Lantmännen
Cerealia

Climate Disclosure Report 2024

From targets to action, scaling climate transition together

Climate transition is a joint effort

SBTi commitment enables collaboration across the grain value chain

Lantmännen Cerealia plays a vital role in the grain value chain, where our mills process grain that is further refined within our own production and across the broader food industry. We consider ourselves an important link between farmers and the delivery of sustainable food.

In the food value chain, the majority of climate impact stems from primary production. For grain-based products like ours, the cultivation stage is critical. Therefore, any food company aiming to reduce value chain emissions must focus efforts at the farm level.

Driven by a strong belief in the power of a value chain perspective on emissions and the importance of cross-value chain collaboration, Lantmännen Cerealia committed to the Science Based Targets initiative (SBTi) at the end of 2022. In May 2024, our near-term targets—including Scope 3 FLAG—were approved.

Our journey to reduce emissions from primary production - FLAG emissions - began ten years ago with the launch of our first products from Lantmännen's cultivation program Climate & Nature.

The program implements measurable actions to reduce cultivation emissions and promote biodiversity without compromising efficiency or yield. The current version of the program aligns with the reduction pace required to reach SBTi FLAG targets and is ready to be scaled up.

More and more companies commit to SBTi, with the benefit that targets and ambitions become aligned. The technical solutions to reach these targets are already in place, and with programs like Climate & Nature, we enable farmers to implement sufficient measures.

At the same time, the climate challenge is increasingly becoming a commercial one. Real actions require investments on farm level – investments that must be shared across the food value chain and with consumers. Collaboration is essential for a successful climate transition and Lantmännen Cerealia is ready to be the preferred partner in this important journey.

Linnea Heiskala,
Head of Sustainability
Lantmännen Cerealia

EMISSION BREAKDOWN

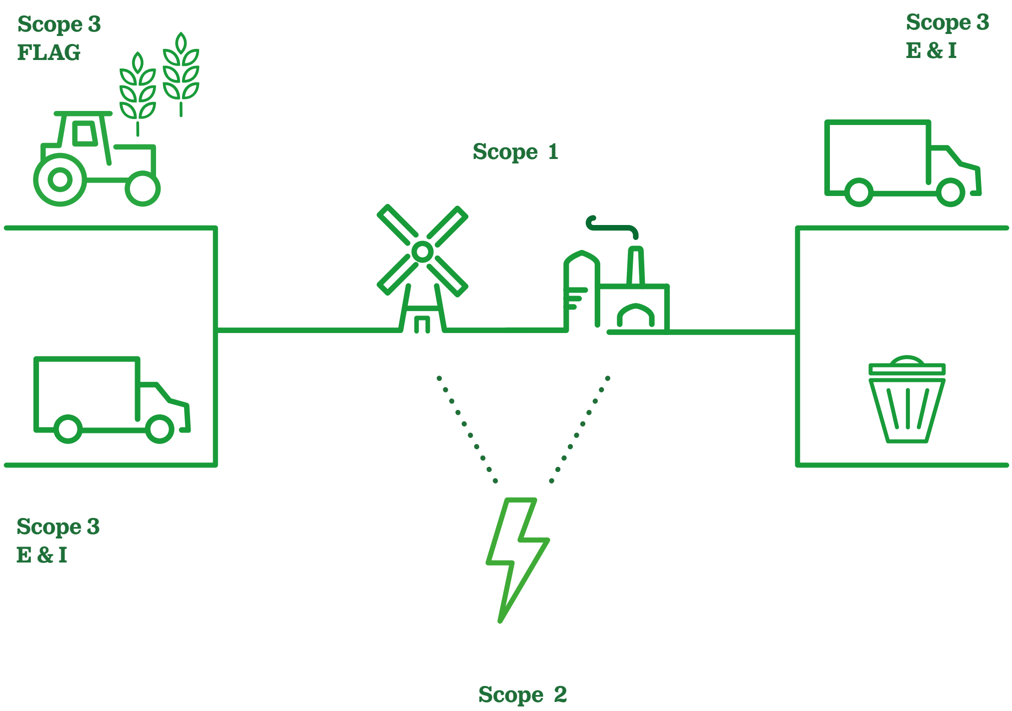
Grain is at heart of our business

which is also reflected in our climate emissions

When we break down our emissions, it becomes clear that grain is our largest commodity – and also the main source of our climate impact. These emissions arise from several stages: the production of input materials for cultivation (such as fertilizers), cultivation practices (including fuel to machinery) and biogenic processes (like nitrogen leakage from soil). Grain cultivation is the primary contributor to scope 3 FLAG emissions.

The second-largest category are Scope 3 emissions from energy and industry. Key drivers here include outbound and intermediate transports along with capital goods, waste and packaging.

Scope 1 & 2 emissions represent the smallest share of our total footprint. This is largely due to Lantmännen Cerealia's long-standing commitment to phasing out fossil fuels in production – a priority over the past decade.



Emissions breakdown by scope

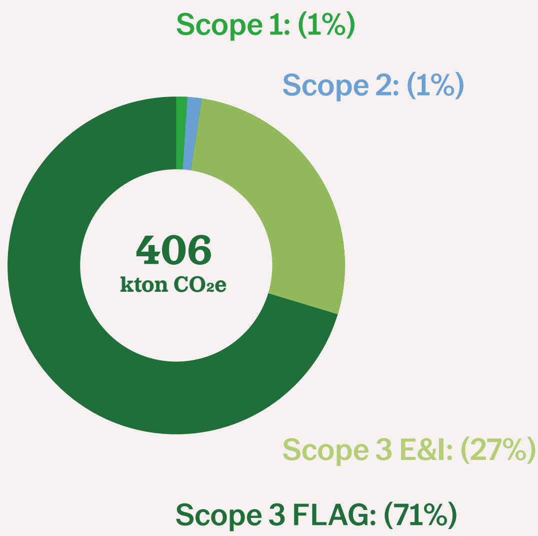
2024

Scope 1 emissions:
Emissions controlled through our own operations (natural gas, fossil oil, combustion in company cars)

Scope 2 emissions:
Emissions from purchased energy used in our operations, but generated externally (e.g. electricity, steam, heat)

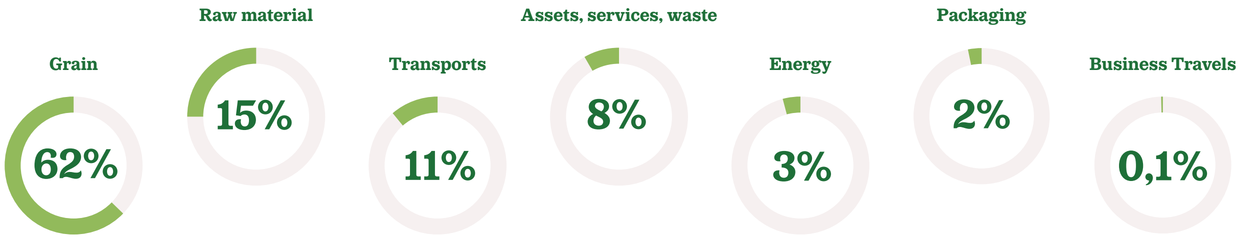
Scope 3 E&I emissions:
Energy and Industry emissions linked to our activities, (transports, processing of raw materials, packaging, waste etc.)

Scope 3 FLAG emissions:
Emissions from Forest, Land and Agriculture associated with sourced goods (e.g. cultivation of grain and other raw materials)



Emissions breakdown by activity

2024



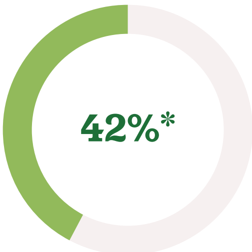
TARGETS

Our climate targets are validated by SBTi

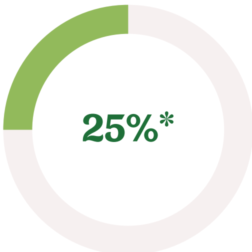
Lantmännen Cerealia committed to the Science Based Targets initiative (SBTi) at the end of 2022. In May 2024, our targets were officially approved.

From a 2021 base year, we commit to reducing absolute greenhouse gas (GHG) emissions by 2030 as follows:

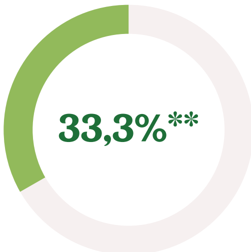
Scope 1 and 2 by:



Scope 3 E&I by:



Scope 3 FLAG by:



In addition, Lantmännen Cerealia commits to no deforestation across our primary deforestation-linked commodities, with a target date of December 31, 2025

*The target boundary includes land-related emissions and removals from bioenergy feedstocks.
**The target includes FLAG emissions and removals.

SCIENCE BASED TARGETS

OUR PROGRESS

Total emissions are down 9% since our base year 2021

with the greatest progress within Scope 3 FLAG

Lantmännen Cerealia's climate action spans the entire value chain, with three main priorities, that together address approximately 75% of our total emissions. For each area, we have defined local targets and action plans:

Phasing out fossil fuels in production

Increasing the share of fossil free transports

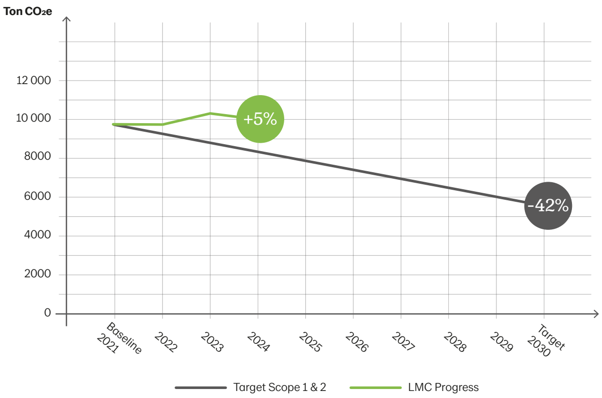
Expanding the share of grain from climate concepts

OUR PROGRESS

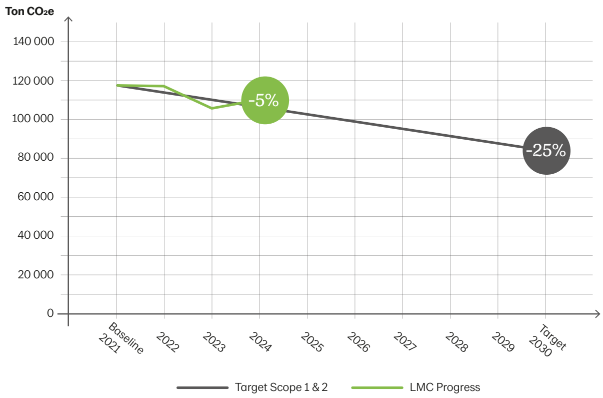
Between 2021 and 2024, our total emissions have decreased by 9%, with the most significations achieved within Scope 3 FLAG. A key driver for this progress is the 55% increase in the share of grain sourced through the Climate & Nature program during this period.

The slight increase in scope 1 & 2 emissions is primarily due to a higher overall energy consumption.

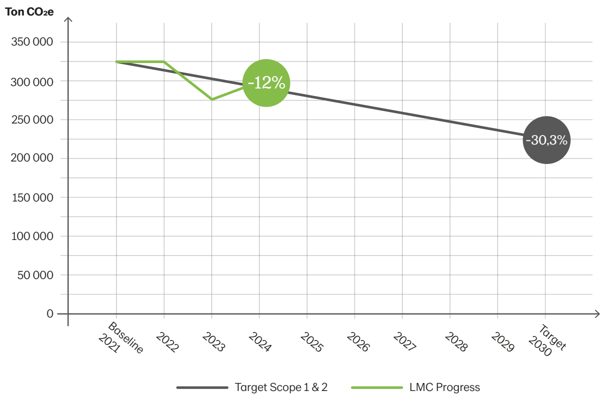
Scope 1 & 2
2% of total emissions



Scope 3 E&I
27% of total emissions



Scope 3 FLAG
71% of total emissions



No-deforestation commitment

Grain is Lantmännen Cerealia’s main commodity - primarily sourced from the Nordic region. According to the EU Deforestation Regulation (EUDR), neither grain nor the Nordic countries are classified as high-risk.

To mitigate potential risks from other commodities, our procurement practices follow the Lantmännen Risk Raw Material Directive, requiring that cocoa must be certified by the Rainforest Alliance and palm oil must be RSPO certified.

Emissions and exclusions

Reported emissions per scope and target boundaries exclusions

Reported emissions per scope according to GHG protocol	Share of emissions	Total emissions (tonnes CO_2e)			Energy & Industry emissions (tonnes CO_2e)			FLAG emissions (tonnes CO_2e)					
								Land Management			Land Use Change		
	2024	2024	2023	2021 baseyear	2024	2023	2021 baseyear	2024	2023	2021 baseyear	2024	2023	2021 baseyear
Scope 1	1%	4,658	4,781	4,329	4,658	4,781.14	4,781	-	-	-	-	-	-
Scope 2 Market based	1%	5,248	5,658	5,131	5,248	5,658.00	5,658	-	-	-	-	-	-
Scope 2 Location based	-	9,143	9,447	-	9,143	9,447	-	-	-	-	-	-	-
Total scope 1 & 2 (market based)	2%	9,906	10,439	9,460	9,906	10,439	10,439	-	-	-	-	-	-
Scope 3: Category 1 -Purchased goods and services (excl organic	84%	340,979	334,531	387,989	55,635	54,065.54	61,486	264,538	257,275	293,651	20,803	23,190	32,853
Organic soils ("Land Management net CO2")					-	-	-	130,008	126,730	TBC[1]			
Scope 3: Category 2 -Capital goods	2%	10,038	9,727	6,938	10,038	10,038.11	10,038	-	-	-	-	-	-
Scope 3: Category 3 - Fuel & energy related activities (not included scope 1 & 2)	1%	2,390	2,228	2,689	2,390	2,389.66	2,390	-	-	-	-	-	-
Scope 3: Category 4 - Upstream transportation and distribution	11%	42,738	40,058	44,349	42,738	42,737.83	42,738	-	-	-	-	-	-
Scope 3: Category 5 -Waste treatment	0%	71	177	59	71	71.40	71	-	-	-	-	-	-
Scope 3: Category 6 -Business Travel	0%	166	216	83	166	165.72	166	-	-	-	-	-	-
Total Scope 3 (excl organic soils)	98%	396,381	386,937	442,108	111,037	109,468	116,889	264,538	257,275	293,651	20,803	23,190	32,853
Grand Total (excl organic soils)	100%	406,287	397,376	451,568	120,943	119,907	127,328	264,538	257,275	293,651	20,803	23,190	32,853
Where of E&I emissions	30%												
Where of FLAG emissions	70%												

[1]Data source for 2021 grain data was GFLI , where data for organic soils was not included. This will be updated in the 2025 disclosure

Target boundary exclusions and inclusions:

- Scope 3 categories excluded due to negligible emissions: 3.7-3.15
- LMC Ukrainian business is included in scope 1 & 2 however not in scope 3
- Our baseline year has been updated to include emissions from acquired mill in Finland