

# Sustainability Report

2022/2023\*



KAFFEROSTERIET  
**LÖFBERGS**  
ETABLERAT 1906

*Peter Larsen*  
*Kaffe*<sup>®</sup>

**KOBBS**  
ETABLERAT 1809

\*Applies to the prolonged financial year from 1/7/2022 to 31/12/2023.

## The year in short

### A NEW FRAMEWORK FOR SUSTAINABLE DEVELOPMENT

A new framework for the efforts of sustainable business development make our focus topics and our direction ahead clearer. Read more on page 14–15.

### INVESTMENTS FOR TRACEABILITY AND TRANSPARENCY

We invest in data-driven systems to meet greater demands on traceability and transparency, and to be able to follow and customise our efforts. Read more on page 28.

### MORE TOOLS FOR RESPONSIBLE SOURCING

Certifications and verifications facilitate fair conditions and development possibilities for more coffee farmers. Read more on page 28–29.

### DEVELOPMENT PROJECTS THAT PREPARE SMALL-SCALE COFFEE FARMERS

Our development projects contribute to better development and living conditions for small-scale coffee farmers. We have now supported more than 115,000 farmers in the framework of International Coffee Partners. Read more on page 27.

### A CONTINUED FOCUS ON OUR VALUES

Our values help us reach our goals in an increasingly fast-moving world. This year, we have clarified what our values imply in our daily activities. Read more on page 22–23.

### AN INCREASED SHARE OF RECYCLABLE PACKAGING

Packaging material in mono-material polyethylene can be used in more packaging lines after comprehensive tests. This means that a lot of our packaging can be recycled. Read more on page 38–40.

### REDUCE THE CLIMATE IMPACT IN THE ENTIRE VALUE CHAIN

By cooperating with the logistics company Scanlog, we secure 100% fossil-free sea transports, an important step to reach our goal of 30% lower climate emissions in Scope 3. Read more on page 35–37.

### A QR CODE FOR INSPIRATION AND TRANSPARENCY

Doing the right thing should be easy. A QR code on the coffee packaging shows the coffee's way back from cup to bean. One of several efforts to inspire more to a more sustainable consumption. Read more on page 46.

### ROADMAP FOR A SUSTAINABLE FOOD CHAIN

As one of fifteen food companies, we are behind the initiative "The Swedish roadmap for a sustainable food supply chain". An ambitious roadmap with clear objectives within climate, biodiversity, resource efficiency, and human rights. Read more on page 49.

# Content



<b>ABOUT US</b>	
Foreword .....	4
About Löfbergs.....	6
Our vision and roadmap .....	10
Our sustainable journey .....	12
Our framework for sustainable development .....	14
Together for a world where people and coffee can grow .....	15
Challenges for the coffee of the future .....	16
Our value chain – from bean to cup .....	17
Collaborations and initiatives .....	18
Societal engagement locally.....	20
Our co-workers .....	22
<b>FARMING COUNTRIES.....</b>	<b>25</b>
Our coffee .....	30
Our due diligence process.....	32
<b>PROCESSING .....</b>	<b>34</b>
Our journey towards circular and renewable packaging.....	38
Packaging goals, strategy, and roadmap .....	39
Waste and by-products.....	41
<b>CONSUMPTION .....</b>	<b>44</b>
Our sustainability labels .....	48
<b>SUSTAINABILITY GOVERNANCE</b>	
Organisation and management .....	51
<b>ABOUT THE REPORT .....</b>	<b>56</b>

## Foreword

**The world of Löfbergs revolves round coffee. The great taste of course, but also the genuine interest and the knowledge that we have built since 1906. But that is not worth anything if we do not take care of each other and our planet. Which is why sustainability is and always has been important to us. It is a part of our DNA and is included in everything we do and in every decision we make. It enables us to be the first choice for customers and consumers.**

This sustainability report includes the period from July 2022 to December 2023, a time when it has happened a lot for us and the world around us. Organisationally, we have clarified the sustainability function and that it is central to our business and product development. Löfbergs has been first with new sustainable solutions many times, and we will continue to be. Which is why our sustainability work is an important part of our management and governance.

Sustainability is something that we win business with, and, in combination with other efforts, it contributes to our success. The growth on our core markets is good, not least in Sweden, where we have reclaimed the position as market leader.

We are making efforts to keep growing, for example through heavy investments to strengthen our brands.

We continue to take new steps in the field of sustainability, which feels more important than ever. Increased traceability and transparency are two keywords when we now combine more and new methods to create better conditions for the environment and even more coffee farmers. Our transition to fossil-free sea transports is another positive measure. In a time where different forces around the world question the pace of the sustainability work and point at others to do something, it is crucial that there are those who want, who dare to act, and who take steps forward. For us, it is about taking responsibility, showing leadership, and living our vision.

At the time of writing, it has been two years since Russia invaded Ukraine, and in connection with that, we immediately stopped all sales to Russia and Belarus. Wars and conflicts have broken out in other areas since then, which have affected us and our supply chain in different ways.

The financial situation, with inflation and a significant increase in costs, also creates an insecurity. For us and the world around us. Many customers and consumers are having a hard time, and even if our expenses soar, we have taken responsibility by adding extra focus on internal efficiency to alleviate the consequences and be able to continue to offer affordable products.

Climate change is the greatest challenge of our time and affects the coffee industry to a great extent, most of all in the producing countries. Higher temperatures and extreme weather phenomena make it more challenging than ever to farm coffee. This places high demands on many people, us included. We address this challenge in many different ways, for example with the development projects that improve the opportunities and the living conditions for small-scale coffee farmers. These projects are carried out together with others within the framework of International Coffee Partners.

New legislation in the field of sustainability is something else that affects us and many others ahead. The EU Deforestation Regulation (EUDR)



and the Corporate Sustainability Reporting Directive (CSRD) are two examples. We welcome the new rules and regulations, but also realise that they involve a number of challenges. The laws are unclear in some cases, and the forward planning is short. We would have wanted the politicians to have a better dialogue with the trade and industry. Otherwise, the risk is that the companies need to use an unnecessary amount of resources on understanding, administrating, and reporting, which results in a shrinkage of the playing field for innovation and development. That does not benefit anyone.

Finally, we want to thank all of our colleagues at Löffbergs for the good work you do. It is because of you that we can realise our purpose to create a world where both people and coffee can grow. It is about the power of doing things together.

**Kathrine Löffberg**, Chair of the Board and coffee roaster in the fourth generation

**Anders Fredriksson**, CEO



# LÖFBERGS

2022/2023\*



OPERATING PROFIT

**151**  
million SEK

TURNOVER  
**4,047**

million SEK



**11.9** million cups of  
COFFEE a day



**44,830** tons  
COFFEE



**177** tons  
TEA



**-3%** CO<sub>2</sub>e/ton coffee  
Climate emissions in all scopes  
(Change 2018–2023)



**78.3** million SEK  
in Fairtrade premiums and extra  
payments for organic farming



**75%**  
Renewable packaging material



about **45,000**  
coffee farmers



The Löfberg family  
in its **third** and  
**fourth** generation.

BRANDS



CO-WORKERS



**309**

MARKETS &  
HEAD OFFICE



Sweden, Norway, Denmark, Finland, Estonia,  
Latvia, Lithuania, UK, and Ireland.

Applies to the prolonged financial year of July 2022 to December 2023.

## About Löffbergs

It all began back in 1906. Today, we are one of the Nordic region's biggest family-owned coffee businesses with a production that corresponds to 12 million cups of tasty coffee – a day. The passion for great tasting coffee, personal meetings as well as doing good for people and the environment has been a part of the company since its inception.

Löffbergs was founded by the brothers Anders, John, and Josef Löffberg more than a hundred years ago. We are still family-owned, now in the third and fourth generation. Our ambition is to be a successful and value-creating company for at least a hundred more years. We are a value-driven company with a long-term perspective on our business operations. Our strength on a highly competitive market is our long history, in combination with our desire to continuously evolve and remain at the cutting edge. And that we love to invite others to go even further together.



The Löffberg family's fourth generation: Martin, Helene, Therese, Mikael, Kathrine, and Niklas.

“ We have been a family business for more than a hundred years, and will continue to be for at least a hundred more. We want to keep on developing the company to contribute to a positive social development and create good moments for coming generations, says **Kathrine Löffberg, coffee roaster in the fourth generation.** ”

“ As a family business, we think about generations, not quarters. It is not about what is best for now, but what is best in a longer perspective. For us as well as for the world around us, says **Mikael Löffberg, coffee roaster in the fourth generation.** ”

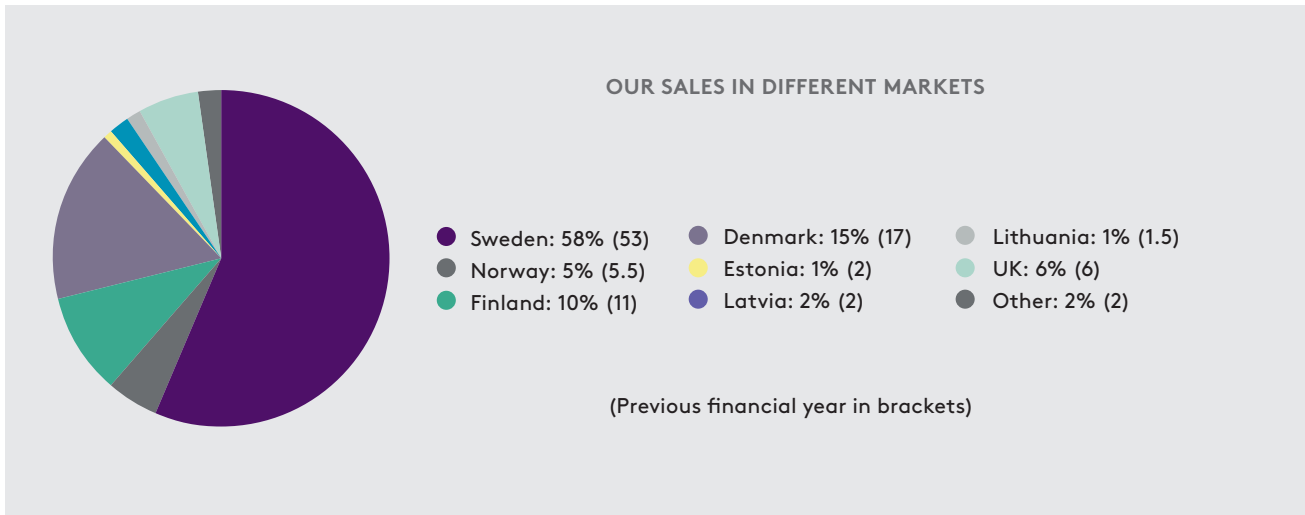
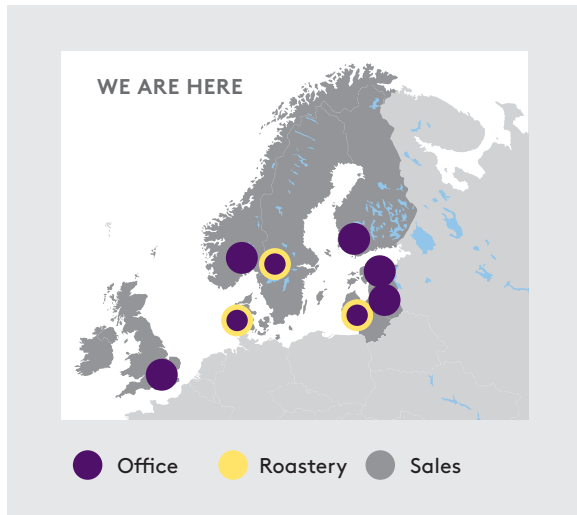
### OUR PURPOSE AND VISION

Our purpose is to create a world where people and coffee can grow. Great tasting and sustainable coffee is how to achieve this goal. As a company, we have always done what we believe in and lead the way towards a better future. And we will continue to do so.

### OUR BUSINESS

Our driving-force, and the foundation of our business, is to contribute together with others to a world where coffee and people can grow. Coffee in every form is the core of our business, and with curiosity, we are constantly developing new products and experiences that can add some extra flavour for us and the world around us.

We operate in some ten core markets in northern Europe and sell coffee in two channels – straight to the consumer in retail stores and different digital trade channels but also through cafés, hotels, and restaurants as well as places of work and vending companies.



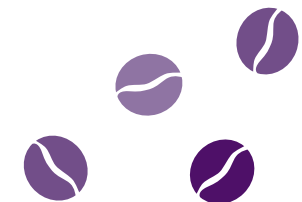
**WE ARE HERE**

Löfbergs has its base and head office in Karlstad, Sweden. Most of our coffee is roasted here. We also have offices and roasteries in Denmark and Latvia, and offices in Norway, Finland, UK, Estonia, and Lithuania. Sweden is our largest market and represents about half of our turnover. The countries in the Nordic region represent about 85% together.

**OUR SALES**

**Straight to end consumer from the physical and digital coffee shelf**

Retail is our largest customer segment. This segment is dominated by several large retail customers that we regularly negotiate with. We are also present in the retail customers’ digital channels and in e-commerce channels. We can see an increased demand on products there that are not available in other sales channels. In 2023, we reclaimed the position as market leader in Sweden.





### Serving through hotels, restaurants, and cafés

The demand for the served cup has grown for several years. The business also include related services and trainings connected to coffee. We are the market leader in Sweden. In other countries, we have a strong presence in different parts of the Out of Home market.

### Our own coffee bars and digital channels

Meeting end-consumers face to face is important to us, and we do it in different ways. Löfbergs Roastery and Coffee Bar in Karlstad, Sweden is a coffee mecca and a popular site to visit. With mobile and temporary coffee bars and as a partner at festivals and larger events, we are present in all our markets. We see an increased demand for different kinds of events in cooperation with our customers.

For several years, we have been offering sales to end consumers through our own web shops in all Nordic markets. In these web shops, we have the possibility to build brand awareness and show the width of our assortment. The extent is still small, but increasing. In the calendar year of 2023, the sales in Denmark increased with 24%, and in Sweden with 223%.

### OUR BRANDS

We offer cold and hot beverages for end consumers under three brands. We sell coffee under the brand Löfbergs in all our markets. In Denmark we also sell coffee under the brand Peter Larsen Kaffe. Our tea is sold under the brand Kobbs.



## Our vision and roadmap

Our work is goal-oriented from a strategic map and established priorities. For the last two years, we have carried out comprehensive brand and strategy work, which has resulted in a clarified business vision, a level of ambition, and focus areas. Our overall ambition, that Löffbergs should contribute to a world where people and coffee can grow, is now a central part of the business management of the whole group.

We have a long-term view of our development, and our current business vision aims for 2035. But the time horizon stretches further than that; the idea is that a continuously strong and successful company will be handed over to the fifth generation of the Löffberg family around the year of 2050. At the same time, we continue to focus on being profitable and to reach short-term goals for proceeds and growth. First in mind when it comes to taste, coffee know-how, and sustainability in the world of coffee.



## GUIDING VALUES

We are, and have always been, a value-guided family business. Our corporate values are our compass that guide us in our actions towards each other and how we perceive the world around us. They unite all of us who work within Löffbergs and function as guidelines in our daily business. They also create a security that makes us take a stand and pursue issues that are important to us.

Our values are deliberately drafted to support the behaviours we believe are needed to continue to develop and reach our targets. The values are integrated and guide our development efforts for co-workers and managers in appraisals, salary discussions, recruitment processes, departmental meetings, decisions, and tough conversations. We measure how the organisation perceives that we live our values with weekly pulse surveys.

## We are Together

We create and learn together. Together we make things happen. Together we are stronger, and together is more fun.

## We are Inclusive

We meet all people and ideas with an open mind, no matter their background or beliefs. Being inclusive helps us see new perspectives that make us smarter.

## We are Accountable

We are all accountable for everything we take active or passive part in. We look at ourselves and the choices we make, understanding their effect on the world around us. Our perspective is infinite; we are here to stay.

## We are Enterprisers

We dare to undertake new ventures, test new ideas, and love doing good profitable business. By never standing still, challenging the status quo, and staying true to our purpose, we grow.

## Our sustainable journey

The passion for great tasting coffee, personal meetings as well as doing good for people and the environment has been a part of the company since its inception in 1906. Here are some of our milestones along the way.

### 1906

Löfbergs is founded by the brothers Anders, John, and Josef Löfberg. Imports and sells coffee that takes people and the planet into consideration.

### 90's

Environmental policy is drawn up.

First roastery in Europe to remove aluminium from coffee packaging.

Imports the first container of organic coffee to Sweden.

Installs geothermal heating in Karlstad, Sweden.

### 00's

Co-founds International Coffee Partners, which improves the development possibilities for small-scale coffee farmers.

Launches coffee that is both organic and Fairtrade.

Starts using wind power electricity and replaces oil with district heating in Karlstad, Sweden.

Develops a sustainability receipt that makes it easy for customers to see the concrete sustainability effects they contribute to by choosing coffee from Löfbergs.

### 10's

Joins the climate and business network the Haga Initiative.

Co-founds coffee&climate, which helps small-scale coffee farmers deal with climate change.

Starts using bio gas in Viborg, Denmark, achieving 100% renewable energy.

The Löfberg Family Foundation is formed, with the purpose of promoting sustainable development in producing countries.

Launches Next Generation Coffee – an initiative that supports young coffee farmers in Colombia, Kenya, and Tanzania through education and direct trade.

Starts to phase out the fossil plastic in packaging and replaces it with plant-based alternatives.

Opens Sweden's first high-bay warehouse to achieve Environmental Building Silver certification.

### 20's

Launches Circular Coffee Community to contribute to a 100% circular production and consumption of coffee.

The first coffee roaster in the world to join Era of We – the world's first digital platform that increases the transparency and traceability for all actors in the value chain.

Opens a new state-of-the-art roastery for whole beans in Karlstad, Sweden. The roastery achieves an Environmental Building Silver certification.

Transitions to fossil-free maritime transports, which reduces the emissions in this area with 100%.

Founds GrowGrounds, a company with the purpose to eliminate the negative climate effects of coffee and to create better living conditions for the coffee farmers.

### 2030

Has close to zero climate emissions in its own operations.

Has reduced the emissions in the value chain with 30%.

Has recyclable packaging from renewable and/or recycled materials.







## Our framework for sustainable development

In 2023, we have outlined an updated and common framework for our work with sustainable development. It describes what issues we need to focus on and our visualisations for the short and the long term, within the scope of our vision and purpose.

It is about how we, together with our stakeholders, will address the challenges to secure the coffee of the future: from the prerequisites for farming and farmers to efficient and innovative production and the demand for coffee with sustainable value added.

The sustainability framework includes our entire value chain, from bean to cup, and reflects significant sustainability matters given the impact of the operations, both risks and opportunities.

### OUR CONTRIBUTIONS TO AGENDA 2030 AND THE GLOBAL GOALS

Löfbergs supports Agenda 2030 and the global goals for sustainable development, in their entirety. They give our sustainability work guidance and frames, not least in terms of the level of ambition for our own comprehensive goals. We have identified

and analysed how the goals and the intermediate goals affect Löfbergs’s business and value chain, and where our responsibility and our possibility to contribute are especially great. A large part of the goals are relevant for our work in some way.

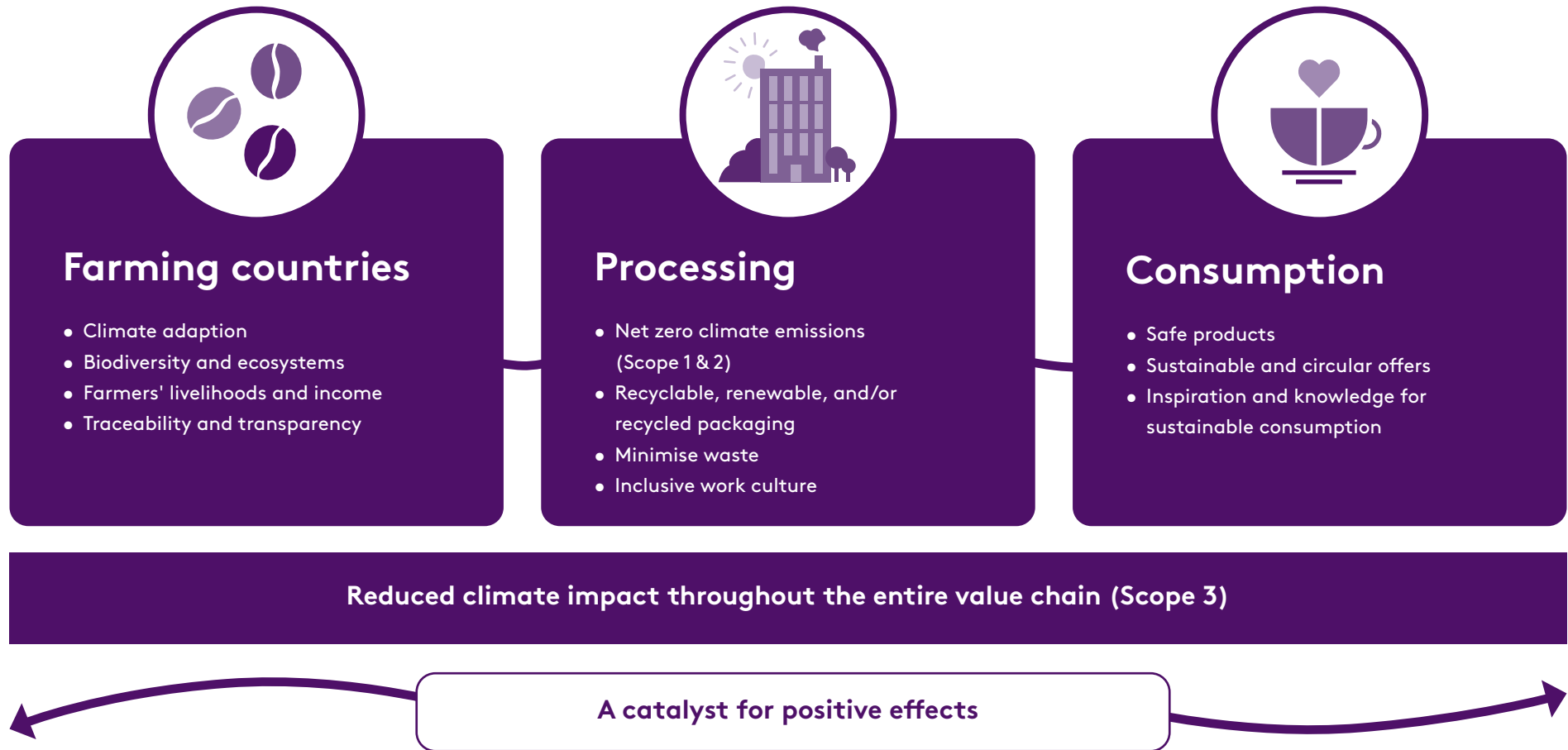
In the value chain as a whole, it is mainly about the goals 12, 13, and 15 for reduced climate and environmental impact, resource efficiency, and

circularity. Many social goals are also very relevant, such as goals 1 and 8 concerning reducing poverty and decent work, goal 5 concerning gender equality, and goal 11 regarding sustainable cities and communities.

Last but not least, in line with the global sustainability goal 17, we believe in the power of doing things together.



## Together for a world where people and coffee can grow



## Challenges for the coffee of the future

**Being able to produce great coffee in 2050 is not a given. The coffee industry is facing great challenges, environmentally and socially. Where the coffee plants can grow in the future and who will be farming the coffee are issues that we already need to work with.**

### THE PREREQUISITES FOR FARMING

The climate change has a great impact on farming coffee. The land areas that are suitable for farming coffee today are expected to be halved by 2050. When the coffee plantations need to be moved higher up in the mountains, the risk for deforestation and competition for the land increases. More extreme weather events threaten the harvest levels, and the coffee is also affected by increased occurrence of pest and spread of diseases. As a part of the agricultural sector, the farming of coffee represents an important part of climate-related emissions. Reducing the negative climate impact as well as investing in climate-adapted and more sustainable farming methods are crucial for the coffee of tomorrow.

### NEXT GENERATION COFFEE FARMERS

Many coffee farmers struggle to find security with reasonable wages and profitability. Coffee is often farmed in countries with high risks regarding human rights and working conditions. Many farms are run at a loss and cannot invest in more resistant and sustainable farming methods. Coffee is a commodity on a flexible market with uncertain and volatile prices. Many small-scale farmers need to sell their coffee straight away to support themselves.

The coffee sector is an ageing industry, where many in the next generation choose other livelihoods. About 45,000 farmers farm the coffee that Löfbergs purchase today. Who are they tomorrow? Promoting a more sustainable business model and make more sustainable farming methods possible are crucial for the entire industry. We also need to secure traceability, working conditions, and human rights throughout the whole value chain – for every bean.

# The coffee's way – from bean to cup

The coffee's way from bean to cup is both long and complex. The illustration describes the different stages of our value chain and the important sustainability issues we work with. It is about how our business affects people and the environment, in a positive and a negative way, and about business-related risks and opportunities.



**AT THE FARMING STAGE** it is about securing the supply of sustainably farmed coffee today and tomorrow. Important issues are the use of land and water, climate, ecosystems and biodiversity, changed farming prerequisites as well as the living conditions and the livelihoods of the farmers.

**AT THE TRANSPORT STAGE** it is about optimising the logistics flow and transitioning to renewable fuels.

**FOR OUR CO-WORKERS** it is about being an attractive and developing place of work. Important issues are health and security, inclusive culture, skills development, and skills supply.

**IN THE DIALOGUE WITH OUR CUSTOMERS** it is about being first choice as a coffee supplier and carry out a sustainable transition through transparent and traceable information about our products together.

**LOCALLY WHERE WE OPERATE** it is about our active role in the local trade and industry and as an employer as well as about our commitment in collaborations for local societal development.



**IN OUR PRODUCTION** it is about using raw materials and other resources efficiently but also about securing the good quality. Important issues are energy usage and climate impact, packaging and choice of materials, innovation, and circular flows.

**AT THE CONSUMPTION STAGE** it is about offering great tasting and sustainable coffee as well as inspiring more people to more sustainable consumption.

## Collaborations and initiatives

We are engaged in networks and initiatives to influence the social development and to share knowledge and experience regarding sustainability with others. We invest in different kinds of collaborations with customers, with the purpose to contribute in the producing countries and our home markets.

### INTERNATIONALLY

#### International Coffee Partners

Together with six other privately-owned European coffee companies, we run the non-profit organisation International Coffee Partners (ICP) since 2001. The goal is to create better living conditions for small-scale coffee farmers.

#### coffee&climate

Together with the members of International Coffee Partners, other coffee companies, Sida, and local non-profit organisations, we run coffee&climate that helps small-scale farmers to manage climate change.

#### European Coffee Federation

An industry organisation of the European coffee trade and industry with the purpose to promote the common interests of the industry.

#### Circular Coffee Community

A non-profit network established in 2020 by Löfbergs with the purpose to carry out a circular transformation in the world of coffee. The community offers a platform for networking, innovation partnerships, and commercial collaboration.

#### 10x20x30

An initiative launched by Champions 12.3 to bring ten of the world's largest food retailers and suppliers together. Each company collaborates with 20 of their prioritised suppliers to halve the share of food loss and waste by 2030.

#### GrowGrounds

An initiative and company founded by Löfbergs with the purpose to eliminate the negative CO<sub>2</sub> impact of coffee and to restore nature. Changed farming methods, access to funding, and new digital tools will secure income and better living conditions for the coffee farmers.

### SWEDEN

#### Hagainitiativet

A network of companies that works to reduce emissions from the business sector through ambitious common goals and a clear effect strategy. The network has 11 members, including Löfbergs, Axfood, Coca Cola, the agricultural cooperative Lantmännen, and McDonald's.

#### The Swedish Food Federation

The Swedish Food Federation represents the food industry in Sweden and is a member of the Confederation of Swedish Enterprise and FoodDrinkEurope. The Federation's Sustainability Manifesto consists of five commitments in the sustainability field that the members can adopt.

#### WWF's Sustainable Supply Chain for Food

A network with 15 leading Swedish food companies that together with WWF actively take responsibility to convert and contribute to a more sustainable supply chain for food. In 2023, the network developed "The Swedish roadmap for a sustainable food supply chain" with concrete goals within climate, biodiversity, resource efficiency, animal welfare, and human rights.



**CSR Sweden**

A company network focusing on companies' social responsibility and societal engagement.

**Fossil Free Sweden**

A platform for dialogue and cooperation between companies, municipalities, and other players that want to make Sweden free from fossil fuels.

**The 100% Club**

With the 100% Club, Atea wants to challenge organisations to look over their life cycle management of IT products to increase the share of reused and recycled units.

**The Sustainability Network of Värmland**

A regional network where sustainability managers in the trade and industry of Värmland put in knowledge and new perspectives regarding challenges and opportunities within sustainability.

**Matmissionen (The Food Mission)**

A collaboration with Stockholm Stadsmission's social food stores that benefit people and the environment. The stores contribute to reduced food waste and give those in need an opportunity to buy food to low prices. The store also offer job training.

**DENMARK****Danish Coffee Alliance**

An alliance of coffee companies that work together with commitments regarding biodiversity, climate, and improved living conditions for coffee farmers.

**Food & Bio Cluster Denmark**

A network with focus on knowledge, development, and sustainability for stakeholders of the supply chain for food in Denmark.

**DIEH – Danish Ethical Trading Initiative**

A Danish NGO that promotes ethic trade through cooperation with business, public sector, and interest groups.

**One Third Denmark Mod Madspild**

A network with a joint commitment to halve food waste by 2030. (SDG 12, 3) As one of the 15 initiators in Danish retail and food production, we aim to create a significant effect.

**Knus Kræft**

An initiative carried out by Peter Larsen Kaffe, the Le Mans legend Tom Kristensen, and KidsAid. Knus Kræft focuses on creating great experiences for kids with cancer and other serious diseases.

**Fødevarebanken**

A Danish organisation that works with reducing food waste and handing out food to vulnerable communities.

**FN17 Business**

A business network based on the 17 sustainable development goals of the UN. Works to create business development and innovation for small and medium-sized companies and start-ups.

**Brand Manufacturers Association**

A commercial association of suppliers to the Danish retail business and Out of Home.

**Confederation of Danish Industry (DI)**

A private business and employers' organisation representing approximately 19,000 companies in Denmark.



## Societal engagements locally

**Löfbergs contribute to the societal development in the communities where we operate, through our role in the local trade and industry and as an employer as well as through active commitment in collaborations and sponsorships in activities of a society. We also take a stand and pursue issues that are important to us.**

### A VOICE IN SOCIETY


We play an important role in the local community where we operate. Mostly in Karlstad, Sweden, which is strongly associated with our brand and our history, but also in our other places of business. But we also want to influence the context we operate in, both locally and in the industry in general, by using our voice in society in a way that contributes to change. Our clear values create a security and make us take a stand and pursue matters that are important to us. We also know that our societal engagements are important to our co-workers and that they contribute to their pride and ambassadorship.

### VALUE-CREATING COLLABORATION

We believe in the power of doing things together, and we sponsor many non-profit associations and initiatives that promote health, environment, and inclusion. This is something that we work with in different ways in all our markets, for example in Karlstad and Värmland where everything began in 1906.

### GOOD LOCAL RELATIONSHIPS

We depend on cooperation and good relationships with local partners, authorities, neighbours, and the general public to carry out and develop our business. Transport and production may imply a risk of disturbances like noise or other local environmental impact. During the period that this report includes, we have not had any deviations or complaints to address.



In 2023, we let 50 associations from Värmland share SEK 500,000 as a targeted support. A way for us to support all voluntary forces that make people and Värmland grow. The associations are sports clubs, culture associations, and social actors that work with young and old, girls and boys in all municipalities of Värmland.



– We are a young association that is rapidly growing. The sponsoring helps us with our important task of creating a residence out of the ordinary for all people who live in Kronoparken,” says **Akam Abdullahi, Kronoparken United.**

– This will contribute to a better environment for leisure time for people with functional diversity in Western Värmland. The contribution helps us keep down costs and thresholds to make sure that even more people have a meaningful leisure time and an active lifestyle,” says **Magnus Lindström, HMF Falken.**

– Women’s and girls’ football is a tough industry today, where every penny is needed for us to survive. Which is why the contribution from Löfbergs is incredibly important to us. Thank you for taking the fight for women’s and girls’ football in the forests of Värmland,” says **Evelina Nilsson, Mallbacken IF.**

– This means a lot for our association and makes it possible for us to develop our activities with more events, where people get together, talk, and have coffee with each other,” says **Anders Bengtsson, Stöpafor Byagille.**

– We know from experience that a plate of food can make a life-long change for a person, and with this contribution, we can keep handing out food to people who otherwise would go hungry,” says **Tage Pettersson, Hela människan Ria Karlstad.**

– It is a great honour to get a share of Löfbergs’s generous investment in local associations! This money is important to our continuous work to lower the thresholds into hockey for kids and youth,” says **Roger Axelsson, Nor Ik Hockey.**

– Martial arts for all’ is the motto of Hammarö Fight Club, and the contribution from Löfbergs will be used for equipment for our youngest members, who are five years old, and for our investment in members that are 65 and over,” says **Henric Jonsson, Hammarö Fight Club.**

– This contribution will help us come closer to our goal of starting a museum train on the old NKIJ tracks of Hagfors,” says **Bengt Fura, Hagfors Railway Museum.**

– Now, we can visit more schools in Värmland to talk about LGBTQ+ information and understanding. The rest of the money will be used to offer culture for all of Värmland by arranging more dragshows!” says **Charlie Andersson, Regnbågs Cafe Kristinehamn.**



## Our co-workers

More than 300 people call Löfbergs their place of work. The qualifications and the commitment of the co-workers are our most important assets. We want to be an attractive place of work, where every co-worker thrives and can keep on developing together with us.

### HEALTH, SECURITY, AND WELL-BEING

It is very important for us to offer a safe and healthy work environment. Our most prevalent occupational risks are stress-related illness, accidents within our production, and our salespeople spending many hours on the roads. We have a zero-vision for accidents and work preventively by regularly conducting risk assessments. All producing units work actively with this. Routines, trainings, and system support for reporting incidents, accidents, and risk observations are important parts of this work. This year, 13 work-related accidents occurred in our Swedish operations, where two resulted in shorter absence and one in a bit longer absence.

To follow up the well-being of our co-workers and prevent stress-related diseases, we carry out weekly pulse surveys since January 2021. We see a great

commitment with a high percentage of answers (about 78%) and many comments when our co-workers answer six questions connected to the work environment. The weekly pulse surveys give us a picture of the present situation of the co-workers in the categories leadership, job satisfaction, work situation, personal development, commitment, ambassadorship, diversity, equality and inclusion, self-leadership, and our values. The co-workers have an opportunity to write anonymous comments. The pulse surveys have given us insights on corporate and department level that we have acted on.

**“**Winningtemp is a management tool that helps me secure that my team and I are on the right track. Honest and transparent answers create prerequisites for a good dialogue about topics that may be hard to measure or discuss,” says **Lars Nørskov, Head of Out of Home at Peter Larsen Kaffe.**



### CORE VALUES – TOGETHER, INCLUSIVE, ACCOUNTABLE, ENTERPRISERS

Our corporate values unite everyone who works at Löfbergs. They are the foundation for our daily work and a compass that creates security. The values are included in the daily business by being a part of performance appraisals, trainings, and as a basis for salary policy.

The work with our core values is not a new thing, but a long-term effort where we learn and develop all the time. This year, we have illustrated actions behind every word – how we act towards each other and how we look at the world around us. This work will be presented and brought to life in the coming years, where every manager carry out and adjust different efforts based on the needs of the local group.

**LEADERSHIP AND SKILLS DEVELOPMENT**

Good corporate culture and leadership are crucial for us being a competitive and attractive company in the long-term. Leadership also gives us the prerequisites to be an inclusive work place, where our co-workers thrive.

We are continuously working with management development and skills development for all our co-workers, and with our process for impartial and skills-based recruitment of new co-workers.

Every year, we carry out a leadership programme, where twelve participants get training in four modules. Every module has a different theme. Some examples are: get to know yourself as an individual, understand how a team works, how we manage Löffbergs, and the business. We also have a special focus on how to develop secure leaders from a wide definition. A leader does not have to be a manager with staff management.

To keep strengthening our knowledge about diversity and becoming better at including different perspectives, we have developed a digital training, "Inclusion – important to us", about inclusion in

general and Löffbergs particularly. This training is also a part of our introduction programme for all new employees together with a series of mandatory courses, like our Code of Conduct, history, culture, core values, food safety, IT security, and the whistle-blower function.

We also continue to develop our recruitment process for our qualified colleagues of tomorrow. With our new recruitment platform, we can strengthen and secure a competence-based and impartial selection in a better way. No personal information about the applicant is visible at the first stage for example.

Our staff turnover during 2023 was 8%.

**//** I am very grateful that I had the opportunity to be a part of Löffbergs’s leadership programme. I have learned a lot. I got new insights that I can use in my daily work and that make me develop as a leader," says **Helene Nygaard Larsen, Executive Assistant at Peter Larsen Kaffe.**

**OUR EMPLOYEES 2023**

	Number of employees	Men	Women
<b>Total Löffbergs Group</b>			
Total	309	60%	40%
Leading positions	58	63%	37%
<b>Sweden</b>			
Total	174	58%	42%
Leading positions	30	60%	40%
<b>Denmark</b>			
Total	65	62%	38%
Leading positions	9	78%	22%
<b>Estonia, Latvia, Lithuania</b>			
Total	37	50%	50%
Leading positions	9	67%	33%
<b>UK</b>			
Total	20	70%	30%
Leading positions	5	80%	20%
<b>Norway</b>			
Total	7	71%	29%
Leading positions	2	100%	0%
<b>Finland</b>			
Total	6	83%	17%
Leading positions	3	100%	0%

Almost all employees (95%) are permanent employees and full time. The rest, 4%, are temporary agent workers and mainly work in our production in Sweden as well as in our businesses in Denmark and UK. The table refers to permanent employees, per 31/12/2023.





On our travels, we can see for ourselves that it is possible to turn the development around and transition to more sustainable farming methods. Martín Löfberg is visiting Emilio Gonzales and his brothers in Heliconia, Colombia.



## Farming countries

Our ambition and driving-force is to be a catalyst for a sustainable world where people and coffee can grow. In the calendar year of 2023, we purchased approximately 34,000 tons of green coffee from more than 45,000 farmers in about 20 countries. Our impact and opportunity to contribute to a positive change is greatest at the coffee farming stage. That is why we are focusing our efforts in the farming countries in the following areas: climate adaptation, biodiversity and ecosystems, the living conditions and livelihoods of the farmers, as well as traceability and transparency.

### OUR DIRECTION:

- All supplier relationships are based on our Code of Conduct and our sustainability demands
- Long-term relationships with farmers and cooperatives
- A broad toolbox that promotes sustainable farming methods
- Traceability in focus – digital technology for increased transparency in the supply chain



## Farming countries

- Climate adaptation
- Biodiversity and ecosystems
- Farmers' livelihoods and income
- Traceability and transparency

### CHALLENGES, CLIMATE IMPACT, AND BUSINESS-RELATED RISKS

Adapting to climate change and securing the next generation of coffee farmers are two great challenges in the coffee industry. More sustainable farming of coffee is about carrying through a transition that gives better living conditions and prerequisites for livelihood, but also climate-adjusted farming methods that strengthen the nature and the ecosystems.

Important environmental issues for the coffee farming of today are deforestation, climate-related emissions, pollution of land and water when using inputs like chemical fertilisers and manure as well as usage and abstraction of water in areas with water shortage. These activities lead directly and indirectly to loss of biodiversity and a negative impact on nature worth preserving, ecosystems, and the state of species.

Important issues that directly affect the farmers and their families are shortcomings in working conditions, more alternative livelihoods, and increased urbanisation and migration.

This means a decreased interest and access to labour for continuous coffee farming, which in turn is an indirect business risk.

Other nature-related business risks are changed and deteriorating prerequisites for farming, which among other things are a result of climate change. This leads to direct and indirect consequences due to a reduced supply of green coffee, poorer prerequisites for differentiation in terms of taste and quality, changed prerequisites, and varied access to sustainably farmed coffee, and limited flexibility in the purchasing stage.

**//** During my travels, I see for myself how climate change affects and presents new demands on the coffee farmers. But I also see that the work that is being done, for example to develop new sustainable farming methods, makes a difference. In the end, it is about us being able to drink great tasting coffee in the future too," says **Martin Löfberg, coffee roaster in the fourth generation.**

### OUR FOCUS IN THE PRODUCING COUNTRIES WHERE THE IMPACT IS THE GREATEST

We have worked to be a positive force that contributes to securing the future of coffee ever since the beginning in 1906. As the impact, risks, and opportunities are greatest in the producing countries, this is where our focus is. Working with a long-term focus with close and long-lasting relationships with the farmers as well as demanding and purchasing sustainably farmed coffee are important parts of our work. Since 2001, we have initiated and participated in international long-term development projects, collaborations, and initiatives, which in different ways contribute to better living conditions for small-scale coffee farmers and help them handle climate change for example. See more example of initiatives on page 27.



### INTERNATIONAL COFFEE PARTNERS

International Coffee Partners (ICP) is a non-profit organisation, where we together with six other family-owned coffee companies carry out development projects that improve the development possibilities and living conditions for smallscale coffee farmers. Löfbergs co-founded the organisation in 2001. Today, 115,000 small-scale coffee farmers in 13 countries have participated in projects for more sustainable coffee farming.

ICP has a holistic attitude, where five areas are in focus: sustainable agricultural methods, entrepreneurship, strong farmer organisations, climate change, and young people. Promoting equality is an integrated perspective throughout all of the work and the organisation of ICP.

ICP is administered by the foundation Hanns R. Neumann Stiftung. The total budget is approximately EUR 1 million per year, of which Löfbergs's contribution is around 15%.



### COFFEE&CLIMATE

coffee&climate (c&c) is a non-profit initiative, where coffee companies, public players, and local organisations cooperate to help small-scale coffee farmers face climate change and improve their supply conditions. The initiative was founded and is run within the framework of International Coffee Partners.

c&c focuses on innovation and to spread knowledge, and has developed a digital platform where educational material, climate maps, and other methods and tools are available for the farmers. Since the start in 2010, c&c has helped more than 130,000 coffee farmers and their families, for example in Indonesia, Ethiopia, Tanzania, Honduras, and Guatemala. Kathrine Löfberg was elected Chair of the Board of c&c in 2022.

**“**The climate change is one of the greatest challenges of the coffee industry and something that we address in c&c, which we co-founded. In this initiative, we work together with farmers as well as other companies and organisations to increase knowledge and spread methods and tools that can be used by coffee farmers around the world,” says **Kathrine Löfberg, Chair of the Board of c&c.**



### THE LÖFBERG FAMILY FOUNDATION

In 2014, the family strengthened its commitment by establishing a private foundation that benefits a sustainable development in coffee producing countries. The Löfberg Family Foundation is funded by the Löfberg family and administered by a board consisting of the siblings Kathrine Löfberg, Martin Löfberg, and Therese Gustafsson. The foundation supports development projects, research, and education with focus on creating better prerequisites for the next generation of coffee farmers.

**“**This is a way for us as owners to do even more. The coffee roaster Löfbergs continues to take responsibility for people and the environment in the same way as before,” says **Therese Gustafsson, Chair of the Board of The Löfberg Family Foundation.**

### **TRACEABILITY AND TRANSPARENCY – DATA-DRIVEN INVESTMENTS FOR FUTURE PROOF BUSINESS**

This year, we have continued to focus on investments and preparations in new data-driven systems and processes that are necessary to meet the increased requirements in terms of traceability and transparency. Our aim is to follow the development of the coffee farmers in real time and customise our efforts to get a greater impact from our sustainability work. The systems guarantee that all information concerning the coffee, for example where and how it has been farmed, is available online. It makes it possible to trace sustainability efforts and projects as well as how they contribute to a positive development for people and the environment.

### **A BROADER TOOLBOX FOR SOURCING**

For a long time, Löffbergs has urged on to increase the supply and demand for certified coffee, but the rate of development has not been as fast as we would like it to be. There simply is not one solution suitable for all coffee farmers. As we are taking the next step in our sustainability efforts,

we are combining more methods to create better conditions for the environment and for even more farmers. Ultimately, it is about us being able to enjoy great tasting coffee in the future too.

Certifications are still a very important tool for us, and we will continue to purchase great amounts of coffee that is organic, Fairtrade, and Rainforest Alliance. The new thing is that we add other tools that create development possibilities for even more coffee farmers to make the positive sustainability effects even greater.

Through our established purchasing model and our presence in the producing countries, where we have long-standing and close relationships with suppliers that we visit regularly, we see for ourselves that there is a positive development. This, in combination with traceability tools, supplier verifications, and third party certifications, makes it possible for us to choose the solution with the best sustainability impact.

New legal requirements make greater demands on all parts of the value chain when it comes to social responsibility and environmental impact, but also on increased traceability and transparency. These challenges and legal requirements demand new ways of working, and with more alternatives, we can use adapted solutions suitable for more people and that make the total sustainability impact greater.

### LÖFBERGS AND COOXUPÉ MAKE HISTORY

In 2023, Löfbergs purchased, as the first company in the world, sustainably verified coffee according to Gerações, a new sustainability standard that the Brazilian cooperative Cooxupé has developed.

Cooxupé is the world's largest cooperative with more than 19,000 coffee farmers, and the purpose with the new standard is to support more members to transition to more sustainable farming methods.

Gerações is tailor-made and adjusted for local conditions, which means that it creates development opportunities for even more. That results in even greater positive sustainability effects. The standard is regularly audited by the third party organisation SCS Global Services.

“It means a lot that Löfbergs is joining us on our journey. It shows that there is a demand, which creates good conditions for our members to implement and keep working with the new sustainability standard,” says **Paulo Gustavo Finocchio Martins, Foreign Market Manager at Cooxupé.**

“More ways of working and methods are needed to create better conditions for the environment and even more coffee farmers. That is the new sustainability standard from Cooxupé a great example of, and we are happy to be a part of supporting their transition,” says **Tony Broman, Head of Green Coffee Trading & Blending at Löfbergs.**





## Our coffee – for a more fair, business-driven, and transparent value chain

The coffee we purchase is farmed by around 45,000 coffee farmers around the world. We work systematically to secure responsibility and traceability in the entire chain. Our aim is not only to guarantee fair conditions, but being a catalyst to create better opportunities for coffee farmers and their communities.

### FULL TRACEABILITY TO THOUSANDS OF SMALL-SCALE COFFEE FARMERS

We purchase our coffee straight from the producing countries, with the aim to have as few intermediaries as possible. Our largest purchasing category is green coffee, mainly from South America 67% (Brazil, Peru, Colombia, Bolivia), but also from Central America 19% (Honduras, Nicaragua, Mexico, Guatemala, El Salvador), Asia 2% (Vietnam, India) and Africa 13% (Kenya, Uganda, Ethiopia, Tanzania, Rwanda, Congo). A large share comes from cooperatives with small-scale coffee farmers. The cooperatives can consist of thousands of members, but we still have full traceability in our systems.

#### WHERE WE BUY OUR COFFEE FROM

67%

South America  
Brazil, Peru,  
Colombia, Bolivia

19%

Central America  
Honduras, Nicaragua, Mexico,  
Guatemala, El Salvador

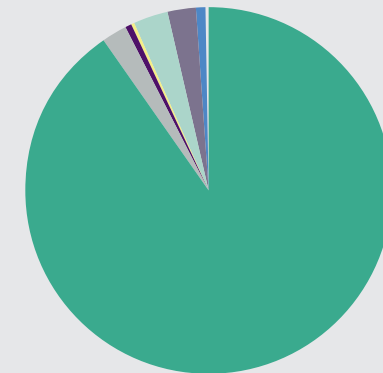
13%

Africa  
Kenya, Uganda, Ethiopia,  
Tanzania, Rwanda, Congo

2%

Asia  
Vietnam, India

#### PURCHASING CATEGORIES – PURCHASE OF GOODS



The chart refers to the calendar year of 2023. (Previous financial year 2021/2022 in brackets).

### OUR DUE DILIGENCE PROCESS

Like all companies, we have a responsibility to work preventively for human rights in the supply chain. Human rights is a risk area in the entire agricultural sector, and coffee is no exception.

In 2022, we developed a model to visualise, illustrate, and develop the process for our purchasing work. This work has continued this year, according to a model based on OECD Due Diligence Guidance for Responsible Business Conduct. Through this process, we guarantee that our purchasing model and our way of working are in line with coming legislation for due diligence of human rights and the environment at the supply stage. The process consists of six steps that are described on the next page.

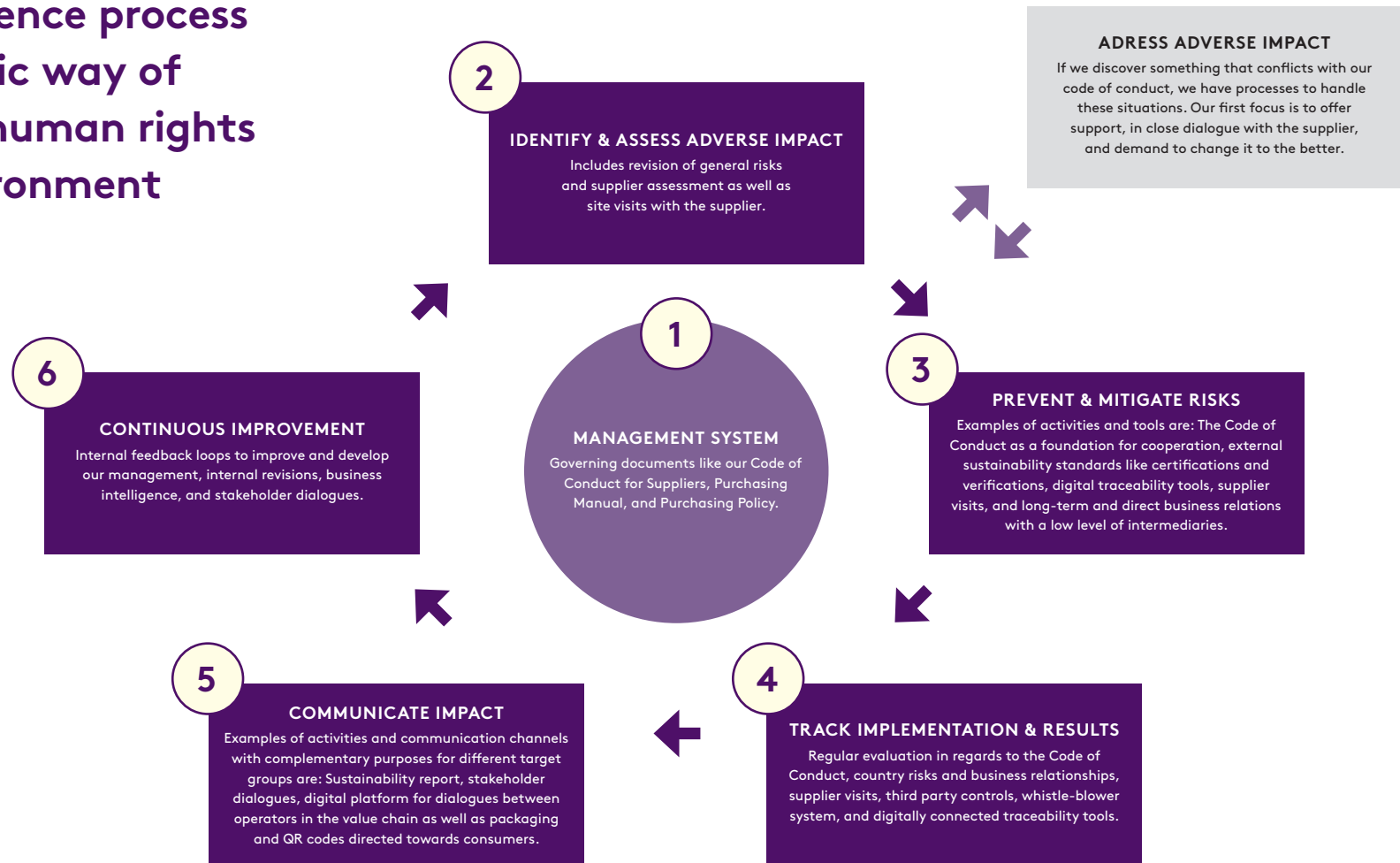
### EU DEFORESTATION REGULATION (EUDR)

In June 2023, the EU Deforestation Regulation came into force, with requirements of enforcement from December 2024. The purpose with the legislation is to prevent trade with goods that contribute to deforestation and forest degradation around the world. The legislation requires companies that trade certain raw materials, for example coffee, to carry out comprehensive due diligence processes in their supply chain. For us, this means that we should be able to trace the coffee back to the farm, to make sure that it has not caused any deforestation after 2020, and that the production is carried out according to the relevant legislation for environment, social conditions, and human rights.

We should also be able to account for our process and confirm that the legislation is fulfilled to sell the coffee in EU or export it from EU's market.

At Löffbergs, we have worked with matters of deforestation and traceable quality-assured supply chains for a long time, and we welcome the legislation. We are now working together with customers and suppliers to set this up. But it places high demands in a complex value chain, and it is a challenge for everyone in the supply chain to implement all that is needed.

# Our due diligence process – a systematic way of working for human rights and the environment





## Processing

With craft, passion, and consideration, we roast coffee at our roasteries in Karlstad, Sweden; Viborg, Denmark; and Riga, Latvia. We are making efforts every day to take steps towards a fully circular and fossil-free business. It is about more than minimising the use of resources. Smarter production and product design enable the circulation of materials and minimising waste as well as more sustainable consumption patterns.

### OUR DIRECTION:

- Roasting with fossil-free fuels
- Development of recyclable and renewable and/or recycled packaging materials
- Minimising, recycling, and making use of waste by mapping and cooperation
- Strengthened corporate culture through value-driven leadership and insights from weekly pulse surveys



## Processing

- Net zero climate emissions (Scope 1 & 2)
- Recyclable, renewable, and/or recycled packaging
- Minimise waste
- Inclusive work culture

HOW TO REACH OUR CLIMATE GOALS

CLIMATE STRATEGY

Climate change and the loss of biodiversity are the greatest challenges we are facing. To secure the coffee of tomorrow, we have to work with the direct emissions in our business as well as with reduced emissions in the entire value chain.

CLIMATE GOALS AND MEASURES FOR REDUCED EMISSIONS IN THE ENTIRE VALUE CHAIN

Climate goals by 2030

- Net zero emissions in Scope 1 and Scope 2
- 30% reduced emissions in the entire value chain, Scope 3 (intensity goal, base year 2018)

EXPANDED CLIMATE REPORT IN LINE WITH SBTI AND FOSSIL-FREE FUEL FOR MARITIME TRANSPORTS

In 2023, the parent company AB Anders Löfberg joined the Science Based Target initiative (SBTi) with climate goals in line with the Paris Agreement. In connection to that, we expanded our climate report and our climate goals to include the whole group. The goal for Scope 1 and Scope 2 is net zero climate emissions by 2030. The base year is now 2018 after a transition to calendar year. The goal

Scope 1	Scope 2	Scope 3
<p>Renewable gas in our roasteries.</p> <p>Renewable fuel and/or electrification of our company cars.</p>	<p>Energy from renewable source in our roasteries and offices.</p>	<p>Reduced climate emissions from farming coffee, for example by purchasing from confirmed sustainable coffee farms and implementing more climate-smart farming methods.</p> <p>Fossil-free transports upstream and downstream.</p> <p>Recyclable packaging from renewable and/or recycled sources.</p>

for Scope 3 is 30% reduced climate emissions both upstream and downstream. This year’s climate report shows, unlike previous years, a slight increase of emissions of greenhouse gases from our roastery in Karlstad, Sweden. In 2021, we converted to fully renewable bio LPG, which we had to temporarily deviate from in 2023. The reason was significantly increased costs due to unexpected and hastily changing tax rules for bio gas and bio LPG, something that shed light upon the industry’s need for

long-term, stable means of control to be able to balance profitability and climate benefit. By the end of the year, 60% of the group’s company cars were electric hybrids or electric.



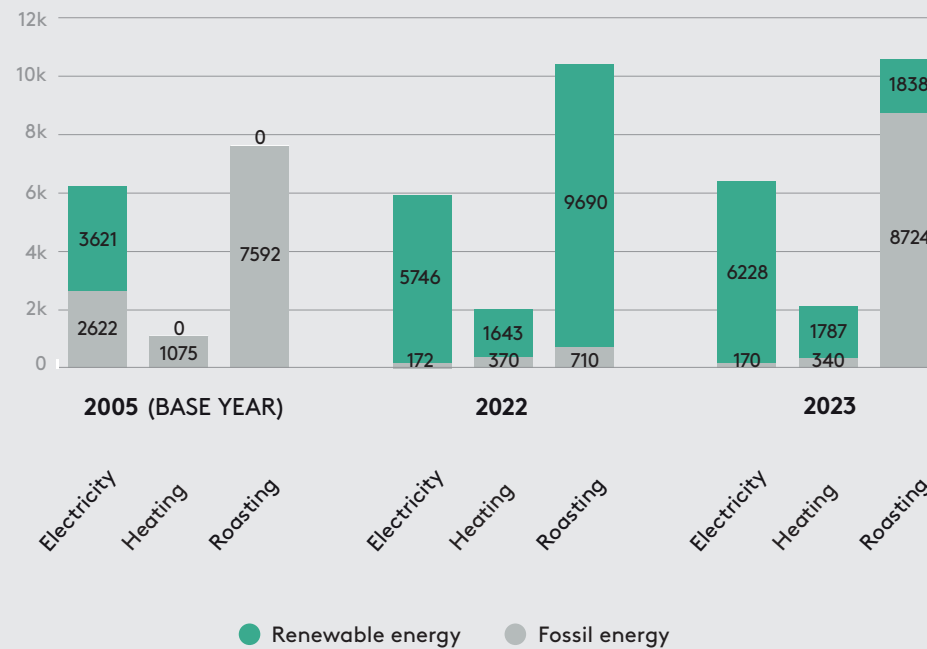
An important step to reduce the upstream emissions is our decision to transition to fossil-free fuel for all our maritime transports. The decision was made in 2023 and is implemented as from 1 January 2024. The fuel is bio gas and it is made from manure from Europe. This means that we are reducing the carbon emissions with 100% in this part of the value chain.

Other news is that we transitioned to electric transports between our facilities in Karlstad.



The truck we are using to transport coffee from our city roastery to our main warehouse in Karlstad was a hybrid at first, which reduced the carbon emissions radically. We are now taking the next step and transition to pure electricity, which means that we are reducing the fossil emissions with 100%," says **Vicktoria Länk, Logistics Manager at Löfbergs.**

USE OF ENERGY AT OUR FACILITIES (MWH)



In 2021, we transitioned to fully renewable bio LPG in our roasteries in Karlstad, which we had to temporarily deviate from in 2023. The reason was significantly increased costs due to unexpected and hastily changing tax rules for biogas and bio LPG. For the factory in Viborg, we purchase 100% biogas via the city gas system. It is still a challenge to find a good alternative to the fossil-based natural gas in Riga.

The bar chart refers to use of energy for each calendar year.

## GREENHOUSE GAS EMISSIONS

EMISSIONS (TON CO <sub>2</sub> e) <sup>(1)</sup>	2018	2022	2023	CHANGE 2018–2023
<b>SCOPE 1 total</b>	<b>2,220</b>	<b>558</b>	<b>2,394</b>	<b>8%</b>
Roasting	1,675	140	2,001	19%
Energy (own furnaces)	112	80	73	– 35%
Own cars	433	338	320	– 26%
Own transports	0	0	0	–
<b>SCOPE 2 total <sup>(2)</sup></b>	<b>149</b>	<b>175</b>	<b>169</b>	<b>14%</b>
Electricity	89	110	101	13%
District heating	60	65	68	14%
<b>SCOPE 1 and 2 total</b>	<b>2,369</b>	<b>733</b>	<b>2,563</b>	<b>8%</b>
<b>SCOPE 3 total</b>	<b>147,190</b>	<b>131,105</b>	<b>150,060</b>	<b>2%</b>
Business travel <sup>(3)</sup>	494	133	113	– 77%
Production and distribution of energy and fuel for vehicles <sup>(4)</sup>	482	406,5	533,2	11%
Purchased upstream transports <sup>(5)</sup>	8,645	8,344	9,118	5%
Purchased downstream transports <sup>(6)</sup>	1,496	645	642	– 57%
Packaging <sup>(7)</sup>	2,765	2,016	2,330	– 16%
Farming of coffee <sup>(8)</sup>	118,072	105,013	120,990	2%
Waste management	10,6	6,6	12,7	20%
Use of sold products <sup>(9)</sup>	14,706	13,809	15,514	5%
Customers' own transports <sup>(10)</sup>	518	732	806	56%
<b>Total emissions (all scopes)</b>	<b>149,558</b>	<b>131,839</b>	<b>152,623</b>	<b>2%</b>
<b>Emissions (ton CO<sub>2</sub>e) per ton of coffee produced (all scopes)</b>	<b>5.09</b>	<b>4.77</b>	<b>4.92</b>	<b>– 3%</b>

## Footnotes for the table

- Löfberg's climate report includes the entire group, unless otherwise specified. (Previous report included the Swedish operations and the production in Denmark.) The table refers to use of energy for each calendar year.
- Scope 2 is reported with a market-based method. If a location-based method had been applied, the emission for 2023 in Scope 2 would have been 549 tons CO<sub>2</sub>e.
- Refers to flights, trains, taxis, private cars while on duty and hotels in the Swedish business. The emissions of the flights are adjusted for for increased biofuel incorporation through Fly Green Fund.
- Refers to fuels used in Scope 1 and 2.
- Refers to transportation of green coffee from farm to factory as well as transportation of packaging material and other goods.
- Distribution of products where the transportation service was purchased by Löfberg's.
- Extraction of raw material and production of packaging.
- Farming, including other processes around the farming of coffee.
- Preparation of coffee with the end user, including waste management at consumers.
- Transportations where the customer picks up the product from Löfberg's central warehouse.

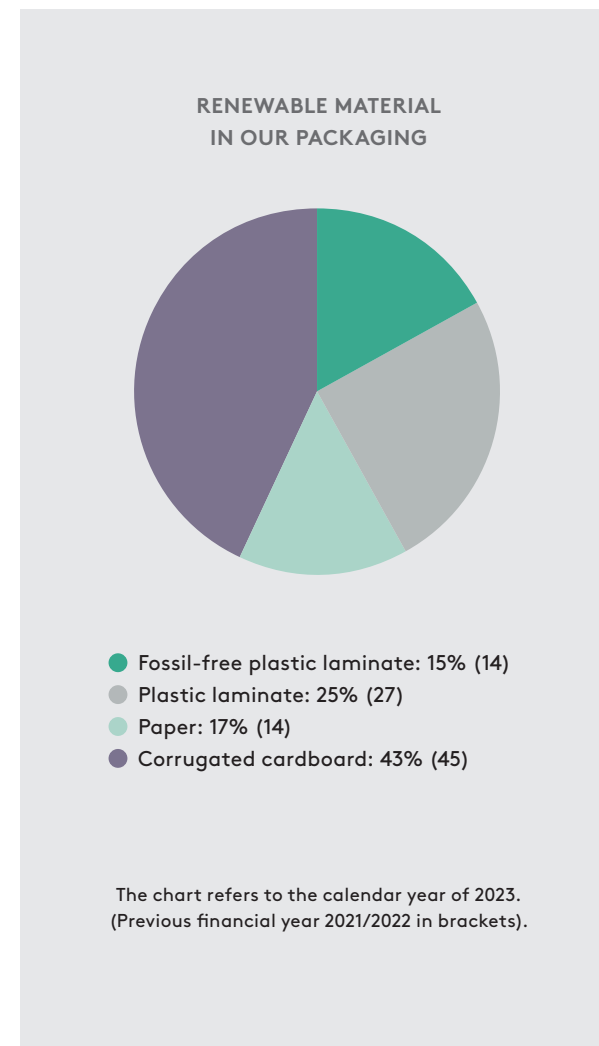
## Our journey towards circular and renewable packaging

The right packaging is crucial to preserve the good aromas and the quality of coffee. Löfbergs has been in the forefront with innovative packaging solutions since the 1990's to meet to the company's own high demands, the expectations of the world around us as well as the current and coming legislation. Our packaging goal is to have the opportunity to offer recyclable packaging on all our markets by 2025. All our packaging will also come from renewable or recyclable raw material by 2030, and they will continue to be user-friendly and cost-efficient.

Our packaging consist of 75% renewable raw material, mainly paper, corrugated cardboard, and fossil-free plastic laminate. The rest consists of fossil-based plastic, which we gradually replace with recycled or renewable raw material.

Our packaging goal is in line with inter-trade agreements, for example The Swedish roadmap for a sustainable food supply chain. Important parts of this work are for example a transition to thinner plastic, new barrier material, and bio-based plastic material.

An increase of regulatory, customer-specific, product-related, and market-specific requirements are some examples of the surrounding world's expectations that our packaging should live up to. This is a work in progress, where some efforts mean more or less investments, resource allocation, limitations, and challenges relating to production.





# Packaging goals, strategy, and roadmap

## PACKAGING GOALS:

By the end of 2025, we will have the opportunity to offer packaging that is designed to be recycled in all our markets. By 2030, all our packaging will come from recycled or renewable raw material.

## OUR STRATEGY:

- Reduce the amount of used material
- Phase out unnecessary layers of aluminium and metallisation
- Eliminate dangerous material
- Use renewable and/or recycled resources
- Use traceable and responsibly farmed renewable material
- Reduce the impact on the environment with preserved quality and shelf life
- Preserve the production efficiency
- Switch to material that can circulate and be recycled on a global market

## ROADMAP:



**1990** Designed to down-gauge plastic

**1993**  
As the first coffee company in Europe, we remove aluminium from our packaging.

**2019**

**2018**  
We start to phase out fossil plastic and replace it with plastic from renewable raw materials.

**2022**  
We start the transition to renewable and recycled raw materials according to the mass balance principle.

**2022**

**2025**  
We can offer recyclable packaging in all our markets.

**2025**

**2030**  
All our packaging is made of renewable or recycled raw material and is material recyclable.

**2030**

**2015**  
Our iced coffee ICE is packaged in CartoCan®, a cardboard solution made entirely from renewable raw materials.

Source renewable or recycled plastic

Design for circular recyclability

### OUR PACKAGING JOURNEY STARTED ALREADY IN THE 1990'S

Our journey towards circular and fossil-free packaging started already in the 1990's, when we as the first coffee company in Europe removed the aluminium from our packaging. In 2018, we took the first step to replace fossil plastic with renewable raw material. Since 2022, the transition to recycled and renewable raw material is made gradually through a mass balance solution. Mass balance means that we purchase plastics from bio-based sources, but that it is not necessarily that plastics in our packaging. The mass balance solution that we have chosen to work with is a third-party certified one by International Sustainability and Carbon Certification (ISCC).

Circular packaging is about reducing the use of material as well as developing packaging that can be recycled. In 2023, we presented the first recyclable packaging in a mono-material structure of polyethylene, which is better adapted for recycling in the circular ecosystem.

### FOCUS ON PHASING OUT PLASTIC AND AN INCREASE OF RECYCLABLE PACKAGING

This year, we have continued our work to increase the share of packaging that are better adapted for recycling. We have launched several kinds of bags, where the coffee packs now has a packaging in a mono-material structure, which is a material with the same kind of plastic. A packaging with more layers of different kinds of plastic cannot be recycled to new packaging. Mono-material is preferable. Our focus continues to be to transition from multi-layer plastic to mono-material, and to approve more packaging lines in our operation. A work that is about developing, testing, analysing, getting experiences, and, most important of all, making sure that our requirements on taste, quality, production, and sustainability are met.

**“** We work closely with suppliers and others to develop new smart packaging solutions. It is a work in progress that makes us take a step in the right direction all the time,” says **Madelene Breiling, Head of Operational Development at Löffbergs.**



## Waste and by-products

We strive to be fully circular through adjusted design models, make use of all resources, and reduce the carbon emissions and the fossil-based resources in all our products and packaging. We want to use the full value of coffee and find new ways to transform waste into resources.

### GOALS BY 2030:

- 50% less coffee waste in our own production (base year 2020/2021)
- Halve the amount of waste that is burnt up (base year 2022)

### COMMITMENT FOR CIRCULAR FLOWS AND MINIMISING FOOD WASTE:

- Circular approach in everything we produce and do
- Reduce, reuse, recycle, and renew
- Find new and circular ways to use and commercialise all resources in the entire value chain

### CONTINUED FOCUS ON LESS FOOD WASTE

Our work to reduce waste is built on the insight that coffee that is not consumed is an unnecessary waste of the earth's resources. But sometimes perfectly fine coffee beans cannot be sold as intended, when a roasting did not go exactly as planned or if there is something wrong with the bar code on the packaging. We always aim to make the best possible of the waste that actually occurs. Sometimes, coffee beans can be used as raw material for new products and get a value. Another example is when a by-product from our production, which would become waste, becomes a resource with another operator. When focus for collaboration, dialogue, and business development is, to the utmost extent, to make use of and see everything in different flows as a resource, it becomes an important driving-force for the circular economy.

Only 0.28% of our produced coffee in Karlstad was discarded as waste. It corresponds to less than 3 kilos of waste per ton of coffee produced. Through continued focus and commitment from our whole operation, we have managed to take huge steps towards our goal to reduce waste in our own production with half (compared to the base year of 2020/2021: 0.49%).

Thanks to an amazing driving-force among our co-workers, we have a refined systematics to prevent waste from warehouse and production. Through a process that we call rework, we can in a systematic and digital working method re-dose coffee beans. It gives us the opportunity to fully control the coffee that leaves the flow, and with complete traceability reintroduce it into the flow again.

**0.28%** of our produced coffee in Karlstad was discarded as waste. It corresponds to less than **3 kilos of waste per ton of coffee produced.**



By focusing on packed finished products, we have managed to reduce costs and waste from the warehouse. Examples of efforts that have contributed to this reduction are clearer division of responsibility and costs as well as a particular tool for management of sales dates in the business system.

**WASTE AND WASTE MANAGEMENT 2023**

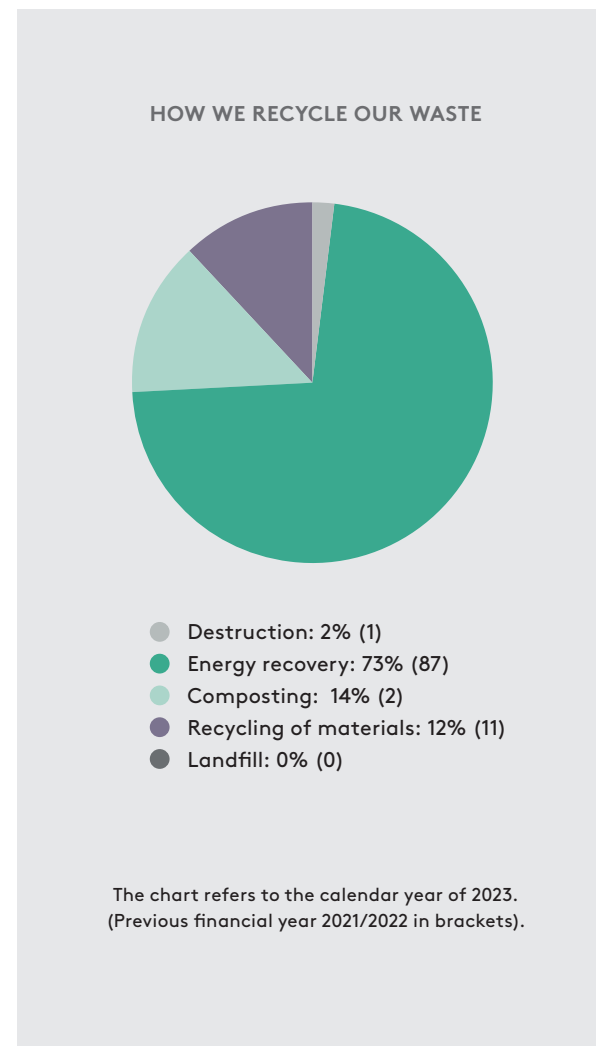
During the calendar year of 2023, we generated almost 600 tons of waste, consisting of packaging material that was recycled, by-products and discarded coffee, where a great share still is used for energy recovery, but the share that is composted increases.

**//** Coffee scraps being recycled gives us both financial and environmental benefits. When material that risked becoming waste is used for new products, they suddenly have a value and become an important driving-force in a circular economy," says **Annika Djurberg, Head of Private Label & Commercial Collaboration at Löfbergs.**

**Successful collaboration where coffee soils give growing power**

Finding alternative ways to make use of coffee beans, which for different reasons end up outside the ordinary flows of our roasteries and that cannot be used for the same purpose again, began in 2022 in cooperation with Econova. The first large-scale test with coffee soils was carried out. By composting the coffee scraps with residues from the forest, Econova gets a nutritious soil that can be used as garden soil for example.

The collaboration has continued and resulted in a significant increase, from 2% to 14%, of waste that is composted and becomes growing power instead of being burnt up and used as energy recovery.



KAFFROTTERT  
**LÖFBERGS**

LÖFBERGS  
...ück en  
...eneration  
...ite



## Consumption

Our coffee is a safe and good choice – today, tomorrow, and in the future. We guarantee great taste with a positive impact, and we think it should be easy doing the right thing. We want to inspire and engage with everyone for more sustainable consumption.

### OUR DIRECTION:

- We offer safe products with great taste and high quality
- We help our customers report their sustainability impact
- We raise awareness and inspire customers to a more sustainable consumption
- We use digitalisation for increased transparency and to involve and engage consumers



## Consumption

- Safe products
- Sustainable and circular offers
- Inspiration and knowledge for sustainable consumption

## OUR ASSORTMENT

We have coffee for all situations and taste preferences, and we offer both hot and cold beverages. Fine-grind coffee and whole beans, coarse-grind coffee and instant coffee, as well as cold ready-made coffee drinks. We also sell tea, accessories, and services. We never compromise with quality or the great taste. And we believe that coffee that is made with care for both people and planet tastes the very best.



## PRODUCT SAFETY AND QUALITY – A NATURAL PART OF OUR CULTURE

Löfbergs stands for quality and security over time. Every day, our co-workers make sure that our products meet the high requirements we set for ourselves, the legislation, and the expectations that our customers and consumers have on product safety, taste, and quality. Millions of people choose to drink our coffee every day, a trust that we are eager to keep.

We work systematically with quality assurance all the way from bean to cup, with well-established processes and routines, a clear division of responsibilities, and continuous work with skills development, follow-up, and constant improvements.

## DIALOGUE WITH CUSTOMERS AND CONSUMERS

We reach out to millions of customers and consumers every day. They are the most important target group that we are in close contact with and that we meet in different channels. We also make regular surveys and measurements to follow and act on trends and expectations.

Our consumer contact is an important direct dialogue with our coffee drinkers. We receive feedback and answer questions on phone, e-mail, and social channels.



We are proud to have a low number of complaints from customers and consumers. The complaints that we do receive can for example be about leaking packaging. We mainly work with continuous improvement to prevent incidents and deviations.

**SUSTAINABLE AND CIRCULAR OFFERS**

We want to contribute to a positive development in the entire coffee industry and we take the lead for a more sustainable consumption. To make it possible and easier for more consumers to contribute in the right direction is important to us.

Our entire product range meets high demands on environmental and social responsibility, and we use different certifications, labels, and other sustainability tools to guarantee and show this. We also work actively to communicate and explain the sustainability values added to our products, and to continue to develop products and assortments in a more sustainable direction.

By using a simple, honest, and innovative way to tell how coffee products contribute positively to a sustainable development, we want to raise awareness and inspire more consumers to make good choices.



**Doing the right thing is easy!**

This year, we have been working with the concept “Doing the right thing is easy!”. Information on the packaging describes the work behind our great coffee and gives the consumer some advice on how to contribute to a more sustainable consumption. With a QR code on the packaging, we can offer more in-depth, transparent, and traceable information regarding our sustainable offer. It is also a contact point where we have the opportunity to interact with the consumers in an all new way.

The concept was launched in Sweden in February 2024 and will be developed with help from the insights of customers and consumers.



**INSPIRATION AND KNOWLEDGE FOR SUSTAINABLE CONSUMPTION**

For more people to enjoy coffee in a sustainable way, it is not enough to offer a safe and good choice and being a sustainable brand. We also need to work with inspiration, recipes, and knowledge on different flavours, products, and forms of preparation. Our strong presence in our markets is our most important information channel, and in combination with annual trackings, follow-ups on local campaigns, and studies, we get insights on the consumer’s needs, driving-forces, and trends on different markets.

**Caffe Slatte**

The Swedish campaign “Caffe Slatte” is another example, where we with a short video wanted to inspire customers in a simple and accessible way to consume sustainably by drinking all the coffee that you pour into your cup. Today, great amounts of coffee go down the drain, which is an unnecessary waste of the earth’s resources. Do you know that you need 64, often handpicked, coffee beans for one cup of coffee?

**#caffeslatte**

Be mindful of your brew! Use a thermos for the freshly brewed coffee to make sure it is hot and tasty for a longer time.

Here are five things you can do if you still have some coffee left:



Freeze the coffee in an ice tray and make iced coffee.



Make a coffee smoothie.



A coffee marinade for the BBQ.



Bake a juicy bread.



Give your plants some nutrition.

**CERTIFICATIONS AND LABELS**

We combine different methods and ways of working to create better conditions for the environment and coffee farmers. We have been working for a long time with credible independent labels and certifications, as one of several ways to offer and verify coffee with good sustainability performance. The labels we choose should be verified by a third party and result in clear value added regarding environmental and/or social responsibility.

During the calendar year of 2023, we purchased...

**8,100 tons of coffee** from organic farms.

**3,600 tons of coffee** from Fairtrade certified farms.

**19,000 tons of coffee** from Rainforest Alliance Certified farms.



## Our sustainability labels



**Fairtrade** is an independent product label with focus on human rights. The farmer is guaranteed a minimum price and the cooperative receives an extra premium. This paves the way for better working and living conditions.



**Rainforest Alliance** is an international non-profit organisation working to preserve biodiversity, to promote more sustainable farming methods and to improve the working conditions and livelihood of farmers.



The **EU organic production logo** is mandatory for all pre-packaged organic food products. Use of the label is voluntary for imported food products. It is only used on food products that are grown without the use of chemical pesticides or artificial fertilisers.



The **Swedish KRAV label** is only applied to food products grown without chemical pesticides or herbicides, artificial fertilisers or GMOs. Moreover, the products must only contain natural additives. The label also stands for humane animal welfare, social responsibility, and a sustainable climate.



**Forest Stewardship Council (FSC)** is an independent, international member organisation that works for a green, socially responsible, and financially viable use of the forests of the world.



The **Ø label** is a Danish organic label. The label may be placed on organic products produced and inspected by the Danish Veterinary and Food Administration and the EU.



**Soil Association Certification** is the largest label for organic products in the UK. The label is used for food products, animal welfare, textiles and beauty products.

## SUSTAINABILITY RECEIPT

The calendar year of 2023

With our purchases of organic coffee, we have contributed to converting an area equivalent to **12,600 football pitches** into organic production without artificial fertilizers and pesticides.

Our purchases of green coffee from Fairtrade certified farms have contributed with about **SEK 43.3 million** in premiums for cooperatives including extra payments for organic farming to small-scale coffee farmers.

Our purchases of green coffee from Rainforest Alliance Certified farms have contributed to the conversion of an area equivalent to **33,000 football fields** to organic production.

### An ambitious roadmap for a sustainable food supply chain

Löfbergs is one of fifteen Swedish food companies in the initiative Sustainable Food Supply Chain. In 2023, the work has been taken to the next level with a common roadmap towards 2023, “The Swedish roadmap for a sustainable food supply chain”.

The roadmap includes goals in climate, biodiversity, resource efficiency, animal welfare, and human rights. It clarifies how companies, on their own and together, should work to “make the top grow” and “raise the bottom”. It means that the share of better and more sustainable food should increase at the same time as the less sustainable alternatives should be phased out.

The goals, which all members should concretise in their respective businesses, include:

- reducing the climate impact along the entire value chain in line with the 1.5-degree target of the Paris agreement
- no raw material should come from land that have been deforested or converted after 2020
- halving the food waste in their own operations
- having a systematically and quality-assured work for social responsibility, where risks in the value chain are identified, followed up, and addressed





The board of Löfbergs. Top row from the left: Christian Sievert, Mikael Ljöberg, Lena Larsson, Niklas Ljöberg.  
Bottom row from the left: Sandra Lyxell (employee representative), Kathrine Ljöberg (chair of the board), Rosie Kropp.

## Organisation and management

**This section provides additional information about Löffbergs’s business model as well as organisation and management of the sustainability work.**

### OUR BUSINESS

Löffbergs is a family-owned company with more than 300 coffee-loving co-workers, which operates in Northern Europe. Our driving-force is to contribute together with others to a world where coffee and people can grow. Coffee products in all forms and accompanying services continue to be the core of our business.

We operate in some ten core markets in northern Europe under the brands Löffbergs and Peter Larsen Kaffe, and with tea under the brand Kobbs. We also cooperate with several other well-known brands and develop coffee for them.

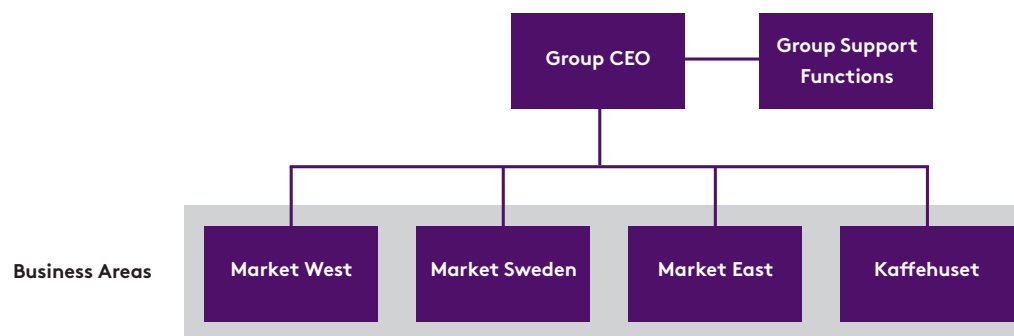
We sell our products in retail stores and via several customers’ digital channels, but also through cafés, hotels, and restaurants as well as places of work and vending companies. We are market leaders in Sweden, and have been for a long time. In Denmark, we are strong on convenience and constantly building our presence in other parts of the HoReCa market. In the UK, we are growing in retail, and

in Estonia, Latvia and Lithuania, we are strongest in retail. On the Norwegian market, we work with chains and vending companies. We keep growing in Finland and have great visibility of our brand in well-known locations, not least in Helsinki.

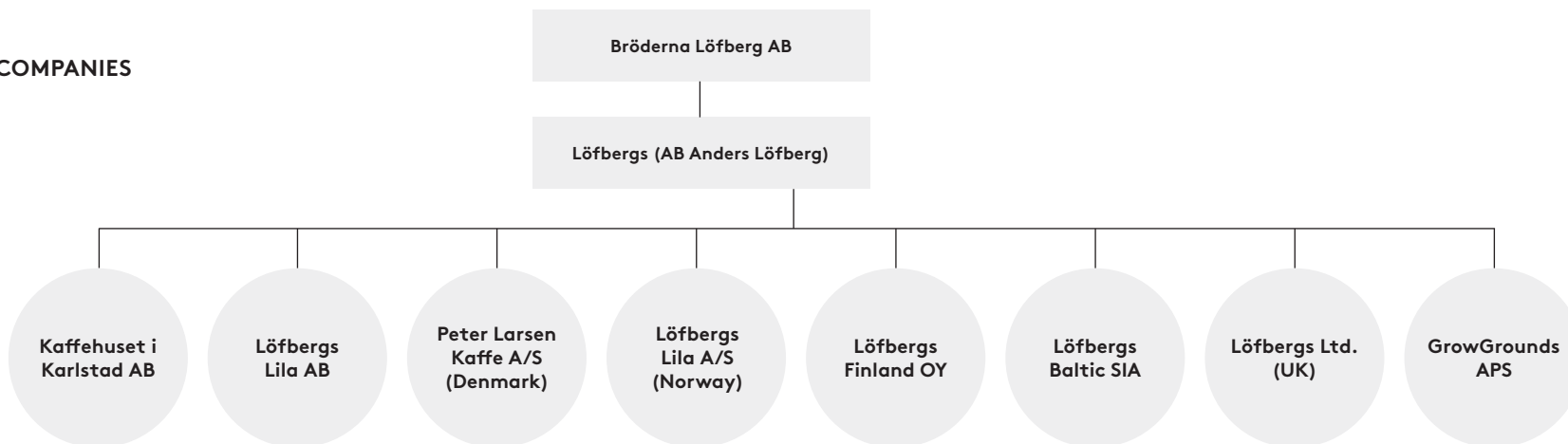
### OUR ORGANISATION

Löffbergs’s organisation consists of four business areas, each with profit and loss responsibility, and central support functions. The fundamental principle is that everything that is based on the customer relationship will be decentralised, and that everything that has economies of scale will be centralised to a group level.

We have a central organisation for Finance, IT, Brands & Products, Sustainability, HR, and Corporate Communications. The business areas consist of three geographically divided sales companies and a purchasing and production company. The operational business is managed by the group management team, which consists of eight executives – two women and six men. Anders Fredriksson is our CEO and group chief executive. The board of directors consists of six ordinary members, three owners and three external members, of whom three are women and three are men, as well as two employee representatives and two deputies. Kathrine Löffberg is Chair of the Board.



**ACTIVE COMPANIES**



**SUSTAINABILITY GOVERNANCE**

We are working fully integrated with sustainability issues in strategic and operational steering, and the daily activities. The group management is responsible for this work, and it is managed through initiatives and goals in our strategic plan for sustainability (see page 14). Our Head of Sustainability is the extension of group management and has several internal forums available, such as the cross-functional Sustainability Team, where various sustainability issues are decided. Other forums include the Environmental Team, the Packaging Forum and temporary project groups. Head of Sustainability is a central function that works close to the market companies and

coordinates the comprehensive sustainability work of the group.

**OUR CODE OF CONDUCT**

Our Code of Conduct is the top-level governing document for our sustainability work. It is based on UN Global Compact’s ten principles and covers human rights, working conditions, environmental issues and anti-corruption. It also includes Children’s Rights and Business Principles, UK Modern Slavery Act, and UK Bribery Act. The code applies to all co-workers and controls our relationships with customers, partners, and other interested parties. Löfbergs also has a code of conduct for suppliers that all suppliers undertake to follow.

All employees are trained in our Code of Conduct through an internally developed e-learning. The training is included in the package that all new co-workers are invited to. We are regularly inviting all co-workers in the group, and the training is always accessible in our digital course catalogue.

**FUNCTION FOR DEVIATION REPORTING AND WHISTLE-BLOWING**

Every co-worker has a responsibility to pay attention to and report events and behaviours that are suspected to violate policies and values. Reporting is preferably performed to immediate superior or HR. There is also a system for anonymous

whistle-blowing, where incoming errands are handled by an external party and then followed up by Head of Group HR, CFO, and CEO. This year, no reports have been made via the whistle-blowing function.

**ISO CERTIFIED MANAGEMENT SYSTEMS**

Clear management systems are important to achieve our goals. Our operations are largely covered by management systems for quality, environment, and food safety certified by a third party. We also use credible independent labels for our products. The table on the next page presents a compilation of all our management systems and certifications.

**BUSINESS ETHICS THROUGHOUT THE SUPPLY CHAIN**



As a large importer of green coffee, it is natural for us to be a responsible and ethical role model in the international supply chain that we are a part of. Our company Kaffehuset i Karlstad AB has achieved the EU authorisation AEO, Authorized Economic Operator, which aims to contribute to increased security in the world as well as an efficient and uniform customs control in the EU. The authorisation places significant demands on security of goods, transparent economic flows and management of customs documentation.

**TAX – ONE OF OUR MOST IMPORTANT INVESTMENTS IN SOCIETY**

Paying tax is a natural part of our investments in society. For us, it is about taking responsibility and paying for the public system and the important services, which are a precondition for our business and our society to work. In a transparent way, we balance ownership interests with societal interests and we think that aggressive tax planning is deeply detrimental for the global sustainability work. Our policy is always to pay tax in the country where the revenues are obtained, and we follow established principles for internal pricing.

**REPORTING IN COMPLIANCE WITH THE NORWEGIAN TRANSPARENCY ACT**

Löfbergs is subjected to the Norwegian Transparency Act (Åpenhetsloven), which aims to promote companies’ respect for human rights and rights of workers as well as guarantee that the general public has information on how companies handle negative impact. The transparency act makes demands on due diligence in accordance with the guidelines of OECD as well as reports of work and results. The report should be made public by 30 June every year. Löfbergs’s Norwegian company published its report in accordance with the requirements.

**Direct economic value generated and distributed**

Revenue.....	4,155,248
Operating expenses* .....	- 3,513,348
Salaries & remuneration to employees .....	- 368,006
Payments to providers of capital.....	- 41,438
<b>Tax paid to the public sector</b>	
Sweden .....	- 18,961
Denmark .....	- 3,750
Norway.....	- 1,420
Latvia .....	- 90
Finland .....	- 248
UK.....	0
Community investments.....	- 11,171
Economic value retained.....	208,007

(all figures are in SEK thousands)

\* Refers to operating costs excluding personnel and depreciation



CATEGORY	CERTIFICATION	DESCRIPTION	SUSTAINABILITY GOVERNANCE				
			COFFEE FACTORY & SALES OFFICE, KARLSTAD, SWEDEN	COFFEE & TEA FACTORY, VIBORG, DENMARK	COFFEE ROASTERY, KEKAVA, LATVIA	SALES OFFICE, PETER LARSEN, DENMARK	SALES OFFICE, LONDON, UK
Quality/Food Safety	<b>Certificate of Health</b>	Issued by the Environment and Public health Committee of the Municipality of Karlstad, Sweden	X				
	<b>E-marking</b>	Fulfillment of EC Directives regarding requirements for correct net quantity	X	X			
	<b>ISO 9001</b>	Quality Management Standard	X		X		X
	<b>U.S. FDA</b>	Approval of the United States Food and Drug Administration	X				
	<b>ISO 22000</b>	Food Safety Management Standard	X	X	X		
	<b>FSSC 22000</b>	Food Safety Management Standard	X	X	X		
	<b>Safe Contractor</b>	Health and Safety Accreditation					X
Sustainability	<b>Dansk Retursystem</b>	Danish Recycling System				X	
	<b>EU Organic</b>	Organic Production	X	X	X	X	
	<b>Fairtrade</b>	Sustainable Supply Chain	X	X	X		
	<b>NPA</b>	Swedish Business Producer Responsibility	X				
	<b>ISO 14001</b>	Environment Management Standard	X				X
	<b>KRAV</b>	Organic Production	X				
	<b>Rainforest Alliance</b>	Sustainable Supply Chain	X	X	X		
	<b>Soil Association</b>	Organic Import, Production & Warehouse					X
	<b>STEMFS 2014:2</b>	Energy audit	X				
<b>Security</b>	<b>Authorized Economic Operator (AEO-F)</b>	Issued by the Swedish Custom, according to the European Commissions' AEO Guidelines*	X				

\* The permit is issued to the legal company Kaffehuset i Karlstad AB.



## About the report

**This is our twelfth annual sustainability report, and it concerns the extended financial year from 1 July 2022 to 31 December 2023, unless otherwise specified. We report on our efforts to contribute to a sustainable development together with customers, consumers, suppliers, and others.**

Löfbergs reports its sustainability work annually. Due to the transition from broken financial year to calendar year, the last report was published in November 2022 and referred to the period of 1 July 2021 to 30 June 2022. The report includes the whole company and all our brands. Basic data and statistics are gathered from our internal business systems and apply to our entire business unless otherwise specified. No external audit of the report has been performed. However, our business is regularly audited by external auditors through our participation in environmental, quality and food safety certification programs. As members of the Haga Initiative climate network, we also receive external support for quality assurance regarding climate data.

For many years, Löfbergs has used GRI Standards, Core level, as guidance and quality assurance

for structure and content, and to strengthen the credibility of the report. Due to the coming implementation of the new EU legislation CSRD/ESRS for sustainability reports and adjustments to this legislation, we have chosen to not report any GRI index this year.

### MATERIALITY ANALYSIS

The content of the report reflects the issues that are significant for our business, seen to the entire value chain, our impact on people and the environment as well as related risks and opportunities. We identify these through internal and external dialogues, analyses, and surveys. We also use different frameworks for sustainability and sustainability reports to ensure that the report is relevant and captures what is most important. Some examples are Agenda 2030 and the global goals for sustainable development, and both the current and coming legal requirements on sustainability reporting.

The knowledge of our sustainability challenges as well as the demands and expectations from the world around us develop and change all the time. The materiality analysis is therefore a living process.

During the autumn of 2023, we have carried out and compiled an updated double materiality assessment with basis in the requirements of CSRD/ESRS. The table below shows a summary of significant matters at the different stages of the value chain. We will continue to develop governance, efforts, and reporting concerning the matters, where it is not fully in place yet.



**SUMMARY OF RESULTS FROM THE MATERIALITY ANALYSIS,  
SUSTAINABILITY MATTERS IN DIFFERENT PARTS OF THE VALUE CHAIN**

Operational impact	Operational risks/possibilities based on impact and dependence
<b>FARMING</b>	
Climate impact and climate adaptation Use of water Pollution/emissions to land and water Impact on ecosystems and biodiversity Working conditions and work environment Livelihoods	Deterioration of farming conditions Limited access to coffee of the right quality Long-term and responsible supplier relationships Coffee farmers of tomorrow, positive catalyst for conversion
<b>TRANSPORTS</b>	
Climate emissions Working conditions and work environment	
<b>PRODUCTION, OWN BUSINESS</b>	
Use of energy Climate emissions Material and chemicals in packaging Use of raw material in packaging material and other inputs By-products and waste	New legislation and instruments regarding climate, material etc. Make use of by-products or waste for new products Innovation
<b>WORK PLACE, CO-WORKERS (OUR OWN OPERATIONS)</b>	
Working conditions, health, and safety Equality and equal treatment Skills development	Attractive work place leads to competitiveness Diversity promotes innovation and business
<b>SALES, CUSTOMERS</b>	
Market-leading player, sustainable transition of the industry Strong brand with sustainable value added	Contribute to the customer's sustainability strategy, for example reducing climate impact (value added)
<b>CONSUMPTION, CONSUMER</b>	
Waste in form of packaging material and coffee grounds Awareness and more sustainable consumption Product information and product safety Good experiences	Climate change can make coffee a premium product, but also lead to demand-reduction Willingness to pay for sustainable value added Strong brand
<b>SOCIETAL ENGAGEMENTS LOCALLY</b>	
Contributions to social development locally Risk for local environmental impact	Keep and develop business conditions Strong brand locally

Our business affects the entire value chain in one way or another. The climate changes and the loss of biodiversity are serious threats against humanity, and they are closely linked. This, together with the next generation's possibilities of well-being and development, are two great challenges that we are facing together with others in the entire value chain.

The materiality analysis also indicated increasing significance of some matters, for example packaging material and the transition from fossil to plant-based as well as the circular economy without any waste. What was previously regarded as waste now is seen as the beginning of something new.

The increased and stronger legislation in the field of sustainability makes new and more comprehensive demands on transparency, traceability, quality assurance, available data, and risk management throughout the entire value chain. We welcome this, but we also see the challenge and the need of accelerating the development of digital collaborations and collection of information together with our stakeholders.

COMPILATION OF OUR MOST IMPORTANT STAKEHOLDER GROUPS

**IN DIALOGUE WITH OUR STAKEHOLDERS**

“Together for a world where coffee and people can grow” is our overall purpose. The dialogue and cooperation with many different stakeholders is a prerequisite to achieve what we want and to be a functioning and successful business. In the dialogue with our stakeholders, we keep ourselves updated regarding the demands and expectations on us from the world around us.

Our stakeholder dialogue takes place in many different channels, integrated in ordinary communication, daily activities as well as in different forums and networks.

**DO YOU HAVE ANY QUESTIONS OR THOUGHTS?**

Feel free to contact us.

**Kajsa-Lisa Ljudén**, Head of Sustainability  
 kajsa-lisa.ljuden@lofbergs.se

<b>Coffee farmers</b> (current and coming generations)
<b>Business critical suppliers</b> (transport, packaging, infrastructure, financial services)
<b>Co-workers</b> (current and potential)
<b>Owner family</b> (current and coming generations)
<b>Customers and consumers</b> (of today and tomorrow)
<b>Industrial actors</b> (competitors, trade associations)
<b>Decision-makers</b> (authorities and politicians locally, nationally, EU)
<b>Competent experts</b> (academy, NGO, AI)
<b>Opinion multipliers</b> (media, influencers, NGOs, AI)
<b>Local communities where we operate</b>



**Contact us!**

Thank you for taking the time to read our sustainability report! Did you find something that you really liked, something you think we should improve, or do you have any other thoughts?

Please contact me:

Kajsa-Lisa Ljudén,  
Head of Sustainability  
[kajsa-lisa.ljuden@lofbergs.se](mailto:kajsa-lisa.ljuden@lofbergs.se)







KAFFEROSTERIET  
**LÖFBERGS**  
ETABLERAT 1906

*Peter Larsen*  
*Kaffe®*

**KOBBS**  
ETABLERAT 1809