofuels are crucial to

reducing carbon emissions. Increased use of low level blends of ethanol in petrol is a cost-effective way of reducing the transport sector's emissions.

The Sector performed very positively during the year, with strong growth driven by stable production and high demand for most products. The Sector's long-term work on hedging prices of raw materials and key inputs mitigated the impact of the generally sharp rise in costs during the year, which had a favorable impact on results.

Outlook

Demand for Agroetanol's climate-smart ethanol is expected to remain high in the Nordic region and Europe due to more stringent requirements on reducing greenhouse gas emissions from transport. We are continuing to broaden the raw material base with alternative starchy raw materials that can be used for biofuel production. The surge in demand for processed wood fuels that affected Scandbio during the year is expected to continue in the early part of 2023.

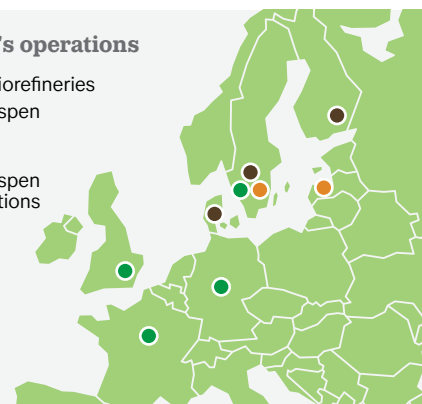
Energy Sector, key figures	2022	2021
Net sales, MSEK ¹⁾	6,801	4,595
Operating income, MSEK	1,165	615
Operating margin, %	17.1	13.4
Return on operating capital, %	46.8	42.3
Investments in non-current assets, MSEK	703	312
Average number of employees	515	364
of which women/men, %	29/71	30/70
Women/men in executive management, %	27/73	27/73
Injury rate	11.4	10.7
Sick leave, %	2.9	2.6
CO ₂ emissions, thousand tonnes	22	18

¹⁾ Including intra-Group sales.

Excl. items affecting comparability	2022	2021
Operating income, MSEK	1,165	615
Operating margin, %	17.1	13.4
Return on operating capital, %	46.8	42.3

Energy Sector's operations

- Lantmännen Biorefineries
- Lantmännen Aspen
- Scandbio
- Lantmännen Aspen also has operations in the US



Brands





Sustainability areas in focus

The Energy Sector produces ethanol with world-leading climate performance, develops feed and products for the food industry from Swedish raw material and markets environmentally friendly petroleum products. We work to develop circular business models, efficient production and low-impact transport, safe work environments, and responsible sourcing and business relationships. In ethanol production, residual products from the food industry are recycled.

Sustainable products and renewable raw materials

The Energy Sector offers products with documented added value for the climate, the environment and health. Production is based on renewable raw materials such as grain and wood, and Aspen is developing products with an increased proportion of renewable components. Efficient and largely renewable energy use contributes to a low climate impact from production and product.

Responsible employer and business partner

Each Sector company manages its own work environment and safety, which is a strategic focus area. These issues are top priority and are addressed daily in meetings and other forums. The work is based on prevention and includes reporting risk observations, work environment and safety inspections, and establishing good cooperation with safety representatives. Contingency planning with the rescue services was strengthened during the year and exercises were carried out.

“

We work to develop circular business models and process residual products into ethanol, protein feed and carbonic acid.



Lantmännen Biorefineries

Lantmännen Biorefineries is a collective organization for *Lantmännen Agroetanol*, *Lantmännen Reppe*, *Lantmännen Oats* and *Lantmännen Functional Foods*, with common functions for sales, purchasing, product development, HR, economy and technical projects.

Lantmännen Agroetanol is a large-scale biorefinery with grain as its main raw material. The company processes the renewable raw material into alternatives to fossil or non-sustainable products. Grain and starchy residues are processed into ethanol, carbonic acid and a protein-rich feed material.

Lantmännen Agroetanol is the Nordic region's largest producer of ethanol with a world-leading climate performance and a carbon footprint that is more than 95 percent lower than fossil fuels. The annual production capacity of the Händelö facility in Norrköping is 230,000 m³ of ethanol, 200,000 tonnes of protein-rich Agrodank feed and about 120,000 tonnes of carbonic acid. The product portfolio was stable in 2022 with a continued focus on broadening the raw material base.

Markets normalized in 2022 following restrictions linked to Covid-19 but were then heavily affected by the war in Ukraine. Extremely high and volatile energy prices have led several ethanol producers to cut production. Ethanol prices have remained at historically high levels for most of the year.

Lantmännen's ethanol is sold in the European market where there is demand for biofuels with high climate performance. The domestic market increased in 2022 driven by the reduction obligation and the introduction of E10 in 2021.

The recycling business with residual products from the food industry creates a circular economy and contributes to profitability.

Completion of the gluten production facility in Norrköping is in its final phase and the facility is scheduled to

be commissioned during the first half of 2023. Sales of food gluten on both the national and international markets have started, with a positive response from customers.

Lantmännen has an ongoing provision of MSEK 500 in connection with *the European Commission's investigation* of Lantmännen Agroetanol and two other ethanol producers for alleged violation of EU competition law. On July 7, 2022, Lantmännen Agroetanol received a Statement of Objections from the European Commission related to the case. Lantmännen – which has cooperated fully with the EU Commission during the investigation – denies the allegations and continues to fully exercise its right of defense. Learn more at lantmannenagroetanol.se/en/

Lantmännen Reppe creates value by processing wheat into wheat gluten, starch products, vodka and animal feed, and is one of Sweden's oldest companies. Reppe is a key player in the grain value chain, producing and supplying ingredients and finished goods to the food, paper and beverage industries. Lantmännen Reppe has one of the Nordic region's largest distilleries, which produces high-quality vodka and demand has increased, with many new customers. Deliveries of starch products to the paper industry were irregular during the year. Development work in all product segments has resulted in new customers and applications.

Gluten-free wheat starch was launched during the year and the detailed design of a new large-scale pea protein production facility in Lidköping was started.

Lantmännen Oats creates value from oats by processing into beta glucan and oat protein. The ingredients are sold to companies operating in bakeries, health food and sports nutrition. Beta glucan is a soluble fiber found in oats with a proven cholesterol-lowering effect. The market has been challenging during the year as many of the products are in the premium segment and are affected by a higher general price level and a weaker economy. A plant for shelling and heat treatment of oats was completed during the year. Learn more at lantmannenoats.com

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

Lantmännen Biorefineries, key figures	2022	2021
Net sales, MSEK ¹⁾	4,307	3,486
Average number of employees	252	243
of which women/men, %	29/71	29/71

¹⁾ Including intra-Group sales.



Lantmännens Aspen

Lantmännens Aspen, with its brands Aspen, Agrol, Marline and Coryton, manufactures and markets bespoke fuels, lubricants and chemical products that create benefits for machinery, people and the environment. The products are produced in Sweden, France and the UK and sold in about 30 countries in Europe and the US and Canada.

Aspen offers environmentally friendly fuels, such as alkylate petrol and HVO diesel for small engines such as lawnmowers, brush cutters, chainsaws, outboard engines, and motor sports.

Agrol provides high quality lubricants and chemical maintenance products for the professional market for agriculture, forestry and contracting in the Nordic region. The products help to reduce maintenance costs and the environmental impact.

Marline offers fuels for small engines and is the leading brand of alkylate petrol in France. Marline has a strong position in machine rental and hardware retail and complements Aspen's position in specialist servicing.

Coryton, acquired during the year, is a leading producer of bespoke fuels for the motor industry and motor sports, with its base and production in the UK.

Lantmännens Aspen's total sales increased during the year, despite the drought in Europe. Sales in the US and Canada developed positively. The market for lubricants showed good growth. Learn more at [aspenfuels.com](https://www.aspenfuels.com), [agrol.se](https://www.agrol.se), [marline.fr](https://www.marline.fr), [coryton.com](https://www.coryton.com)

Lantmännens Aspen, key figures	2022	2021
Net sales, MSEK ¹⁾	1,693	1,113
Average number of employees	174	116
of which women/men, %	32/68	31/69

¹⁾ Including intra-Group sales.



Scandbio

Scandbio is one of the major producers of fuel pellets in Sweden and helps companies and consumers reduce their climate footprint. Production is carried out by purchasing waste products from local sawmills, mainly in the form of sawdust and cutter shavings. After drying the sawdust and adding cutter shavings, the mixture is pressed into fuel pellets. Production takes place at five plants in Sweden and Latvia. Sales are conducted in Sweden, Latvia and Denmark where there is a permanent warehouse and local sales organization.

The market is global and the year has been marked by shortages in Europe due to rising prices of energy sources such as electricity, oil, gas and coal. The war in Ukraine also significantly reduced the supply of fuel pellets as Russia, Belarus and Ukraine were major net exporters to Europe.

During the year, a number of investment projects were carried out to ensure availability and improve productivity, including the replacement of a number of pellet mills. Efforts to improve fire protection continue with the investment in expanded sprinkler systems at the production site.

From previously being 50 percent owned by Lantmännens, Scandbio became a wholly-owned subsidiary on April 1, 2022 after the remaining shares were acquired.

Learn more at [scandbio.com](https://www.scandbio.com)

Scandbio, key figures	2022	2021
Net sales, MSEK ¹⁾	806	-
Average number of employees	84	-
of which women/men, %	19/81	-

¹⁾ Including intra-Group sales.



Food Sector

The Food Sector refines grain and other raw materials from arable land and produces 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 food retail, food service and the food industry, and accounts for 29 percent of the Group's sales.

The Food Sector consists of *Lantmännen Unibake*, *Lantmännen Cerealia*, *Myllyn Paras* and Lantmännen's ownership interests in partly owned *Viking Malt* and *KG:s Ägg*. The Sector produces food in 47 facilities in 15 countries under well-known brands such as *Kungsörnen*, *AXA*, *START!*, *Bonjour*, *Hatting*, *Korvbrödsbagarn*, *Schulstad*, *FINN CRISP*, *Amo*, *Vaasan*, *GoGreen* and *Gooh*.

The market was affected by the war in Ukraine as well as the continuing rise in inflation, changing consumption patterns, rising interest rates and high energy and fuel prices. Russia's war in Ukraine and the subsequent sanctions prompted Lantmännen to separate the Russian bakery operations from the rest of the Group in spring as a step in a potential divestment of the operations. After this, the Russian operations no longer had an effect on the Sector's results.

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

Acquisition of Myllyn Paras

The acquisition of Myllyn Paras, a Finnish group active in flour, hulled grains, pasta and bakery products, was completed in June. Integration of the milling operations into Lantmännen Cerealia and the bakery business into Lantmännen Unibake started in 2022 and is expected to be completed in 2023. The milling operations in Finland mean that Lantmännen has ownership throughout the value chain and the opportunity to develop attractive offerings from field to fork.

Outlook

Rising inflation and a lower supply of raw materials, as well as higher prices of packaging materials, energy and transport, lead to price increases for retailers and consumers. Our goal is to constantly adapt to market conditions and to be a leading food company, based on arable land resources, through efficiency improvements, digitalization and optimization of our production facilities.

Good food from
Lantmännen



Food Sector, key figures	2022	2021
Net sales, MSEK ¹⁾	18,908	15,558
Operating income, MSEK ²⁾	-171	775
Operating margin, %	-0.9	5.0
Return on operating capital, %	-0.9	4.8
Investments in non-current assets, MSEK	994	889
Average number of employees	6,444	6,373
of which women/men, %	41/59	42/58
CO ₂ emissions, thousand tonnes	79	90

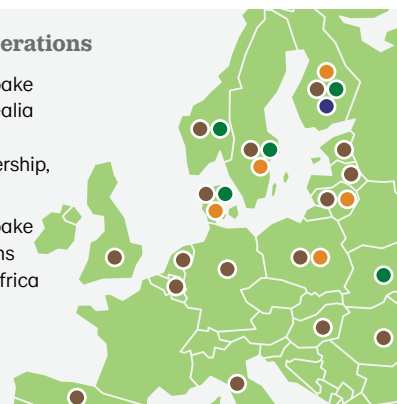
¹⁾ Including intra-Group sales.

²⁾ Operating income was affected by items affecting comparability of MSEK -699 (impairment, MSEK -566 and restructuring costs, MSEK -133). The Sector's items affecting comparability were distributed as follows: Unibake MSEK -144 and Cerealia MSEK -555.

Excl. items affecting comparability	2022	2021
Operating income, MSEK	528	850
Operating margin, %	2.8	5.5
Return on operating capital, %	2.9	5.2

Food Sector's operations

- Lantmännen Unibake
- Lantmännen Cerealia
- Myllyn Paras
- International ownership, Viking Malt
- Lantmännen Unibake also has operations in the US, South Africa and Australia



Sales by market	2022	2021
Nordic countries	62 %	61 %
Rest of Europe	30 %	32 %
Rest of world	8 %	7 %



Sustainability areas in focus

Key sustainability topics include healthy products and raw materials from a sustainable value chain with a low climate impact, resource-efficient production, sustainable packaging solutions, transport with a low climate impact, safe work environments, and responsible sourcing and business relationships. "Good Food from Lantmännen" is used to communicate responsible food production from field to fork.

Sustainable products and renewable raw materials

Market demand for nutritious food with a low climate and environmental impact is increasing. To accelerate work in this area and demonstrate our high level of ambition, our food businesses have signed up to the Science Based Targets initiative.

New criteria in the Climate & Nature program have enabled what is probably the world's first large-scale fossil-free food production.

The bakery business has adopted a global sustainability strategy that extends throughout the value chain and creates business opportunities with increased competitiveness.

Responsible employer and business partner

Safety work has been strengthened through the implementation of the "7 Rules of Safety" health and safety program. Health and safety is top priority and although our preventive work with risk observations has yielded positive results, accidents at work remain at a relatively high level. Geopolitical instability and increased sanctions as a result of Russia's war in Ukraine have increased the focus on business ethics issues.

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Lantmännen's food businesses have signed up to the Science Based Targets initiative.



Lantmännen Unibake

With more than 30 bakeries, operations in over 20 countries and sales in more than 60 countries worldwide, Lantmännen Unibake has positioned itself as a global player with a local market focus in bake-off, frozen and fresh bakery products to food retail, food service and convenience stores. With its consistently high level of quality and reliable deliveries, the company is the first choice for many of the world's largest food suppliers.

2022 was an extraordinary year for Lantmännen Unibake, with several challenges affecting the business, a high consumer price index and accelerating prices of energy and raw materials. At the beginning of the year, the pandemic still affected parts of Unibake's business with restrictions and lockdowns in key markets in Europe, but measures were successfully implemented to avoid serious consequences for the business. No further lockdowns are foreseen but Lantmännen Unibake has action initiatives in place and can implement them immediately if needed.

Russia's war in Ukraine and the expected long-term European inflation pose new challenges for Lantmännen Unibake. As an immediate response to the war, Lantmännen Unibake ceased all imports and exports to and from Russia, and the local operations were separated from Lantmännen Unibake and the Lantmännen Group as the first step of a potential divestment.

While inflation was rising, there was also a historically strong increase in raw material and energy prices. The situation made it vital to radically reduce the impact of the challenges to ensure a continued flow of raw materials to Unibake's markets while reducing the cost increases. Unibake was successful in reducing the impact.

Bakery products are important sources of nutrition and Lantmännen Unibake does not expect any major changes in consumer demand. But the current high volatility, combined with customer uncertainty, requires a constant fine-tuning of how we approach customers and

Good food from
Lantmännen



Lantmännen Unibake, key figures	2022	2021
Net sales, MSEK ¹⁾	14,082	11,674
Average number of employees	5,149	5,037
of which women/men, %	41/59	42/58
Women/men in executive management, %	11/89	9/91
Injury rate	15.3	17.4
Sick leave, %	5.5	4.7

¹⁾ Including intra-Group sales.

Lantmännen Unibake's brands





meet demand, as well as our ability to anticipate and adapt to change.

Lantmännen Unibake has focused on premium products within its categories in recent years. We believe that this is still relevant and that consumers appreciate high quality bakery products. At the same time, we focus on meeting market demand for a standard low-price range.

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Sustainability for us is based on strong partnerships throughout the value chain, from customer to supplier.

In 2022, Unibake's investment program for profitable growth continued in line with our global growth strategy.

Lantmännen Unibake also continued its health and safety work and began the global implementation of the “7 Rules of Safety” program. Intensifying competition for skilled staff in all parts of the organization led to an increased focus on attracting and retaining employees, particularly in the bakeries. New concepts and channels were introduced as part of *employer branding* aimed at bakery staff.

In 2022, Unibake signed up to the *Science Based Targets initiative* as part of our “*Baking for a Better World*” sustainability strategy. Meeting the defined targets is an important step in reducing the climate footprint of Unibake's operations and value chains together with customers and suppliers. The sustainability strategy was rolled out in close dialogue with our companies in order to embed and develop local plans to support the global targets and accelerate the effect.

Our major investments included several new bakery lines in the UK, Finland and the Baltic region and an automated warehouse in Sweden. The year also saw the ground-breaking of a major new investment: a facility in Romania to promote growth in south-eastern Europe.

Lantmännen Unibake invested in global IT solutions and infrastructure to support the company's growth strategy. The investments will continue in 2023 and Unibake will also begin the transition to a cloud-based ERP system.

Outlook

Lantmännen Unibake enters 2023 expecting continued volatility but with full confidence in its strategies. Unibake will continue its profitable growth journey, while adapting to the effects of inflation and climate change, including preparing for the energy transition. As a leading industrial bakery company, Lantmännen Unibake continues to work towards its climate targets under the *Science Based Targets initiative*.





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, a frozen vegetarian range, and ready meals. Operations are conducted in Sweden, Norway, Denmark, Finland and Ukraine.

Sales are made to consumers through food retail stores, to restaurants and caterers in the food service sector, and to industrial customers and bakeries on a business-to-business basis. Lantmännen Cerealia also has an export business, mainly crispbread and oat products, to about 30 countries around the world.

The macroeconomic climate with an uncertain and volatile external environment had a significant impact on the business in 2022. Raw material prices, particularly wheat, continued to rise sharply in 2022, as did prices of other inputs and transport. Russia's war in Ukraine heightened uncertainty in the energy market and energy prices reached new record levels. After the pandemic eased at the beginning of the year, the market was hit by inflation, which changed

consumption patterns. Rising interest rates and high energy and fuel prices are affecting consumers' personal finances, and we are seeing consumers buying more low-cost products.

The need for robust food systems means that availability of inputs and products will be valued more highly in the future. Lantmännen is well positioned, as we have businesses and expertise that lend themselves well to collaboration throughout the value chain.

The safety of our Ukrainian employees has been top priority since the war began in early 2022. Both management and employees have worked hard to ensure that Lantmännen Cerealia's operations in Ukraine can continue. By producing and selling food locally, we help the Ukrainian people, the country's economy and our employees.

The Russian business, which produces crispbread mainly for the local market, was separated and ring-fenced from Cerealia and the Lantmännen Group in spring 2022. FINN CRISP exports to the Russian market also ceased completely after the outbreak of the war.

Good food from
Lantmännen



Lantmännen Cerealia, key figures	2022	2021
Net sales, MSEK ¹⁾	4,913	4,286
Average number of employees	1,243	1,336
of which women/men, %	43/57	42/58
Women/men in executive management, %	40/60	31/69
Injury rate	15.4	9.4
Sick leave, %	5.5	3.8

¹⁾ Including intra-Group sales.

Lantmännen Cerealia's brands





Good Nordic positions continue

In the Nordic region, growth in food retail has slowed down after a few strong years and the market is declining, particularly for flour. Demand for Kungsörnen's macaroni is good, and our market share in the breakfast categories in Sweden continues to grow. In Finland, we increased our market share in the crispbread segment, mainly driven by successful launches of rye snacks and thin crisp products.



With sustainability at the heart of our business, our goal is to offer top quality healthy products produced with sustainable cultivation methods.

Lantmännen Cerealia's business has been marked by significant cost increases during the year. To protect profitability, we have taken several initiatives and acted quickly and proactively, making price adjustments to customers in all sales channels. However, the net impact on earnings is negative, mainly due to higher energy costs.

The food service market saw a recovery in the first half of the year. Lantmännen Cerealia strengthened its market position during the pandemic, driven by strong sales to public sector customers in Sweden.

In Sweden, we are marketing "Our Swedish pantry", which has yielded good results, with strong demand for popular categories such as pancakes and pasta continuing. Inflation and high energy costs put significant pressure on smaller customers in the food service and bakery business during the year.

We are showing stable development together with our industrial bakery customers in the Nordic countries. Capacity has increased after the commissioning of the Kimstad facility, from where we sell oat kernels to the industry.

Lantmännen Cerealia and Gooh gained additional market shares in the ready meals category during the year through increased distribution and the launch of two vegetarian dishes.

Our FINN CRISP Snacks continue to challenge traditional snacks. During fall, FINN CRISP Snacks Creamy Ranch won the *Grocery of the Year* award in Sweden.

The FINN CRISP export business has been negatively affected by the halted volumes to the Russian market.

In October, a fire broke out at Cerealia's factory for pancakes and Raggmunk's products in Laholm. No-one was injured but the incident caused a prolonged standstill in production. Production is expected to resume in the first half of 2023.

Lantmännen Cerealia develops sustainable offerings and during the year launched Kungsörnen Swedish Pasta, a mid-premium product made from Swedish-grown durum wheat, as well as a range of vegan burgers, mince and meatballs based on Swedish-grown peas under the GoGreen brand. These have been well received by both customers and consumers, reflecting market demand for locally grown produce and products with a lower climate footprint.

Outlook

In a market characterized by high inflation, we are well positioned with affordable products. We see that our position, with a high proportion of local origin and production, is well aligned with customer demand for stability and robustness in the supply chain. In December, Lantmännen Cerealia signed up to the Science Based Targets initiative, thereby gearing up its climate work for the coming years.

Lantmännen Cerealia continues to work on strengthening profitability through efficiency improvements and by securing a competitive product portfolio.





Swecon Business Area

Swecon is a dealer in machinery for the construction and civil engineering industry in Sweden, Germany, Estonia, Latvia and Lithuania, and a partner of Volvo Construction Equipment. 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 13 percent of the Group's sales.

Despite the uncertain external environment, Swecon has continued to perform strongly. The markets in Sweden and the Baltic countries have been relatively stable, while the German market has weakened. The order intake in early 2022 showed an upward trend, which leveled off in the second half of the year. The challenges of price increases and major disruptions in the supply chain continued. A consequence of long lead times is that the order backlog remains at high levels. The pandemic has increased sick leave and the war in Ukraine has augmented the logistics problems.

In May 2022, Swecon acquired the Swedish machine rental company Kewab Rental AB, an acquisition that enables Swecon to meet the growing demand for rental machines in the construction industry. Expected synergies are increased availability of used machines, a strengthened servicing business and a more competitive offering.

Several customer events and activities took place as society opened up after the pandemic. Swecon and Construction Equipment Dealer Team participated in the new,

all-electric FIA World Rallycross Championship to highlight the potential of the transition to an electric future.

Development of the web-based customer portal mySwecon continued and graphs illustrating the climate footprint of the machines were added, with the aim of creating incentives for more efficient use from an environmental point of view. mySwecon is an effective tool that gathers together Swecon's digital services in one place.

Demand for electric machines remains high and the number of machine models was increased in 2022.



Connected machines and workplaces create new opportunities to optimize and streamline production and reduce the climate footprint.

Swecon Business Area, key figures	2022	2021
Net sales, MSEK ¹⁾	8,647	7,750
Operating income, MSEK	593	471
Operating margin, %	6.9	6.1
Return on operating capital, %	35.8	33.3
Investments in non-current assets, MSEK	564	480
Average number of employees	1,316	1,266
of which women/men, %	12/88	12/88
Women/men in executive management, %	25/75	22/78
Injury rate	15.3	16.0
Sick leave, %	6.4	5.1
CO ₂ emissions, thousand tonnes	5	-

¹⁾ Including intra-Group sales.

Excl. items affecting comparability	2022	2021
Operating income, MSEK	593	471
Operating margin, %	6.9	6.1
Return on operating capital, %	35.8	33.3

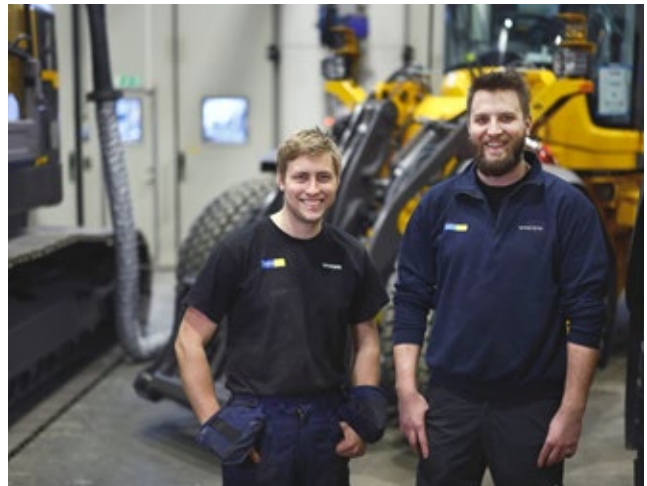
Swecon's operations

● Swecon



Brand





Sustainability areas in focus

Swecon's vision is to lead the sustainability transition among dealers of heavy equipment. Swecon has identified four focus areas that are monitored on a quarterly basis: *Gender equality*, *Customer satisfaction*, *Supplier monitoring* and *Swecon's climate impact*. Swecon's sustainability work is conducted in line with Lantmännen's and Volvo CE's long-term sustainability targets.

Sustainable products and renewable raw materials

The target is for Swedish facilities to be fossil-free by 2025, and all facilities by 2040. To achieve this, systematic efforts are needed to reduce energy use, emissions from transport and to switch to renewable fuels at the facilities. In 2022, the Uppsala facility tested renewable fuel in the service vans with good results. From the beginning of 2023, Swecon Sweden's new policy for all service vans and spare parts vehicles is to use renewable fuel wherever practicable. As part of the fossil-free conversion and to inspire customers

to choose fossil-free fuels, Swecon is refueling new Volvo machines with renewable fuel at customer delivery.

Responsible employer and business partner

The gender equality focus area is pursued through several activities. During the year, Swecon and the Swedish Confederation of Transport Enterprises launched an initiative for increased attractiveness on the labor market. Another important area is health and safety. To create awareness of Swecon's safety work, safe@swecon, these issues are included in the agenda of all meetings with employees. To make the process easier, there is an app for reporting work environment events and making suggestions for improvement.

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Systematic work on switching to renewable fuels is in progress.



Outlook

The market is showing signs of saturation with high inflation and high energy and diesel prices that will continue to affect Swecon's customers and business. Long lead times from the supply chain are expected in the early part of 2023, which will keep demand for used machines high. The rental market is expected to grow due to the uncertainty in the external environment. Supplier forecasts contain a high level of uncertainty and more frequent price increases are expected.



Swecon prioritizes the green transition, introducing more electric machine models on the market.

Investments in digitalization and electrification are continuing. The project to increase the proportion of connected machines for proactive service also continues. Swecon is developing new offerings in electrification, charging infrastructure and energy storage to meet the increasing proportion of electrically powered machines.

It has, for some time, been difficult to recruit service technicians and increasingly difficult to attract applicants for other positions. The focus is on finding and recruiting technicians, while training existing staff is a high priority.

Operations

Sweden

Despite the Swedish economic situation, the forecasts for the construction industry remain positive. Rental companies and large companies continue to order machinery while smaller firms are holding back. Price is increasingly important for customers. Reduced and uncertain deliveries





from suppliers have disrupted planning and limited sales, which is expected to continue in 2023. Demand in the service market has been, and still is, at a high level.

Deliveries of wheel loaders to the Swedish Defence Materiel Administration under the framework agreement continued in 2022.

The rental market is growing and customers in the segment are expanding their rental fleets.

In June, the Swedish Machine Fair was held in Solvalla with more than 11,200 visitors over three days. Swecon's theme was digitalization, sustainability and electrification, and the brand promise *Enjoy Life with Machines* was launched during the fair.

Germany

The German economy has deteriorated and business conditions are considered to have worsened as the economy enters a recession. Inflation and significant cost increases are putting pressure on customers' operating costs.

Machine sales are still relatively stable, but an increasing proportion of customers' purchase decisions are being postponed. The order backlog remains high while the order intake is falling. Long lead times from suppliers are affecting deliveries to customers. Sales of used machines are down due to low availability as a result of long lead times for new machines. The transition to electric machines in Germany is slow, as expected government subsidies have been delayed and are still under discussion.

A new spare parts warehouse has been established in Dortmund after the fire at the central spare parts warehouse in Bochum in 2021.

In September, the NordBau fair was held in Neumünster and Swecon's theme was digitalization and electromobility. The mySwecon digital portal was highlighted, as well as the possibility to rent or buy machines via digital webshop.

Baltic region

Activity in the previously stable Baltic market slowed down towards the end of 2022, mainly due to high inflation and uncertainty in production costs, which reduced investment interest. The building and road construction sectors are facing major cost increases that have already forced some companies to terminate their contracts. Concerns related to the war situation in Ukraine are also a strong contributing factor.

A large order from a rental company in Lithuania increased the order book in 2022, but delays in the Rail Baltica project affected Swecon's business.

During the World Rallycross Championship, Swecon presented the first electric machines on the Baltic market.





Real Estate Business Area

Lantmännen Fastigheter's task is to provide the Group's businesses with appropriate properties and optimize the return on externally leased properties. Lantmännen Agrovärme was divested during the year. The Business Area accounts for 1 percent of the Group's sales.

In 2022, Lantmännen Fastigheter continued the task of securing the future operation of the Group's strategic properties. In parallel, regular day-to-day management, project development and real estate transactions were carried out.

- The property Industrin 3 in Järna, housing Cerealia's pasta factory and Gooh, was acquired.
- An agreement was signed to divest parts of Almby in Örebro for housing development.
- Construction of a cold store for Lantmännen Unibake in Örebro is underway and expected to be completed in 2023.
- Construction of machinery plant in Sala and Nyköping started, with completion expected in 2023.
- Strategic acquisition of the properties Ugglan 8 in Eslöv and Lövkojan 6 in Oxelösund for planning and design.
- The development plan for the old mill in Uppsala was legally adopted and generated a capital gain of MSEK 254.

The aim of investments in development properties is to maximize the development potential and increase the value of the properties. Examples of this include development of properties in Malmö, Örebro, Kävlinge, Dalby, Karlstad, Norrköping and Tygelsjö. In a number of these locations, properties are being

developed with Hemsö in the community property company Lanthem.

Lantmännen Real Estate manages Lantmännen's Grodden pension fund property portfolio. The portfolio is about 100,000 m² and includes the head office in Stockholm and the Triton office building in Malmö.

The property market was affected by the changed external environment, with the construction market experiencing longer delivery times and higher material prices. The rental market was not significantly affected but a change is expected if the economy weakens. The transaction market was affected by lower activity and rising yield requirements. The market expects yield requirements to increase further in 2023 as inflation and interest rates rise.

Outlook

The property market is forecast to slow down but Lantmännen Fastigheter's portfolio is well balanced with stable tenants. For construction, there is uncertainty about delivery times and material prices. Energy prices are expected to remain at high levels. Our strategic work to ensure management of the long-term standard of the property portfolio continues.

Real Estate Business Area, key figures

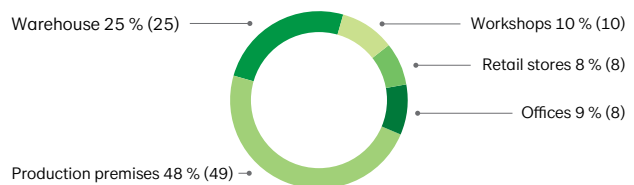
	2022	2021
Net sales, MSEK ¹⁾	592	584
Operating income, MSEK	503	344
Operating income, adjusted for property sales, MSEK	244	279
Return on operating capital, %	14.6	11.1
Return on operating capital, excluding property sales, %	7.1	9.0
Investments in non-current assets, MSEK	522	395
Average number of employees	49	47
of which women/men, %	40/60	39/61
Women/men in executive management	38/62	40/60
Injury rate	-	-
Sick leave, %	0.5	0.3
Total CO ₂ emissions, thousand tonnes	2	4

¹⁾ Including intra-Group sales.

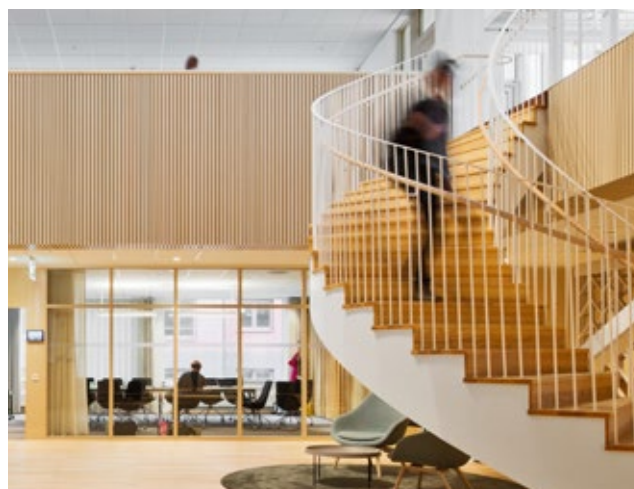
Excl. items affecting comparability

	2022	2021
Operating income, MSEK	249	290
Return on operating capital, %	7.2	9.3

Real Estate Business Area, surface distribution



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



Sustainability areas in focus

Key sustainability topics for Lantmännen Fastigheter are making buildings energy efficient and future-proof for climate change and responsible sourcing and business relationships. Lantmännen Fastigheter adopted a new environment and climate strategy during the year. One step in the strategy involved taking responsibility for coordinating the increased installation of solar energy and charging stations at Lantmännen's facilities in Sweden.

Sustainable products and renewable raw materials

We develop the property portfolio for long-term ownership and management, and improvement and active work on the property portfolio take place together with the customers. The ambition is to increase the use of renewable energy in the buildings and increase energy efficiency.

Responsible employer and business partner

Lantmännen Fastigheter operates construction projects and the industry in general has high work environment, health and safety risks. Safety work is carried out proactively by identifying and minimizing risks in the work environment and by regular monitoring. The complexity of construction projects means that we have a strong focus on business ethics and responsible sourcing.

“

Lantmännen Fastigheter is working to increase the installation of solar energy and charging stations at its facilities in Sweden.



International ownership

An important part of Lantmännen's Field to Fork 2030 strategy is to profitably develop strategic portfolio holdings, primarily 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.



Scandagra Group Ownership 50 %

Scandagra Group operates in the Baltic region and has a turnover of approximately EUR 1 billion and about 390 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 is a merchant of grain and other inputs in the Polish agricultural market, has a turnover of approximately EUR 250 million and about 130 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.

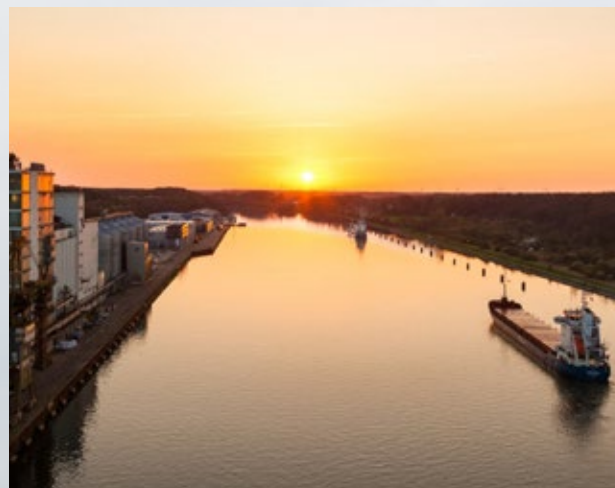
Learn more at [➔ scandagra.pl](https://scandagra.pl)



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The starting point for Lantmännen's portfolio strategy is the assignment to create profitability at members' farms.

An important part of the Group's strategy is to expand the grain business through international ownership.



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 a turnover of approximately EUR 300 million and about 270 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

team SE Ownership **10.7 %**

team SE (Team) has operations in building materials, energy and agriculture and offers customers a wide range of services. In October 2022, team SE became the majority shareholder of HaGe Kiel, one of the largest agricultural trading companies in Germany, active in agri-supply sales to farmers, and feed manufacture and sales. The Team group is one of the largest employers in northern Germany and, after the takeover of HaGe Kiel, has an annual turnover of approximately EUR 7 billion and about 4,300 employees.

Learn more at → team.de



Corporate Governance Report

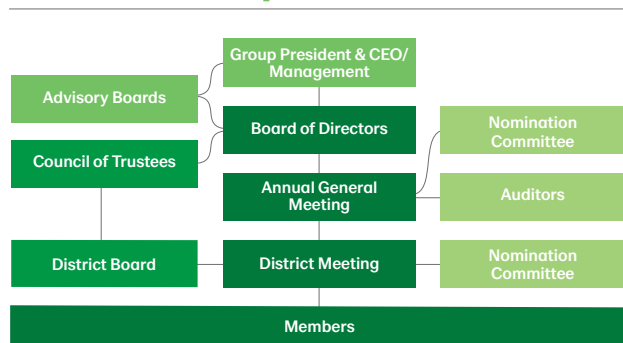
Lantmännen ek för is a Swedish cooperative economic association headquartered in Stockholm, Sweden. The Association is the parent company of a group. The Group's governance is based on the Association's Articles of Association, the Economic Associations Act, other applicable laws and rules and the code 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 2022 Corporate Governance report has been prepared in accordance with the Code. The Code is built on principles and is based on reporting in accordance with the concept of comply and explain. Each principle is presented as a heading and description, followed by comments on how the principle was managed by the association during the year.

The Group's Parent Company is Lantmännen ek för, a cooperative company, which had 18,256 members as owners at the end of 2022. Members of Lantmännen can be direct members and local associations.

Lantmännen's Board of Directors and Group 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.

Lantmännen's ownership model



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. At the Annual General Meeting on May 5, 2022, several motions related to the Association's membership benefits and strategy were discussed. During the year, a working group of members explored the possibility of using key figures to measure Lantmännen's contribution to the profitability of members' farms and drew up a proposal which is now being prepared.

The Sustainability Report describes how Lantmännen is involved in 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 assurance review.

"Collaboration for sustainable growth" on → page 32 describes collaboration with different organizations and 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.

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, advisory boards, nomination committees, the general meeting and the



Events 2022

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

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

Summer: Summer Meetings, District Meetings.

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

council of trustees. Each member is entitled to have business considered at the AGM.

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. The Chairman of the Council of Trustees is Christian Hidén.

Council of Trustees in 2022

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 minutes meetings during the year.

Other 2022

During the year, training of district nomination committee chairmen was carried out, four-monthly financial reports were streamed to all elected representatives on two occasions and the Board followed up on motions.

An Articles of Association group, consisting of elected representatives and members, has been working on a review of the Articles of Association on behalf of the Group Board.

The Owner Relations department 2022

The department is responsible for member communication and assists members and elected representatives in corporate governance. At the end of the year, the department had six employees: three Regional Managers, an Owner Relations Coordinator, a Digital Communicator and the Head of Owner Relations. The cost of the department and its total activities amounted to approximately MSEK 31 (25) in 2022. MSEK 9 (7) of this amount related to costs for the 20 districts

and included fixed fees of MSEK 4 (4) adopted by the AGM and variable fees of MSEK 2 (2).

The other MSEK 3 (1) related to costs of the districts' various activities and travel. Other activities handled by the department include training of elected representatives, the Council of Trustees, nomination committees, the District Board Conference, the AGM, the members' magazine Grodden and the Grodden podcast. See ➔ page 14.

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

The cooperative business model is based on 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.

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 15. 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.

Lantmännen also contributes to the development of farming and the profitability of members' farms by investing in research and development in many areas. During the year, the Board analyzed Lantmännen's dividend policy.

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 minutes

Owner Relations department

The department is responsible for member communication and assists members and elected representatives in corporate governance. The Owner Relations department had six employees at the end of the year.

From left: Regional Manager Gunnar Lans, Regional Manager Cathrine Hannell, Head of Owner Relations Jesper Broberg, Digital Communicator Noomi Greenfield, Regional Manager Hans Westbom and Owner Relations Coordinator Tina Sandell.



of the meeting are also available on the website. The meeting is webcast so that as many members as possible can take part in the proceedings.

2022 Annual General Meeting

The Annual General Meeting was held on May 5 in Stockholm. Prior to the meeting, two digital “motion market-places” were held, during which elected representatives were able to discuss motions and the Board’s answers. Six motions were submitted for consideration by the 2022 AGM. Members of the Board 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, Per Wijkander, Sonat Burman-Olsson and Jan Ehrens-vård were re-elected after their term of office expired. Jan-Erik Hansson was elected to the Board and Hans Wallemyr left the Board. Maude Fyrenius, Kristina Glantz Nilsson and Jimmy Grinsvall were re-elected as member representative auditors. 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 2023 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 amounted to MSEK 1,000. The meeting also adopted a dividend on subordinated debentures of MSEK 18.

The total number of appointed delegates was 101, and 99 delegates and deputies participated in the meeting. All Board members, the Group President & CEO, the Group’s Nomination Committee and elected auditors participated in the meeting.

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 is based in part on an evaluation of the Board’s work methods and decision processes conducted every two years 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 2022

In 2022, the Nomination Committee consisted of eight members: Inge Erlandsson (Chairman), Gunilla Carlsson, Marianne Andersson, Desirée Nyman, Johan Sahlin, Ingemar Olsson, Michael Hübsch and Henrik Claesson. At the statutory meeting

District Board Conference

Lantmännen’s 2022 District Board Conference was held in Stockholm on 17-18 November.

During the two days, seminars, workshops and talks were organized with both internal and external speakers.

The conference theme was Lantmännen in a global world and over 150 elected representatives from around the country took part.



after the AGM, Inge Erlandsson was elected as Chairman and Desirée Nyman 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. The Group's Nomination Committee underwent an external evaluation and training during the year. The Committee's work plan was updated before the AGM.

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

Principle 6. Board of Directors

The Group 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 Lantmännen'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 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 Group 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, such as the Code of Conduct and overall objectives, 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 Group 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 2022

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 as Chairman of the Board and Jan Ehrensvärd as Vice Chairman. The composition of the Board is shown in the presentation on pages ➡ 68-69.

The Board held 20 meetings during the year. The table shows Board members' attendance at the meetings. At three of the meetings, the association's auditors reported on the



Board meetings, attendance 2022

Board meetings, attendance 2022

	Jan 26	Feb 7	Feb 23	Mar 4	Mar 9	Mar 15	Mar 25	Apr 20	May 5	May 12	May 23	May 31	Jun 15-16	Jun 30 meeting # 1	Jun 30 meeting # 2	Aug 25	Oct 4	Oct 31	Nov 24	Dec 15-16	Dec 22
	Extra			Per capsulam	Extra	Extra	Extra		SM ¹⁾	Extra	Extra			Per capsulam	Per capsulam			Per capsulam		Extra	
Per Lindahl	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	
Jan Ehrensvärd	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	
Gunilla Aschan	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	○	
Jenny Bengtsson	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	
Tommy Brunsärn	●	●	●	●	●	●	●	●	●	●	○	●	●	●	●	●	●	●	●	●	
Johan Bygge	●	●	●	●	●	○	●	●	●	●	●	●	●	●	●	●	●	●	●	●	
Jan-Erik Hansson ²⁾	-	-	-	-	-	-	-	-	●	●	●	●	●	●	●	●	●	●	●	●	
Pär-Johan Lööf	●	●	○	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	○	●	
Sonat Burman-Olsson	●	●	●	●	●	●	○	●	●	●	●	●	●	●	●	●	●	●	●	●	
Henrik Wahlberg	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	○	○	
Hans Wallemyr ³⁾	●	●	●	●	●	●	●	●	-	-	-	-	-	-	-	-	-	-	-	-	
Tomas Welander	●	●	●	●	●	●	●	●	●	○	●	●	●	●	●	●	●	●	●	●	
Per Wijkander	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	●	

● Attended

○ Did not attend

¹⁾ Statutory Board meeting

²⁾ Newly elected at 2022 AGM.

³⁾ Resigned at the 2022 general meeting.

● Attended ○ Did not attend ¹⁾ Statutory Board meeting ²⁾ Newly elected at 2022 AGM. ³⁾ Resigned at the 2022 general meeting.

year's auditing. Every two years, the Board carries out an external evaluation of its work, which is discussed by the Board and reported to the Nomination Committee. This took place in 2022. The Board also participates actively in district meetings, fall meetings and in the Council of Trustees.

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 Bygge. After the 2022 AGM, the Committee consisted of Gunilla Aschan (Chairman), Johan Bygge and Jan-Erik Hansson. 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 Group President & CEO, and to the Group President & CEO for the other members of Group Management. Before the AGM, the Committee consisted of Per Lindahl (Chairman), Sonat Burman-Olsson and Jan Ehrensvärd, with Group President & CEO Per Olof Nyman as rapporteur. After the 2022 AGM, the Committee consisted of



Per Lindahl, Sonat Burman-Olsson and Jan Ehrensvärd, with Group President & CEO Magnus Kagevik as rapporteur. The Group's Senior Vice President HR & Communication Lantmännen Group serves as Committee secretary. The Committee held three 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. During the year, the Owner Committee held meetings and a reconciliation with the member representative auditors regarding implementation of the Code.

Before the AGM, the Committee consisted of Henrik Wahlberg (Chairman), Per Wijkander and Jenny Bengtsson. After the 2022 AGM, the Committee consisted of Henrik Wahlberg (Chairman), Per Wijkander and Jenny Bengtsson. The Senior Vice President & General Counsel Lantmännen Group Legal & Compliance corporate function attends the meetings. The Group's Head of Owner Relations serves as the secretary of the Committee. The Committee held five minuted meetings during 2022.

Group President & CEO and Group Management

The Group 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 Group

President & CEO is regulated in the Board's work plan. The composition of Group Management is shown in the presentation on ➔ pages 70-71. Group Management meets 8 times a year and as required. On April 1, 2022, Magnus Kagevik took over as Group President & CEO.

Principle 7. Remuneration of senior executives

The enterprise shall have overall guidelines for remuneration, terms and conditions for senior executives (Group President & CEO and Lantmännen's Group Management Team). The guidelines shall clearly state how remuneration, terms and conditions for the Group President & CEO and senior executives are determined.

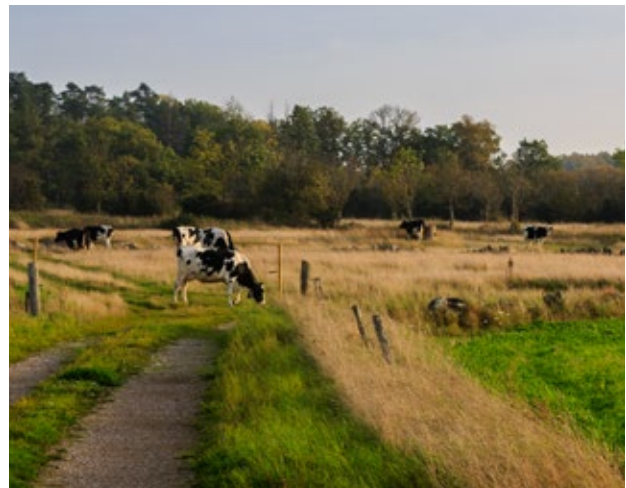
The Board shall establish a remuneration committee or fulfill the task itself.

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 and comment on this at the meeting. They also submit a written statement to the meeting.

Variable salary – Short-term incentive program

Lantmännen has a Group-wide variable salary program, which for 2022 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 2022, 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 benefiting 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.

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 Group 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. The member representative auditors submit a review report to the general meeting, in accordance with the Code, and, together with professional auditors, an opinion on the application of the principles for remuneration of senior executives and an audit report. 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 the translation of 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 2022 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 on "Objective and benefits for members", "Democratic processes" and "Members' participation in the company's value creation". Motions adopted by the meeting and the Board's preparation and reporting on them were a priority audit area in 2022.

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 22, 2023

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
Committees: Remuneration Committee
Education: Agriculture
Main occupation: Farmer
Directorships: Viking Malt Aktiebolag,
Fellow of The Royal Swedish Academy of
Agriculture and Forestry (KSLA), team SE.
Contribution issues: SEK 6,396,582*
Paid-in contributions: SEK 2,510,878*
Subordinated debentures: SEK 300,000*



Jan Ehrensvärd

Vice Chairman
Tomelilla
Born: 1968
Director since 2020
Member of Lantmännen
Committees: Remuneration Committee
Education: M.Sc. (Business and Economics)
Main occupation: Farmer
Directorships: Tosterups Gård AB
(Chairman), TreForm Packaging AB
(Chairman), Äppelriket Österlen ek för
(Chairman) and Viking Malt.
Contribution issues: SEK 1,202,405*
Paid-in contributions: SEK 739,000*



Gunilla Aschan

Linköping
Born: 1960
Director since 2015
Member of Lantmännen
Committees: Audit Committee
Education: Agricultural Economics
Main occupation: Farmer
Directorships: Landshypotek Bank AB and
Fyrklövern ekonomi och juridik AB.
Contribution issues: SEK 62,079*
Paid-in contributions: SEK 69,000*
Subordinated debentures: SEK 300,000*



Jenny Bengtsson

Vessigebo, Falkenberg
Born: 1984
Director since 2021
Member of Lantmännen
Committees: Owner Committee
Education: Veterinary
Main occupation: Veterinarian and farmer
Directorships: Lantmännen Research
Foundation.
Contribution issues: SEK 68,473*
Paid-in contributions: SEK 107,112*



Sonat Burman-Olsson

Lidingö
Born: 1958
Director since 2018
Not a member of Lantmännen
Committees: Remuneration Committee
Education: M.Sc. (Business and
Economics), Executive MBA
Main occupation: Directorships
Directorships: PostNord AB, Lindab
International AB and Raizen S.A.



Johan Bygge

Lidingö
Born: 1956
Director since 2019
Not a member of Lantmännen
Committees: Audit Committee
Education: MBA
Main occupation: Directorships
Directorships: Scandi Standard AB
(Chairman), Guard Therapeutics
Intl AB (Chairman), AP3 (Deputy
Chairman), Getinge AB and Capman OYJ.
Subordinated debentures: SEK 250,000



Jan-Erik Hansson

Färila
Born: 1963
Director since 2022
Member of Lantmännen
Committees: Audit Committee
Education: Mechanical engineering,
agriculture
Main occupation: Farmer, dairy, meat,
forestry and contracting
Contribution issues: SEK 266,708*
Paid-in contributions: SEK 1,892,809*



Henrik Wahlberg

Soukolojärvi, Övertorneå Municipality
Born: 1967
Director since 2017
Member of Lantmännen
Committees: Owner Committee
Education: Aeronautical engineer,
agriculture
Main occupation: Farmer
Directorships: Övertorneå Energi
Försäljning AB, Sparbanken Nord and
Övertorneå Energi AB.
Contribution issues: SEK 390,498*
Paid-in contributions: SEK 322,000*

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



Per Wijkander

Upplands-Bro
 Born: 1977
 Director since 2019
 Member of Lantmännen
 Committees: Owner Committee
 Education: Agricultural Economics
 Main occupation: Farmer
 Directorships: Beirat (Advisory Board)
 HaGe Kiel, member of LRF Växtodling.
 Contribution issues: SEK 3,291,120*
 Paid-in contributions: SEK 493,000*
 Subordinated debentures: SEK 1,500,000



Tommy Brunsärn

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



Pär-Johan Lööf

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



Tomas Welander

Employee representative,
 IF Metall
 Gothenburg
 Born: 1961
 Director since 2012
 Main occupation: Service Technician,
 Swecon
 Other assignments: Employee representa-
 tive, Swecon Anläggningsmaskiner AB

Board Secretary

Tove Cederborg

Senior Vice President & General Counsel
 Lantmännen Group
 Born: 1964
 Hired: 2011
 Education: LL.M.

Members of the Board of Lantmännen ek för are elected for two-year terms.
 The Annual General Meeting will be held on May 3, 2023.
 Holdings of contribution issues, paid-in contributions and holdings of
 subordinated debentures are reported in SEK, as at December 31, 2022.

Member representative auditors

Maude Fyrenius

Lärbo
 Born: 1973
 Auditor for Lantmännen since 2014
 Education: Agrotechnician
 Main occupation: Farmer, Consultancy and
 skills development, Gotland County Admin-
 istrative Board
 Contribution issues: SEK 128,782*
 Paid-in contributions: SEK 199,712*

Kristina Glantz Nilsson

Håbo
 Born: 1975
 Auditor for Lantmännen since 2020
 Education: Agriculture
 Main occupation: Business Advisor Danske
 Bank Västerås, Farmer
 Contribution issues: SEK 62,012
 Paid-in contributions: SEK 165,000*
 Subordinated debentures: SEK 200,000

Jimmy Grinsvall

Sättila
 Born: 1974
 Auditor for Lantmännen since 2019
 Education: Agricultural and Rural
 Management
 Main occupation: Farmer
 Contribution issues: SEK 421,993
 Paid-in contributions: SEK 622,000*

Authorized Public Accountant

Andreas Troberg

Ernst & Young AB, Stockholm
 Born: 1976
 Auditor for Lantmännen since 2022
 Other assignments: Gränges, Sectra,
 Epiroc Rock Drills AB.

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

Group Management



Magnus Kagevik

Group President & CEO
Executive Vice President Lantmännen Food Sector
Acting Executive Vice President Lantmännen Cerealia
Business Area until February 28, 2023
Born: 1967
Hired: 2018
Education: M.Sc. (Mechanical Engineering)
External directorships: Viking Malt Aktiebolag,
HaGe Kiel and team SE.
Subordinated debentures: SEK 2,000,000



Per Arfvidsson

Executive Vice President & CTO Lantmännen Group
Born: 1962
Hired: 2011
Education: M.Sc. (Mechanical Engineering)
External directorships: Sweden Food Arena (Chairman)
and Agronod (Chairman).
Subordinated debentures: SEK 2,000,000



Tove Cederborg

Senior Vice President & General Counsel
Lantmännen Group
Born: 1964
Hired: 2011
Education: LL.M.
Subordinated debentures: SEK 300,000



Lars-Gunnar Edh

Executive Vice President Lantmännen Energy Sector
Born: 1969
Hired: 2019
Education: M.Sc. (Mechanical Engineering)
External directorships:
Drivkraft Sverige AB
Subordinated debentures: SEK 300,000



Niklas Lindberg

Executive Vice President Swecon Business Area
Born: 1974
Hired: 2015
Education: M.Sc. (Financial Economics)
External directorships:
X-Innovations AB (Chairman) and Hyttbäcken Invest AB.



Carsten Lyngsø Thomsen

Executive Vice President Lantmännen Unibake
Business Area
Born: 1967
Hired: 2021
Education: Diploma (Business Administration)



Elisabeth Ringdahl

Executive Vice President Lantmännen Agriculture Sector
Born: 1965
Hired: 2015
Education: M.Sc. (Business and Economics)
External directorships: Rezekne JSC (Chairman), Scandagra Group AB, Scandagra Polska Sp. z o.o. and HaGe Kiel.
Subordinated debentures: SEK 500,000



Michael Sigsfors

Executive Vice President & CFO Lantmännen Group
Born: 1974
Hired: 2008
Education: M.Sc. (Business Administration)
Subordinated debentures: SEK 300,000



Elisabeth Wallin Mononen

Senior Vice President HR & Communication Lantmännen Group
Born: 1959
Hired: 2005
Education: LL.M., MBA
External directorships: Hagabergs Mekaniska Aktiefbolag (Deputy)



Thomas Isaksson

Executive Vice President Lantmännen Cerealia Business Area from March 1, 2023
Born: 1970
Hired: 2015
Education: M.Sc. (Economics)

Changes in Lantmännen's Group Management

- Magnus Kagevik succeeded Per Olof Nyman as Group President & CEO.
 - Michael Sigsfors succeeded Christian Johansson as Executive Vice President & CFO Lantmännen Group.
 - Carsten Lyngsø Thomsen succeeded Werner Devincq as Executive Vice President Lantmännen Unibake Business Area.
 - Lars-Gunnar Edh succeeded Magnus Kagevik as Executive Vice President Lantmännen Energy Sector.
 - Magnus Kagevik took over as Acting Executive Vice President Lantmännen Cerealia Business Area after Carl-Peter Thorwid.
-

Holdings of subordinated debentures are reported as at December 31, 2022.

Financial overview and facts

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Performance per segment

	Agriculture Sector		Energy Sector		Food Sector		Swecon Business Area		Real Estate Business Area		Lantmännen Group	
MSEK	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Net sales	30,376	22,834	6,801	4,595	18,908	15,558	8,647	7,750	592	584	60,612	48,183
Operating income	516	374	1,165	615	-171	775	593	471	503	344	2,307	2,302
Return on operating capital, %	5.2	4.5	46.8	42.3	-0.9	4.8	35.8	33.3	14.6	11.1	7.2	8.4
Operating income, adjusted for items affecting comparability	516	374	1,165	615	528	850	593	471	244 ¹⁾	279 ¹⁾	2,715	2,323
Return on operating capital, adjusted for items affecting comparability, %	5.2	4.5	46.8	42.3	2.9	5.2	35.8	33.3	7.1 ¹⁾	9.0 ¹⁾	8.4	8.5

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

Lantmännen Lantbruk Sweden

MSEK	2022	2021
Net sales	20,363	14,102
Operating income	339	159
Return on operating capital, %	5.8	3.6

Lantmännen Maskin Sweden

MSEK	2022	2021
Net sales	3,320	3,636
Operating income	1	20
Return on operating capital, %	0.0	1.7

Agriculture Sector

The Agriculture Sector's net sales for 2022 were significantly higher than in the previous year, driven by the Swedish agricultural operations. The increase was largely due to a sharp increase in prices of grain and inputs. Operating income amounted MSEK 516, an increase from MSEK 374 in the previous year. Operating income for the year was positively affected by the reversal of a provision related to electricity tax.

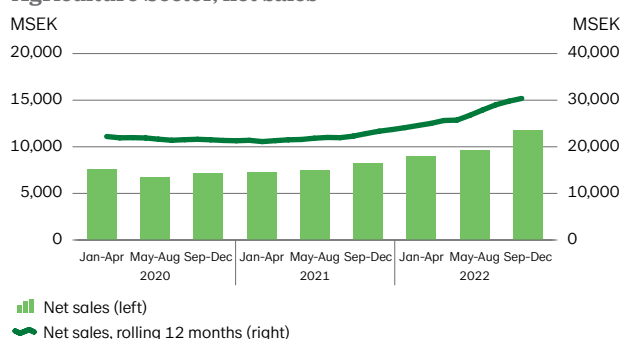
Global grain prices during the year reached historically high levels, although prices fell slightly towards the end of the

year. Large shipments from Russia and Ukraine contributed to the falling prices.

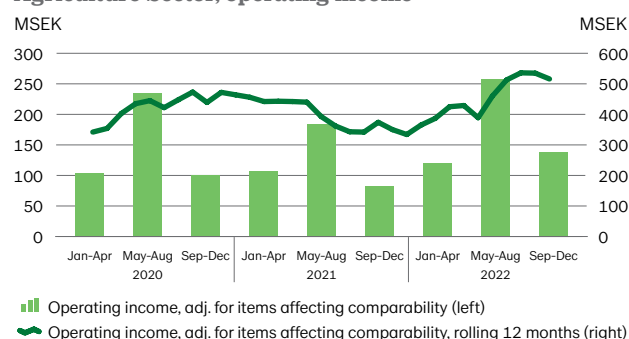
Lantmännen's feed business developed positively in 2022, driven mainly by good demand for Piggfor and Pullfor. The business has been affected by high prices of energy, raw materials and transport. However, reduced price volatility and fewer uncertainties in the supply chain towards the end of the year contributed to a more stable situation for the business.

Earnings for the Finnish agricultural operations were lower than in the previous year, as a result of poorer earnings

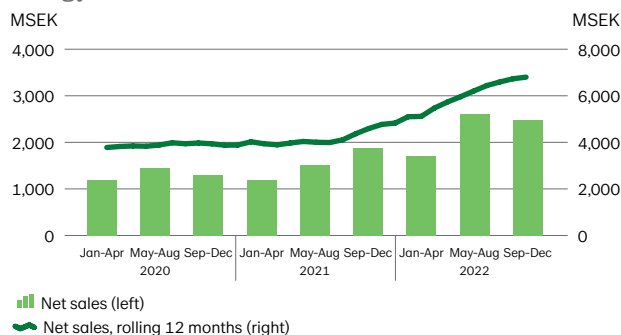
Agriculture Sector, net sales



Agriculture Sector, operating income



Energy Sector, net sales



for the grain business. Like the Swedish operations, other businesses in the Finnish agricultural operations have been affected by high prices of energy, raw materials and transport.

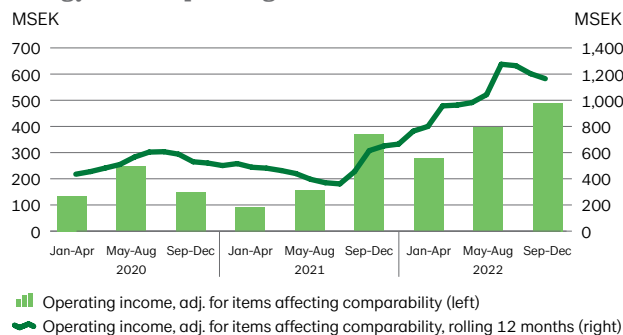
Earnings for the Sector's international holdings were higher than in the previous year. Operations in the Baltic region and Poland showed strong growth during the year, while the German operations reported lower earnings. The share of income from HaGe Kiel is included in the Sector's results up to the end of October.

Lantmännen Maskin reported lower earnings than in the previous year, partly due to the downturn in the machinery market. Although total tractor sales were more than 20 per cent lower than in the previous year, Lantmännen Maskin has continued to strengthen its market share.

Energy Sector

The Energy Sector's net sales were significantly higher than in the previous year, and operating income amounted to MSEK 1,165 – a marked improvement from MSEK 615 in the previous year. Both increases were largely due to historically high ethanol prices, as well as good production and sales for all businesses. The result was also positively affected by the fact that Lantmännen has been the sole owner of pellet manufacturer Scandbio since April, as well

Energy Sector, operating income



as the addition of the UK company Coryton, which was acquired in February.

Lantmännen Biorefineries was responsible for the majority of the Sector's increase in earnings and an ethanol production record was set during the year. Higher prices for raw materials used in ethanol production have been more than compensated by higher prices for ethanol and feed products. However, the high ethanol prices that characterized much of 2022 fell towards the end of the year.

Aspen continued to develop positively and increased its sales, despite a generally volatile energy market. The company Coryton has been integrated into the business and is developing according to plan.

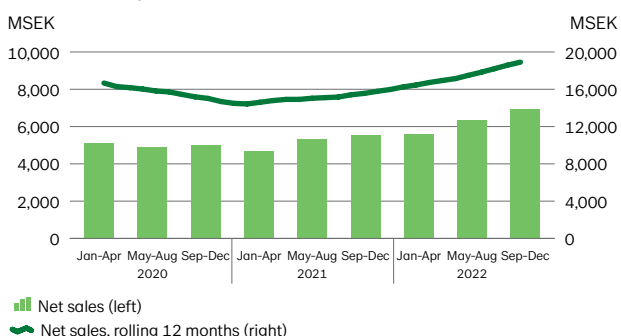
Scandbio's earnings have been positively impacted by increased demand and higher prices for wood pellets, and the company delivered a significantly higher result than in the previous year.

The investment in gluten production in Norrköping has continued as planned, and production is scheduled to start in the first half of 2023.

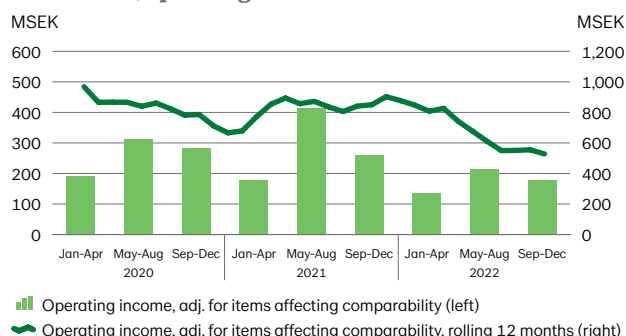
Food Sector

The Food Sector's net sales increased during 2022, while operating income adjusted for items affecting comparability

Food Sector, net sales



Food Sector, operating income



showed a significant decline, falling to MSEK 528 from MSEK 850 the previous year. All businesses in the Sector have faced major challenges in the form of rising prices of raw materials, energy and transport. Cost-based price increases to customers have been implemented, but the Sector's earnings were adversely affected by time lags. Continued price increases will be necessary.

Initiatives to counter the rising prices have been implemented in all production units in the Sector and include adjustments and increased production efficiency.

Lantmännen Unibake's sales increased compared with the previous year, partly due to higher sales volumes, but mainly due to price increases in response to sharply rising costs of inputs. The price increases implemented so far have partly mitigated the negative effects of the increased costs, but do not fully compensate.

A new production line for burger buns was installed at Unibake's bakery in Nowa Sól, Poland.

Lantmännen Cerealia's sales increased compared with the previous year. However, this is entirely driven by cost increases and subsequent price increases passed on to customers and consumers. The necessary price increases that have been implemented have led to even more intense price competition in many of Cerealia's product categories – particularly from private labels. In October, a fire broke out at Cerealia's pancake factory in Laholm, causing extensive damage to the production lines and bringing the factory to a standstill. Production is expected to resume in spring 2023.

Cerealia reported an item affecting comparability in the form of impairment of MSEK 500 in respect of mills in Denmark and Sweden and goodwill related to the Finnish operations.

Costs of integrating the company Myllyn Paras, acquired in June, had a negative effect on the Sector's earnings during the year. Myllyn Paras produces and sells flour, pasta, breakfast products and frozen bakery products.

Swecon Business Area

The Swecon Business Area's net sales for 2022 were higher than in the previous year, and operating income amounted to MSEK 593, which is a new record and a marked improvement from MSEK 471 in the previous year. Earnings have been positively affected by insurance compensation related to Swecon's facility in Bochum, Germany, where a major fire broke out in November 2021.

Machine availability has remained limited due to factors such as component shortages and difficulties related to shipping and logistics. Despite this, Swecon's sales have increased in all markets – partly driven by high inflation. Aftermarket sales also showed positive development, with good demand for both servicing and spare parts.

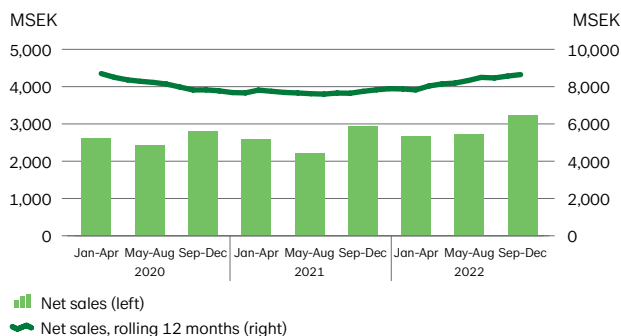
Indicators for the construction market suggest that the economy is entering a recession and that willingness to invest has declined among many customers. During the year, price increases were also implemented by all Swecon's suppliers. Despite this, demand for machinery has remained high during the year, although the order intake fell slightly towards the end of the year. Good demand combined with the shortage of machines meant that delivery times to customers increased significantly during the year.

Demand for electric machines continued to grow, particularly in the public sector – and the launch of new electric machines from Volvo has been well received. The number of machine models offered from Swecon was increased in 2022.

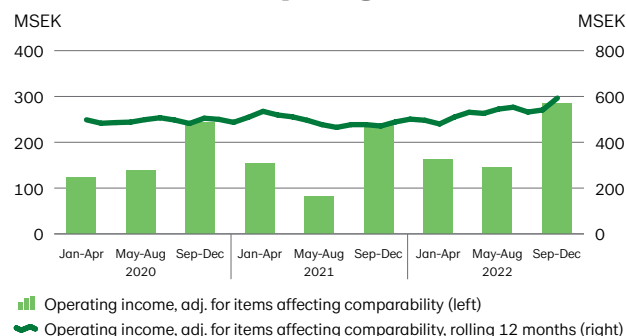
After a very low level of customer and marketing activity during the coronavirus pandemic, several fairs and events are being organized again. Swecon has, among other things, participated in the new, all-electric FIA World Rallycross Championship event to highlight the potential of a transition to an electric future.

Integration of the Swedish rental company, Kewab Rental, acquired in May, continues as planned.

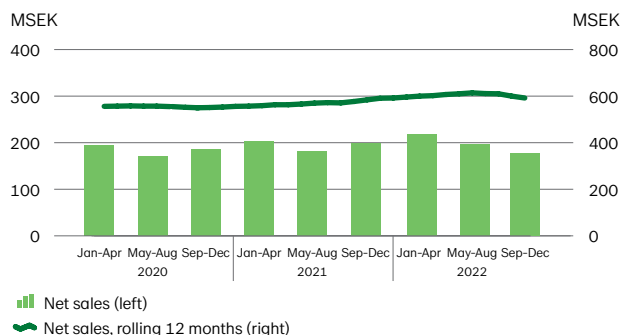
Swecon Business Area, net sales



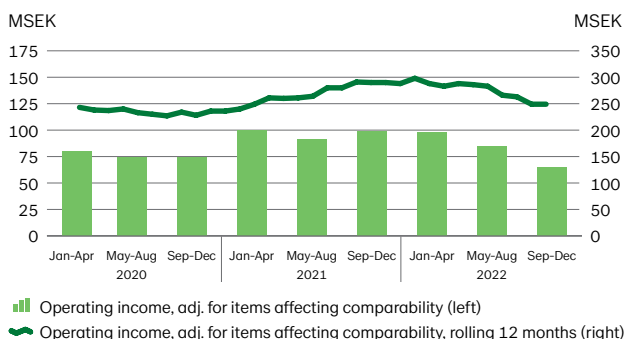
Swecon Business Area, operating income



Real Estate Business Area, net sales



Real Estate Business Area, operating income



Real Estate Business Area

The Real Estate Business Area's net sales were in line with the previous year. Operating income, excluding property sales and items affecting comparability, was MSEK 244, compared with MSEK 279 the previous year. The previous year's earnings were positively affected by higher profit shares from partly-owned companies.

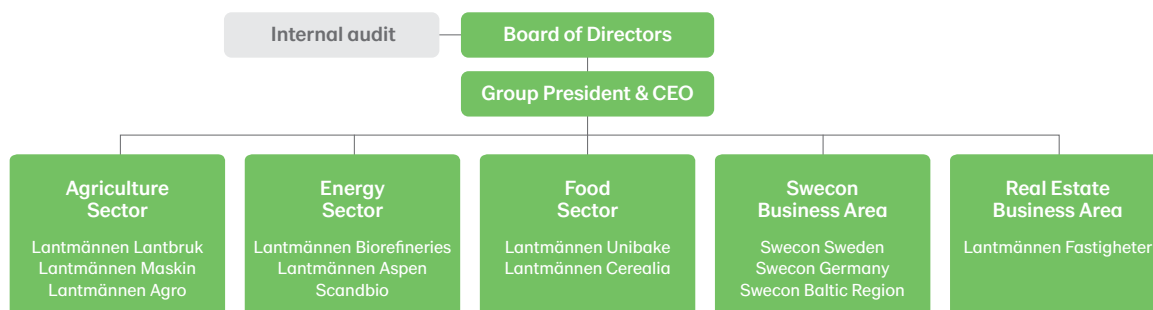
High energy prices have had a negative impact on this year's results. The increased costs for electricity and heating will be compensated by rent increases.

At the end of the year, an agreement was signed for the sale of building rights in Örebro to K-fast Kilen AB.

Lantmännen has decided to install six solar PV systems: four in the South Region, one in the Stockholm Region and one in the Örebro Region. In addition, all new facilities that are built are to be equipped with solar cells. The target for 2023 is to install solar energy equivalent to a total of about 700 kW.

The sale of Lantmännen Agrovärme to Solör Bioenergi was completed in September, generating a capital gain of MSEK 707, which has been recognized as an item affecting comparability.

Lantmännen's organization



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.
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	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 (bank definition)/EBITDA.
Equity ratio	Equity divided by total assets.	Shows the proportion of the assets that are financed by the owners.
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	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 (bank definition)	As net debt above, but financial assets are not included, apart from cash and cash equivalents and certain listed (liquid) shares, and subordinated debentures are deducted.	To calculate the key ratio Net debt (bank definition)/EBITDA.
Net debt (bank definition)/EBITDA	Net debt (bank definition) divided by EBITDA.	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.

The Group's Ten-year overview

Condensed income statements

MSEK	2022	2021	2020	2019	2018 ¹⁾	2017 ¹⁾	2016 ¹⁾	2015 ¹⁾	2014 ¹⁾	2013 ¹⁾
Net sales	60,612	48,183	45,990	48,523	43,962	39,686	37,244	35,660	32,666	33,802
EBITDA	5,460	4,399	4,274	4,046	2,806	2,919	2,771	2,573	2,556	2,193
Depreciation, amortization and impairment	-3,153	-2,097	-2,051	-2,063	-1,363	-1,242	-1,165	-1,222	-1,103	-2,104
Operating income	2,307	2,302	2,223	1,983	1,443	1,677	1,606	1,351	1,453	89
Finance income and costs	-179	-121	-182	-210	-193	-156	-149	-105	-111	-4
Income after financial items	2,128	2,181	2,041	1,773	1,250	1,521	1,457	1,246	1,342	85
Tax	-337	-294	-244	-222	-68	-216	-183	-156	-117	15
Net income for the year	1,791	1,887	1,797	1,551	1,182	1,305	1,274	1,090	1,225	100

Condensed statements of financial position, MSEK

	2022	2021	2020	2019	2018 ¹⁾	2017 ¹⁾	2016 ¹⁾	2015 ¹⁾	2014 ¹⁾	2013 ¹⁾
Property, plant and equipment	14,758	13,769	13,288	13,927	10,673	10,030	9,098	7,699	7,178	7,337
Goodwill	6,186	5,619	5,461	5,724	5,350	5,238	4,611	4,424	2,915	2,594
Other intangible assets	3,845	3,378	3,370	3,620	3,451	3,327	2,980	2,782	752	814
Other non-current assets	5,942	3,662	3,496	3,499	3,233	3,204	2,825	2,780	2,762	2,542
Total non-current assets	30,731	26,428	25,615	26,770	22,707	21,799	19,514	17,685	13,607	13,287
Inventories	9,957	6,610	6,077	6,561	6,943	5,948	5,270	5,545	5,379	5,249
Other current assets	10,056	7,605	6,224	6,680	6,725	5,866	5,933	5,599	5,087	5,170
Cash and cash equivalents	355	2,704	1,415	1,183	720	927	1,773	1,252	3,058	2,295
Total current assets	20,368	16,919	13,716	14,424	14,388	12,741	12,976	12,396	13,524	12,714
Total assets	51,099	43,347	39,331	41,194	37,095	34,540	32,490	30,081	27,131	26,001
Equity, members of the Parent	22,831	19,990	17,901	17,411	15,935	14,859	13,795	12,660	11,859	11,016
Equity, NCI	101	108	105	94	92	89	88	21	17	28
Total equity	22,932	20,098	18,006	17,505	16,027	14,948	13,883	12,681	11,876	11,044
Non-current liabilities	6,206	6,595	7,029	7,190	7,005	5,983	6,219	6,135	3,598	4,939
Current liabilities	21,961	16,654	14,296	16,499	14,063	13,609	12,388	11,265	11,657	10,018
Total equity and liabilities	51,099	43,347	39,331	41,194	37,095	34,540	32,490	30,081	27,131	26,001
Net debt	9,761	6,673	7,761	10,165	8,719	7,274	6,289	6,476	3,674	4,963
Refund and supplementary payment ^{2) 3)}	374	341	305	208	156	245	231	188	135	129
Extra dividend	-	-	-	-	-	133	-	-	-	-
Contribution dividend and contribution issue ³⁾	706	659	597	525	463	322	277	243	328	171

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 2022.

Financial performance measures	2022	2021	2020	2019	2018 ¹⁾	2017 ¹⁾	2016 ¹⁾	2015 ¹⁾	2014 ¹⁾	2013 ¹⁾
Operating margin, %	3.8	4.8	4.8	4.1	3.3	4.2	4.3	3.8	4.4	0.3
Capital turnover rate, times	1.9	1.8	1.7	1.7	1.8	1.8	1.8	1.8	2.1	2.0
Return on operating capital, %	7.2	8.4	8.1	6.8	6.0	7.8	8.0	7.5	9.1	0.5
Return on equity, %	8.3	10.0	10.2	9.1	7.6	9.0	9.6	8.9	10.6	0.9
Equity ratio, %	44.9	46.4	45.8	42.5	43.2	43.3	42.7	42.2	43.8	42.5
Net debt (bank definition)/EBITDA	1.9	1.3	1.6	2.3	3.2	2.7	2.5	2.8	2.0	2.6
Net debt/equity ratio, times	0.4	0.3	0.4	0.6	0.5	0.5	0.5	0.5	0.3	0.4

Excl. items affecting comparability	2022	2021	2020	2019	2018 ¹⁾	2017 ¹⁾	2016 ¹⁾	2015 ¹⁾	2014 ¹⁾	2013 ¹⁾
Operating income, MSEK	2,715	2,323	2,223	2,087	1,580	1,708	1,697	1,351	851	805
Operating margin, %	4.5	4.8	4.8	4.3	3.6	4.3	4.6	3.8	2.6	2.4
Income after financial items, MSEK	2,536	2,202	2,041	1,877	1,387	1,552	1,548	1,246	740	683
Net income after tax, MSEK	2,157	1,904	1,797	1,652	1,289	1,353	1,457	1,066	595	494
Return on operating capital, %	8.4	8.5	8.1	7.2	6.6	7.9	8.4	7.5	5.3	4.7
Return on equity, %	10.1	10.1	10.2	9.7	8.2	9.4	11.0	8.7	5.1	4.4

Condensed statement of cash flows, MSEK	2022	2021	2020	2019	2018 ¹⁾	2017 ¹⁾	2016 ¹⁾	2015 ¹⁾	2014 ¹⁾	2013 ¹⁾
Cash flow from operating activities before changes in working capital	4,049	3,944	3,811	3,637	2,268	2,453	2,571	2,159	1,362	1,570
Cash flow from operating activities	1,359	3,927	4,503	4,226	1,023	2,398	3,136	2,167	1,767	2,294
Cash flow from investment in/sale of property, plant and equipment and intangible assets, net	-2,688	-2,199	-1,608	-1,929	-1,626	-2,274	-1,884	-811	-697	-862
Cash flow from acquisitions and divestments of operations, net ²⁾	-761	-5	-54	-473	-333	-852	-357	-4,154	1,065	1,196
Cash flow before financing activities	-2,468	1,704	2,803	1,837	-824	-703	826	-2,674	2,077	2,450
Cash flow for the year	-2,372	1,280	254	454	-219	-852	489	-1,775	778	1,943
Cash and cash equivalents at end of year	355	2,704	1,415	1,183	720	927	1,773	1,252	3,058	2,295

Non-financial key figures	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Number of members	18,256	18,726	19,172	19,690	24,798	25,021	25,159	27,032	28,617	32,082
Average number of employees	10,356	10,092	10,017	10,250	9,940	9,850	9,880	8 911	8 311	9 133
of which women/men	35/65	35/65	34/66	35/65	34/66	34/66	30/70	27/73	28/72	29/71
Employee satisfaction/Leadership	-	70/76	-	71/75	-	70/74	-	68/72	-	68/71
Sick leave	5.2	4.4	4.3	4.3	4.5	4.4	4.8	4.4	3.8	3.7
Injury rate	13.5	14.3	13.7	12.8	13.4	13.9	14.5	15.2	16.8	15.2
Tonnes CO ₂ /MSEK net sales	1.98	2.50	2.64 ³⁾	2.87 ³⁾	3.43	4.63	5.38	4.68	-	-
Weighed grain volume, thousand tonnes	2,482	2,422	2,758	2,261	1,819	2,720	2,400	2,710	-	-
of which Climate & Nature, volume, thousand tonnes	115	94	61	38	33	78	70	55	-	-

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

²⁾ 2022 acquisition of Coryton Advanced Fuels, Scandbio, Kewab Rental, Myllyn Paras and 30 percent of KG:s Ägg, and divestment of Agrovärme.

2020 acquisition of a bakery business in Norway.

2019 acquisition of Bakery Du Jour and Tate & Lyle's oat business.

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

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

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

2015 acquisition of Vaasan and sale of Lantmännen Doggy.

2014 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 acquisition of 46 percent of Scandi Standard and divestment of Kronfågel Group and Rigas Dzirmavnieks.

³⁾ Based on new baseline for target 2019-2030.

Consolidated 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.

Consolidated Income Statement

	MSEK	2022	2021
Sales	Net sales	60,612	48,183
This is where you will find the Company's total sales.	Other operating income	2,893	886
	Changes in inventories of finished goods and work in progress	127	-1,251
	Raw materials and consumables	-22,312	-15,555
	Merchandise	-18,132	-14,149
Costs	Employee benefits expense	-7,410	-6,506
The costs of producing and selling goods and services are shown here.	Depreciation, amortization and impairment	-3,153	-2,097
	Other operating expenses	-10,479	-7,378
	Share of income of equity accounted companies	161	169
Operating income	Operating income	2,307	2,302
This shows whether sales are profitable.	Finance income	121	68
Financial items	Finance costs	-300	-189
Income or expenses associated with loans, investments, shares, securities, etc.	Income after financial items	2,128	2,181
	Tax	-337	-294
Income	Net income for the year	1,791	1,887
This is also called profit after tax.	Net income for the year attributable to:		
	Members of the economic association	1,781	1,877
	Non-controlling interests	10	10

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	2022	2021
	Net income for the year	1,791	1,887
	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	726	327
	Financial assets at fair value through other comprehensive income, net before tax	-17	-115
	Items reclassified to balance sheet	26	-
	Tax attributable to items that will not be reclassified	-162	-48
	Total	573	164
	<i>Items that will be reclassified to the income statement</i>		
	Cash flow hedges, net before tax	355	204
	Exchange differences on translation of foreign operations	903	386
	Net gain on hedge of net investment in foreign operations, net of tax	-207	-28
	Tax attributable to items that will be reclassified	-30	-37
	Total	1 021	525
	<i>Share of OCI in equity accounted companies</i>		
	Items that will be reclassified to the income statement	89	32
	Total	89	32
	Other comprehensive income, net of tax	1,683	721
Total comprehensive income	Total comprehensive income	3,474	2,608
This shows the results of the year's operations and remeasurements. The amount increases or reduces the Group's equity.	Total comprehensive income attributable to:		
	Members of the economic association	3,464	2,598
	Non-controlling interests	10	10

Consolidated 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	2022 Dec 31	2021 Dec 31
ASSETS		
Non-current assets		
Property, plant and equipment	14,758	13,077
Investment property	690	692
Goodwill	6,186	5,619
Other intangible assets	3,845	3,378
Equity accounted holdings	3,195	2,697
Surplus in funded pension plans	237	-
Non-current financial assets	859	440
Deferred tax assets	301	273
Other non-current assets	660	252
Total non-current assets	30,731	26,428
Current assets		
Inventories	9,957	6,610
Trade and other receivables	9,883	7,461
Current interest-bearing assets	83	64
Current tax assets	90	80
Cash and cash equivalents	355	2,704
Total current assets	20,368	16,919
TOTAL ASSETS	51,099	43,347
MSEK	2022 Dec 31	2021 Dec 31
EQUITY AND LIABILITIES		
Equity		
Member contributions	4,027	3,624
Other contributed capital	3,110	3,110
Reserves	1,444	337
Retained earnings incl. net income	14,250	12,919
Total equity attributable to members of the economic association	22,831	19,990
Non-controlling interests	101	108
Total equity	22,932	20,098
Non-current liabilities		
Non-current interest-bearing liabilities	4,445	4,795
Provisions for pensions	-	612
Deferred tax liabilities	1,222	898
Other non-current provisions	376	285
Other non-current liabilities	163	5
Total non-current liabilities	6,206	6,595
Current liabilities		
Current interest-bearing liabilities	6,850	4,474
Trade and other payables	13,790	11,111
Current tax liabilities	372	209
Current provisions	949	860
Total current liabilities	21,961	16,654
TOTAL EQUITY AND LIABILITIES	51,099	43,347

Consolidated 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	2022	2021
OPERATING ACTIVITIES		
Operating income	2,307	2,302
Adjustment for non-cash items ¹⁾	2,164	1,987
	4,471	4,289
Financial items paid, net	-177	-113
Taxes paid	-245	-232
Cash flow from operating activities before changes in working capital	4,049	3,944
<i>Cash flow from changes in working capital</i>		
Change in inventories	-2,860	-472
Change in operating receivables	-1,484	-1,175
Change in operating liabilities	1,654	1,630
	-2,690	-17
Cash flow from operating activities	1,359	3,927
INVESTING ACTIVITIES		
Acquisitions of operations (incl. capital contribution)	-1,827	-5
Divestment of operations	1,066	-
Investment in property, plant & equipment	-3,002	-2,169
Investment in intangible assets	-72	-193
Sale of property, plant & equipment and intangible assets	386	163
Change in financial investments	-378	-19
Cash flow from investing activities	-3,827	-2,223
Cash flow before financing activities	-2,468	1,704
FINANCING ACTIVITIES		
Change in interest-bearing liabilities incl pension provisions	700	89
Paid-in contributed capital	207	184
Refunded capital contribution	-101	-94
Dividend paid	-710	-603
Cash flow from financing activities	96	-424
Cash flow for the year	-2,372	1,280
Cash and cash equivalents at beginning of year	2,704	1,415
Exchange differences in cash and cash equivalents	23	9
Cash and cash equivalents at end of year	355	2,704

¹⁾ MSEK	2022	2021
Adjustment for non-cash items		
Depreciation, amortization and impairment of non-current assets	3,153	2,097
Share of income of equity accounted companies	-132	-143
Capital gains/losses on sale of non-current assets and operations	-878	-52
Other non-cash items	21	85
Total	2,164	1,987

Consolidated Statement of Changes in Equity

MSEK	Contributed capital	Other contributed capital	Reserves	Retained earnings incl. net income	Total Lantmännen's owners	Non-controlling interests	Total equity
Opening balance, January 1, 2021	3,228	3,110	-124	11,687	17,901	105	18,006
Net income for the year	-	-	-	1,877	1,877	10	1,887
Other comprehensive income, net of tax	-	-	461	260	721	-	721
Total comprehensive income	-	-	461	2,137	2,598	10	2,608
Distributions to owners	306	-	-	-902	-596	-7	-603
Contributed capital paid in by members	184	-	-	-	184	-	184
Contributed capital paid out to members	-94	-	-	-	-94	-	-94
Other change	-	-	-	-3	-3	-	-3
Closing balance, December 31, 2021	3,624	3,110	337	12,919	19,990	108	20,098

	2022						
Opening balance, January 1, 2022	3,624	3,110	337	12,919	19,990	108	20,098
Net income for the year	-	-	-	1,781	1,781	10	1,791
Other comprehensive income, net of tax	-	-	1,107	576	1,683	-	1,683
Total comprehensive income	-	-	1,107	2,357	3,464	10	3,474
Realized change in value from OCI	-	-	-	-26	-26	-	-26
Distributions to owners	297	-	-	-1,000	-703	-7	-710
Contributed capital paid in by members	207	-	-	-	207	-	207
Contributed capital paid out to members	-101	-	-	-	-101	-	-101
Other change	-	-	-	-	-	-10	-10
Closing balance, December 31, 2022	4,027	3,110	1,444	14,250	22,831	101	22,932

Equity attributable to members of the economic association, MSEK	2022	2021
Contributed capital, paid in	1,642	1,512
Contributed capital, issued	2,385	2,112
Other equity	18,804	16,366
Total equity attributable to members of the economic association	22,831	19,990

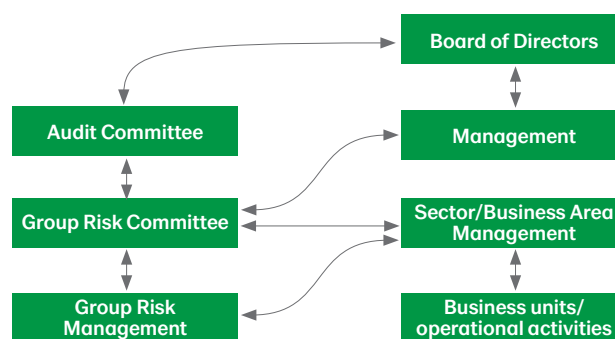
Risk management process

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

The business's risks are identified and assessed based on probability, impact on results, reputation and people. The

Group's risks are aggregated and the most significant are dealt with and continuously monitored by the Risk Committee, Group Management and the Board. The business managers ensure that their own risk measures are in place.



Glossary

For description of financial performance measures → see page 77

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

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

Amino acids • Amino acids are the building blocks of proteins.

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.

Carbon Law • Researchers' name for the rate required to reduce the climate impact in line with the Paris Agreement target, which is to keep 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.

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.

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

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.

Due diligence • The process of gathering and analyzing information about a company prior to an acquisition or other strategic changes.

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 foods • Food with documented health benefits.

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](https://www.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](https://www.rspo.org)

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

Science Based Targets initiative • SBTi is a partnership between supranational and non-profit organizations. SBTi drives ambitious climate action in the private sector by enabling organizations to set science-based emissions reduction targets.

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.



Addresses

Lantmännen ek för

Visiting Address: S:t Göransgatan 160 A
Postal Address: Box 30192
SE-104 25 Stockholm
Tel: +46 10 556 00 00
Corporate Identity No: 769605-2856
lantmannen.com/financialinformation
Group President & CEO:
Magnus Kagevik

Agriculture Sector

SE-205 03 Malmö
Tel: +46 10 556 00 00
lantmannen.com
Executive Vice President:
Elisabeth Ringdahl

Lantmännen Lantbruk

Visiting Address: Neptunigatan 47
Postal Address: SE-205 03 Malmö
Tel: +46 10 556 56 00
lantmannenlantbrukmaskin.com

Lantmännen Maskin

Visiting Address: Bjurögatan 26
Postal Address: Box 174
SE-201 21 Malmö
Tel: +46 771 38 64 00
lantmannenlantbrukmaskin.com

Lantmännen Krafft

Visiting Address: Neptunigatan 47
Postal Address: SE-205 03 Malmö
Tel: +46 10 556 55 70
krafftthorsenutrition.com

FINLAND

Lantmännen Agro

Jaakonkatu 2
FI-01620 Vantaa
Tel: +358 207-708 800
lantmannenagro.fi

DENMARK

Lantmännen Agro

Lindholm Havnevej 27
DK-275800 Nyborg
Tel: +45 70 20 49 03
lantmannenagro.dk

NETHERLANDS

Lantmännen Seed

Visiting Address: Neptunigatan 47
Postal Address: SE-205 03 Malmö
Tel: +46 10 556 56 00
lantmannenseed.com

Financial information

Executive Vice President & CFO
Lantmännen Group
Michael Sigsfors
michael.sigsfors@lantmannen.com

Energy Sector

Visiting Address: S:t Göransgatan 160 A
Postal Address: Box 30192
SE-104 25 Stockholm
Tel: +46 10 556 00 00
lantmannen.com
Executive Vice President:
Lars-Gunnar Edh

Lantmännen Agroetanol

Visiting Address: Hanholmsvägen 69
Postal Address: Box 932
SE-601 19 Norrköping
Tel: +46 10 556 01 50
lantmannenagroetanol.se/en

Lantmännen Functional Foods

Visiting Address: S:t Göransgatan 160 A
Postal Address: Box 30192
SE-104 25 Stockholm
Tel: +46 10 556 00 00
lantmannenfunctionalfoods.com

Lantmännen Oats

Älvåsvägen 1
SE-617 71 Kimstad
Tel: +46 10 556 00 00
lantmannenoats.com

Lantmännen Reppe

Jungmansgatan 8
SE-531 40 Lidköping
Tel: +46 10 556 15 40
lantmannenreppe.com

Lantmännen Aspen

Visiting Address: Iberovägen 2
Postal Address: Box 54
SE-438 05 Hindås
Tel: +46 301 23 00 00
aspenfuels.com

Scandbio

Visiting Address: Fordonsvägen 1
Postal Address: Box 2017
SE-550 02 Jönköping
Tel: +46 20 418 419
scandbio.com

Owner Relations

Head of Owner Relations:
Jesper Broberg
jesper.broberg@lantmannen.com

Food Sector

Visiting Address: S:t Göransgatan 160 A
Postal Address: Box 30192
SE-104 25 Stockholm
Tel: +46 10 556 00 00
lantmannen.com
Executive Vice President:
Magnus Kagevik

Lantmännen Unibake

Visiting Address: Kay Fiskers Plads 9, 2
DK-2300 Copenhagen S
Postal Address: Oensvej 28
DK-8700 Horsens
Tel: +45 762 850 00
lantmannenunibake.com

Lantmännen Cerealía

Visiting Address: S:t Göransgatan 160 A
Postal Address: Box 30192
SE-104 25 Stockholm
Tel: +46 10 556 22 00
lantmannencerealía.com

Myllyn Paras

Mill: Verkatehtaankatu 6
FI-05830 Hyvinkää, Finland
Bakery: Varastokatu 11
FI-05800 Hyvinkää, Finland
Tel: +358 19 428 11 26
myllynparas.com

Press contact

press@lantmannen.com
+46 10 556 88 00

Swecon Business Area

Visiting Address: S:t Göransgatan 160 A
Postal Address: Box 30192
SE-104 25 Stockholm
Tel: +46 10 556 00 00
lantmannen.com
Executive Vice President:
Niklas Lindberg

Swecon

Visiting Address: Bolindervägen 104
Postal Address: Box 55
SE-631 02 Eskilstuna
Tel: +46 10 556 08 50
swecon.com

Real Estate Business Area

Visiting Address: S:t Göransgatan 160 A
Postal Address: Box 30192
SE-104 25 Stockholm
Tel: +46 10 556 00 00
lantmannenfastigheter.se
Executive Vice President:
Joachim Haas

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