

LYCKEBY GROUP

Sustainability Report | FY26



Enriches life.

Our journey began in the fertile fields of southern Sweden. Here, we took our first steps under the vast and ever-changing sky. Each crop held hope for the future, and each harvest confirmed our ambition.

We believe in the power of nature and in turning what the good earth provides us into something enriching. With courage, care, and responsibility as our guiding principles and commitment as our driving force, we create in unison with nature. We transform nature's gifts into moments that unite people, bring smiles, and build memories.

In harmony with our surroundings and each other, we shape a future where our potato starch and flavors provide unique experiences. Every step we take is a step towards a more sustainable and inspiring world. Enriching people's lives is our promise to ourselves and the world.

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About the Report

This report from Lyckeby Group Economic Association is our ninth sustainability report and covers the period 1 September 2025 to 31 August 2026.

The sustainability report covers the parent company Lyckeby Group Economic Association, together with the wholly owned operating and sales companies Culinar Sverige AB, Culinar Danmark ApS, Lyckeby Culinar a.s., Culinar Polska Sp. Z.o.o., and Lyckeby Culinar Shanghai Ltd, and the part-owned subsidiaries Lyckeby Amylex a.s. and Solam GmbH. The report has been developed with inspiration from the EU Corporate Sustainability Reporting Directive (CSRD) and the associated European Sustainability Reporting Standards (ESRS) as part of the preparations for new requirements in sustainability reporting.

”Together with our growers, we demonstrate that growth, food security, and sustainable development go hand in hand.”

HANS HOLMSTEDT
Group CEO
Lyckeby Group



Words from the CEO

Our world is changing rapidly and is characterised by growing uncertainty. Geopolitical tensions, economic fluctuations, climate challenges and shifting customer and societal expectations place increasing demands on companies seeking to create long-term value. For us at Lyckeby Group, *Together We Grow* is more than a strategy – it is our shared compass for sustainable growth, innovation and long-term values.

Sustainability is an integral part of our business and the value we create for our customers. For us, sustainability encompasses not only climate and environmental considerations, but also responsibility for people, raw materials, resources and future generations. That is why we are committed to reducing our carbon footprint, using resources more efficiently and developing products that meet our customers' needs in a more sustainable future.

This year, we will increase starch production by approximately 30 per cent while continuing our efforts to reduce climate impact and improve resource efficiency per kilogram produced.

Together with our growers, we have expanded the cultivated area by approximately 3,000 hectares, creating the conditions for increased production. This is a clear example of how growth, security of supply and sustainable development can go hand in hand.

At Culinar, we continue to develop the business with a focus on efficiency, quality and long-term value creation for our customers. By consolidating our Swedish operations in Fjälkinge, we are creating better conditions for modern, future-ready production. Investments in new packaging solutions and our continued commitment to the Sustainable Spice Initiative (SSI) are strengthening sustainability throughout the value chain.

To continue developing and creating long-term value, we invest in our employees and in strong leadership. Through the L*eading the Way* leadership programme, we strengthen our leadership by drawing on evidence-based research, practical application and behaviours that build trust, engagement and accountability.

The demands for sustainability, transparency and accountability will continue to increase. At the same time, I am confident that Lyckeby Group is well positioned for the future. By continuing to develop together, staying true to our values and constantly seeking better solutions, we strengthen our competitiveness, build long-term customer relationships and contribute to a more sustainable future.

Finally, I would like to extend my sincere gratitude to our employees, growers, owners, customers and partners. Through your commitment, knowledge and trust, we continue to develop Lyckeby Group and create sustainable value – today and for generations to come.

Hans Holmstedt
Group CEO
Lyckeby Group

The Year in Brief

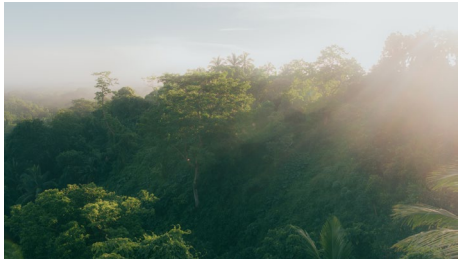


Strengthened Sustainability in the Supply Chain

Through the SAI/FSA framework, Lyckeby continued to advance sustainable farming practices. Self-assessments and audits helped identify improvement opportunities and strengthen sustainability efforts throughout the value chain.

Responsible Suppliers Around the World

With approximately 1,000 raw materials sourced globally, we continue to set high standards for our suppliers. Through regular assessments and audits, we help ensure that raw materials are produced with respect for both people and the environment, strengthening sustainability and trust throughout our Flavor business.





Collaboration for the Climate Transition

During the year, Lyckeby participated in the Gården i centrum project, aimed at creating conditions for increased climate benefits in agriculture. The project provided valuable insights into how climate initiatives can be financed and integrated into the value chain in a long-term and commercially sustainable way.

From Goals to Results

Our sustainability efforts have evolved through clearer targets, defined responsibilities, and focused priorities. Investments in reduced climate impact, improved resource efficiency, and increased recycling are helping us make a real difference and bringing us closer to achieving our long-term sustainability goals.





Sustainably Sourced Spices with Higher Ambitions

We have taken important steps to increase the share of sustainably sourced spices. What began with chili, pepper, and turmeric now encompasses ten priority raw materials. In this way, we contribute to a more sustainable food value chain without compromising on flavor or quality.



Climate Footprint Calculations for the Food Industry

Climate footprint calculations have been carried out for Lyckeby's starch products for the food industry. This work strengthens our ability to support customers in their climate efforts and contributes to the development of more sustainable products.

About Lyckeby Group

Lyckeby Group was founded in 1927 as the agricultural cooperative Sveriges Stärkelseproducenter.
Today, the group consists of several companies and operates through two business areas: Starch and Flavor. Lyckeby Group is a cooperative association with approximately 600 members in southern Sweden, of whom around 450 are active growers of our primary raw material, starch potatoes. The Group has approximately 540 employees and annual sales of around SEK 3.3 billion.

OUR MISSION

We create opportunities from what the earth has to offer.

OUR VISION

We aim to become one of the leading and sustainable suppliers of starch and flavor.



Business Area - Starch

We develop, produce, market, and distribute innovative potato-based specialty starches and fiber for the food and paper industries worldwide.

With deep roots in Swedish soil, we at Lyckeby manage every link in the chain, from cultivation to the processing of seed and starch potatoes. With sustainability at the core, we create high-quality products tailored to a global market. In close collaboration with our customers, we tailor solutions that create long-term value. Our commitment to research and development enables us to continuously develop our products and solutions to meet evolving market needs and opportunities.

Through our products and solutions, we contribute to the development of sustainable food and improved performance in the paper industry. Together with customers and other stakeholders across the value chain, we work to develop solutions that combine functionality, quality, and resource efficiency.

Lyckeby

Lyckeby's portfolio features modified and E-number-free starch, potato fiber, and dextrin for the food industry.

SOLAM natural polymers & more

The starch that Lyckeby develops and produces for the paper industry is marketed under the brand name Solam.



Business Area - Flavor

As a leading provider of flavor and texture solutions for the food industry, retail, and foodservice sectors, we develop and deliver high-quality products and solutions tailored to our customers' needs. Through innovative product development and carefully selected ingredients, we meet the needs of our customers across the European market.

Culinar's journey began in a small basement in Äppelviken, Stockholm, and has since grown into an established company in the food industry. Today, we continue to develop unique products and flavors in a fast-moving, trend-driven industry, where innovation, problem-solving, and entrepreneurship are key drivers of our continued development.

Culinar

Culinar offer customer-specific, complete blends of dry ingredients that contribute to flavor and texture in the European food industry.

KOCKENS®

Kockens' range includes dried herbs, spices, and potato flour for consumers, restaurants, and foodservice.

Lailas

Lailas offers gluten-free baking and flour mixes that help everyone succeed in the kitchen.
The products are aimed at consumers.



Global Reach – Local Strength.

Lyckeby Group operates four production facilities in Sweden and two in the Czech Republic. Within the starch business, the facilities are strategically located close to the cultivation areas of our most important raw material, potatoes. The Group also has sales offices in Sweden, the Czech Republic, Poland, Germany, and China. Through our companies and distributor networks, the Group maintains a presence in markets worldwide.



Our Heritage - A Journey Through Decades of Innovation and Growth

Our journey began with an extensive network of more than 150 factories. Over the years, this network was consolidated into a smaller number of strategically selected sites. What started as a manufacturing-focused business has evolved into an organization where innovation, quality, and sustainability are at the core of everything we do. With deep roots in Blekinge, Sweden, we have grown into a global company, laying the foundation for today's Lyckeby Group.



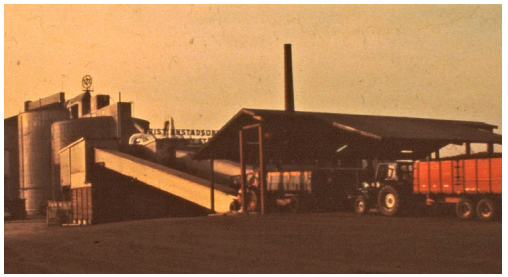
1927

Sveriges Stärkelseproducenter Förening u.p.a. takes shape – a milestone for the starch industry in Sweden.

'60s

1961 - Our factory in Mjällby is inaugurated.

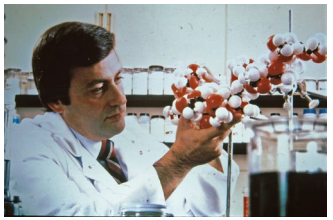
1962 - Our factory in Nöbbelöv, just south of Kristianstad, begins operations.



'70s and '80s

1976 - Acquisition of Culinar -marking the beginning of a new business area within Flavor.

1980-talet - Research and development of Lyckeby's modified starches for the food and paper industries gains momentum.



’90s

1994 - Acquisition of Amylex starch production in the Czech Republic.

1996 - Culinar in Fjälkinge installs a new and unique production system, featuring 13 separate, fully isolated rooms for blending and packaging.



’00s

2003 - Culinar establishes operations in the Czech Republic.

2006 - The Swedish starch business achieves energy management system certification, while Culinar’s factory undergoes a major upgrade to meet BRC certification requirements.

2007 - Lyckeby strengthens its international presence with the establishment of a sales company in China, supporting growing demand in the Asian market.

2008 - Culinar acquires the Kockens consumer brand from Unilever.



KOCKENS®



’10s

2017 – Culinar launches the production of liquid flavorings in Fjälkinge.
2018 – Culinar Sweden joins the Sustainable Spices Initiative.
2019 – Culinar’s production facility in Fjälkinge transitions to fully fossil-free production.

’20s

2020 - The Swedish starch business begins transitioning its fuel source from LPG to bio-oil.

2021 - A new roller drying line is commissioned at Lyckeby in Nöbbelöv, doubling capacity for cold-swelling starches.

2022 - A new energy-efficient facility is commissioned in Mjällby.

2025 - Lyckeby’s new storage silo in Nöbbelöv is commissioned, helping to future-proof the site’s capacity while supporting sustainability and resource efficiency.



Our strategy - Together We Grow

At Lyckeby Group, we strengthen our position in potato starch and flavorings while building for the future. At the same time, we create long-term value for our owners, customers, consumers, and society.

Our strategy is built on four pillars: **Profitability**, **Growth**, **Sustainability**, **and Employees**. Together, these areas create the foundation for long-term success and sustainable value creation.



Profitability

A stable and sustainable financial foundation is key to our ability to invest in the future. By embracing smarter ways of working, accelerating digitalization, and strengthening collaboration across the Group, we create the conditions for continued innovation and sustainable growth.

We strive to maximize the value of every resource, from farm to by-product, while establishing shared quality standards and fostering long-term resilience throughout the Group.

Together We Grow

Growth

For us, growth means creating opportunities for our growers, factories, and markets. Through investments in new technologies, increased capacity, and stronger collaboration across the Group, we are building a foundation for long-term, sustainable growth.

- Expanded cultivation acreage in Sweden and the Czech Republic
- Optimized and enhanced production capacity at our factories
- Increased production capacity within Culinar
- Focus on existing segments and markets within Culinar
- Planning for expanded native starch production capacity from 2030 onwards

Sustainability

At Lyckeby Group, we are committed to working collectively and consistently to promote both social and environmental sustainability, with care for our communities, our employees, and future generations. Our ambition is to minimize our climate footprint across the entire value chain, from cultivation to finished product.

Through new technologies, innovation, energy optimization, circular solutions, and reduced use of crop protection products in cultivation, we are creating the conditions for a more sustainable future.

- Carbon reduction initiatives on the journey toward net-zero emissions
- Energy efficiency improvements and energy savings
- Reduced use of chemical crop protection products in cultivation
- Reduced water consumption
- Expansion of the clean label product portfolio
- Strengthened commitment to the Sustainable Spices Initiative (SSI)
- Lyckeby Group as a good neighbor, creating positive local impact while minimizing our environmental footprint

Employees

Lyckeby Group strives to be a safe, attractive, and inclusive workplace where employees are empowered to grow, engage, and succeed. Our ambition is to provide our employees with the skills, tools, and opportunities needed to meet future demands, while fostering a culture built on strong leadership, safety, and inclusion.

By developing a values-driven organization, we strengthen both our people and our business, creating the conditions to achieve our goals, create value, and contribute to sustainable development together.

- Leadership development
- Implementation of a values-driven way of working
- Skills and competence development
- A safe and secure workplace

Employees

At Lyckeby Group, the expertise, commitment and well-being of our employees are essential to our long-term development. Through a systematic approach to leadership, the working environment and employee involvement, we create the conditions for an inclusive and sustainable workplace.



Leading the Way
In 2026, Lyckeby Group launched the leadership program Leading the Way – an ongoing initiative involving approximately 40 managers across the Group's Swedish operations and providing a structured, long-term approach to leadership development. The program aims to strengthen leadership at all levels and create the right conditions for both managers and employees to develop and succeed in their roles.
Leading the Way has been developed in close collaboration with an external strategic partner specialising in leadership and organisational development. The program is built on evidence-based and scientific methods, with a focus on behaviours, results and practical application in everyday work. Drawing on research in leadership, organisational psychology and behaviour change, and adapting it to Lyckeby Group's operations, culture and values, the program provides a foundation for sustainable, long-term leadership development across the Group.

Systematic Work Environment Management
An active and systematic approach to the work environment is a central part of Lyckeby Group's sustainability efforts. Regula surveys are used to monitor employees' experiences, providing a structured basis for identifying and addressing areas for improvement.

The results are compiled and presented to management, providing a basis for dialogue, setting priorities, and improvement measures.

Employer branding
By highlighting our culture, opportunities and purpose, we aim to attract employees who are motivated by growth and development and who want to contribute to the business' continued success. The core values are embedded throughout the recruitment process and guide how decisions are made, how the business develops and how people work together in their day-to-day activities:

- **Commitment**
- **Courage**
- **Care**
- **Responsibility**

Engagement and a Sense of Community
Employee involvement and a strong sense of community provide an important foundation for engagement and well-being within Lyckeby Group. The annual gathering for all employees across the Swedish operations provides an opportunity to reflect on the past year and discuss future opportunities and challenges. It also helps strengthen the sense of belonging and shared responsibility for the company's continued development.



OUR VALUES

Commitment

We are dedicated to understanding our customers' needs and challenges just as much as we are committed to our own development. We are driven by the recognition of the value our products can provide. We strive for a collaborative approach that is humble and supportive, helping each other succeed at every level, whether it's with major projects or small details.

Courage

For us, courage means standing up for each other and daring to speak up when something feels wrong or goes wrong. We are honest, challenge established structures, and continuously seek improvement. Drawing on our expertise and extensive experience, we are confident to make tough decisions and prioritize effectively.

Care

We demonstrate care by acknowledging and supporting each other to foster a productive environment where we can flourish and experience a sense of belonging. We aim to cultivate an inclusive culture where the diversity and perspectives are seen as an asset that enhances us, adds excitement, and furthers innovation.

Responsibility

We act responsibly towards each other, our customers, and our communities. We are committed to fulfilling and following up on our promises and always work proactively with the company's best interests in mind. With care for our environment and the future, we actively work to minimize our climate footprint, from cultivation to the finished product.

Sustainability Data by Business Area and Country

EMPLOYEES

	2025/2026					2024/2025				
	Starch Sweden	Starch Czech Republic	Flavor Sweden	Flavor Czech Republic	**Total**	Starch Sweden	Starch Czech Republic	Flavor Sweden	Flavor Czech Republic	**Total**
Employees										
Number of employees[1)]	173	82	209	55	**519**	154	82	221	51	**508**
Employees covered by collective agreements (%)	100	100	100	0	**90**	100	100	100	0	**90**
Number of employees other subsidiaries[2)]					**24**					**22**
Gender equality[3)]										
Number of female employees	53	17	67	36	**173**	43	17	76	33	**169**
Number of male employees	120	65	142	19	**346**	111	65	144	18	**338**
Women in management	4	1	2	6	**13**	5	3	2	5	**15**
Men in management	6	6	3	1	**16**	6	7	3	2	**18**
Healt and safety										
Number of work-related accidents*	1	1	7	1	**10**	1	1	4	0	**6**
umber of deaths caused by workrelated injuries	0	0	0	0	**0**	0	0	0	0	**0**
Sickness absence (%)[4)]	3,17	3,51	3,85	4,77		2,1	4,4	4,1	4,3	

The table contains data from companies within the group with more than five employees and refers only to collected data from Lyckeby Group's own employees.

[1)] The number of employees is calculated as the average during the financial year including fixed-term employees.

[2)] Refers to employees at sales offices in Denmark, Poland, Germany, and China. These employees are employees of subsidiaries and are not included in other reported figures.

[3)] The gender affiliation 'Other gender' has been excluded from the table as no data was reported.

[4)] Sickness absence has been calculated by the number of sick hours in relation to working hours during the financial year.

* Refers to the the full calendar year in 2024 and 2025 respectively, not the financial year

Sustainability Goals

Area	Goal	Outcome
Health and safety	Zero tolerance for workplace accidents that lead to absence in the entire group.	< 20
Employees	Strengthen clear and inclusive leadership, ensure health, safety and well-being, and integrate core values throughout the organization.	Integration of core values into processes and routines was initiated during the year and is ongoing. We are actively working to strengthen and develop leadership, with a particular focus on competence, leadership qualities, and collaboration.

Stakeholder Engagement

Stakeholder engagement is a key component of Lyckeby Group's sustainability efforts. By listening, asking questions, and sharing knowledge, we gain valuable insights that support our continued development.

Our stakeholders, both internal and external, provide perspectives that enhance our understanding of the issues that matter most to our business and to those we impact.

Through the systematic identification and assessment of stakeholder expectations, we gain a clearer understanding of both opportunities and challenges. At the same time, ongoing dialogue helps build trust and create long-term value.

The table below presents our main stakeholder groups, the ways in which we engage with them, and the key topics discussed.

	Employees	**Customers**	**Owners/Growers**	**Authorities**	**Business Partners**	**Society**
Key topics	Health and safety Employee well-being and engagement Diversity, Equity and Inclusion Learning and competence development	Food safety Sustainable food production	Sustainable cultivation Cultivation and working conditions at global suppliers	Legislation	Supplier monitoring and evaluation	Biodiversity Climate impact Local impact and community relations
Dialogue channels	Performance and development reviews Employee surveys Intranet	Customer satisfaction surveys Customer meetings	Financial Reports Board meetings	Meetings	Contract and review meetings	Website and Social Media Community consultation meetings Community dialogue

Materiality Assessment

As part of our efforts to comply with the requirements of the Corporate Sustainability Reporting Directive (CSRD), we conducted a double materiality assessment across our operations. This assessment forms the foundation of our sustainability reporting and enables us to identify both the impacts our business has on people and the environment, and the risks and opportunities that may affect our business.

Identification of Material Topics
The assessment was carried out in accordance with the structure set out in ESRS 1, reviewing relevant sustainability matters to identify impacts, risks, and opportunities. Previous environmental aspect assessments conducted under ISO 14001 served as an important input to the process.

To ensure quality and incorporate additional perspectives, external experts were engaged to review and challenge our assessments.
Assessment Process

The assessments were conducted in line with the ESRS 1 requirements for both impact materiality and financial materiality.

The analysis was based on our understanding of the value chain, relevant stakeholders, identified risks, and our due diligence processes.

Where possible, quantitative data was used to support the assessments. External consultants contributed to the analysis, evaluation, and quality assurance process to enhance objectivity.

Stakeholder Perspective
Stakeholder perspectives were considered throughout the assessment process. Different stakeholder groups have, to some extent, differing priorities, which were weighed and balanced in the final assessment.

These perspectives were primarily incorporated through participants involved in the assessment process. Sustainability representatives and external experts specifically considered feedback and perspectives from community and business partners, growers, and, to a certain extent, customers.



Subject matter experts also contributed to the assessments of:

- **S1 – Own Workforce**
- **S2 – Workers in the Value Chain (Suppliers and Procurement)**
- **G1 – Business Conduct and Market Practices**

This helped ensure that key issues and stakeholder perspectives were considered in a structured and comprehensive manner.

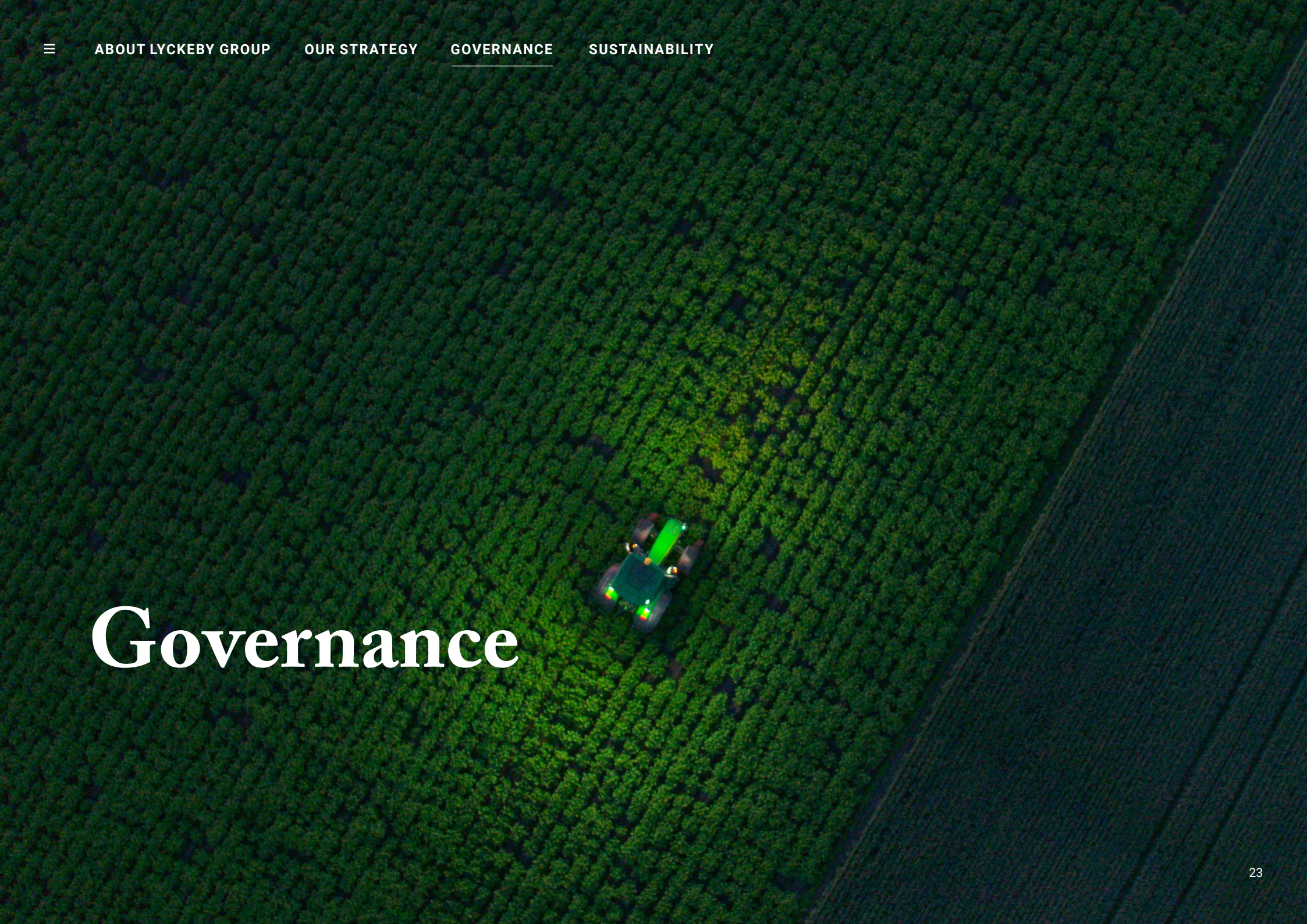
Decision-Making and Internal Controls
The results of the double materiality assessment were reviewed and approved by Group Management. The assessment is updated annually to ensure that it remains relevant and aligned with both business priorities and sustainability objectives.

Implementation and Follow-up
Most of the identified material topics are already integrated into our sustainability management approach, supported by targets and activities within our management system.

We have established procedures for reporting to the Board of Directors, and the process for updating the materiality assessment is continuously evaluated to ensure an effective and fit-for-purpose approach.

The table below presents the ESRS sustainability topics currently assessed as most material to our business.

Impact significance	Double materiality	Financial significance
E1 Climate impact (own operations)	S1 Working conditions in own operations	E1 Climate adaption
E1 Climate impact (raw material)		G1 Business ethics
E1 Climate impact (packaging)		G1 Modern plant breeding
E1 Energy		
E3 Water		
E4 Biodiversity		
E5 Material use		
S2 Working conditions in the value chain		



Governance

Responsible Business Conduct and Compliance

As an international Group, it is essential for Lyckeby Group that sustainability is firmly embedded throughout the organization. A shared approach, clear responsibilities, and compliance with established requirements are fundamental to conducting business responsibly and creating long-term value.

Our sustainability efforts are built on compliance with applicable laws and regulations, as well as the Group's Code of Conduct, management systems, and governing documents. Together, these provide the framework for operating responsibly with respect to economic, environmental, and social considerations, supported by structured processes for monitoring and continuous improvement.

Certifications
The Swedish starch business is certified according to ISO 9001, ISO 14001, ISO 50001, ISO/FSSC 22000, Non-GMO, EU Organic, Halal, Kosher, FSSC Feed, and GMP+. The Swedish flavor business is certified according to ISO 9001, BRC Food, KRAV, EU Organic, Rainforest Alliance, and Fairtrade. The Swedish operations are also approved for the production of products carrying the 'Från Sverige' label.

The Czech operations are certified according to ISO/FSSC 22000. In addition, the starch business is certified according to ISO 14001, GMP+, Kosher, and Halal, while the flavor business is certified according to EU Organic standards.

ESG Governance Documents
As part of its Environmental, Social, and Governance (ESG) framework, Lyckeby Group has established governing documents and policies covering the following areas:

- **Environment**
- **Quality**
- **Food Safety**
- **Occupational Health and Safety**
- **Harassment and Discrimination**
- **Equal Opportunities and Gender Equality**
- **Ethical Conduct (Code of Conduct)**
- **Responsible Supplier Practices (Supplier Code of Conduct)**

These documents form the foundation of the Group's approach to responsible business conduct and compliance and support the ongoing governance of its sustainability efforts.



Sustainability Governance within our Corporate Governance Structure

Board of Directors

The Board of Directors consists of representatives of the owners, the Group's two business areas, and employee representatives.
The Board operates in accordance with established rules of procedure and has overall responsibility for ensuring a long-term and strategic approach to sustainability. The Board's responsibilities include:

- Overseeing and monitoring the Group's sustainable performance, including progress againt sustainability targets and key initiatives.
- Regulary reviewing sustainability matters through reporting from Group mangement and ensuring that sustainability considerations are reflected in strategic desicion-making.

Group Management

Group Management is responsible for ensuring that Lyckeby Group is managed in a sustainable and ethically responsible manner, in line with the Group's strategy and governing documents. As part of the management review process, Group Management ensures that the double materiality assessment is conducted and updated annually. Group Management's responsibilities include:

- Reviewing and monitoring the Group's sustainability strategy, performance, and progress toward established targets.
- Approving policies, objectives, and key governing documents related to sustainability and responsible business conduct.

Operational Managemtn Teams

The operational management teams are responsible for ensuring that their respective companies are managed in a sustainable and ethically responsible manner, in line with the Group's policies and guidelines.
The operational management teams' responsibilities include:

- Considering the results of relevant double materiality assessments and other sustaiability evaluations in business planning and decision-making.
- Implementing approved policies, guidelines, and actions within their respective areas of responsibility.

Operational Coordination of Sustainability

Lyckeby Group's sustainability efforts are operationally coordinated by two Quality and Sustainability Managers, one representing each business area.

The Quality and Sustainability Managers are responsible for coordinating the Group's sustainability efforts and ensuring compliance with applicable legislation and internal requirements related to sustainability, environmental management, and quality. Their responsibilities also include conducting and updating the Group's double materiality assessment and coordinating the content of the sustainability report.

Business Ethics and Fair Competition

Business Ethics
Lyckeby Group operates in a global market, including countries classified by amfori BSCI as risk countries. This places high demands on responsible and ethical business conduct. We comply with applicable laws and regulations and work to prevent corruption, uphold human rights, and promote fair working conditions throughout our value chain.

Our approach to business ethics is guided by Codes of Conduct and policies for both employees and suppliers, based on internationally recognized principles and standards. Employees in business-related roles receive ongoing information and training in these areas. Lyckeby Group maintains a zero-tolerance approach to corruption, bribery, and human rights violations.

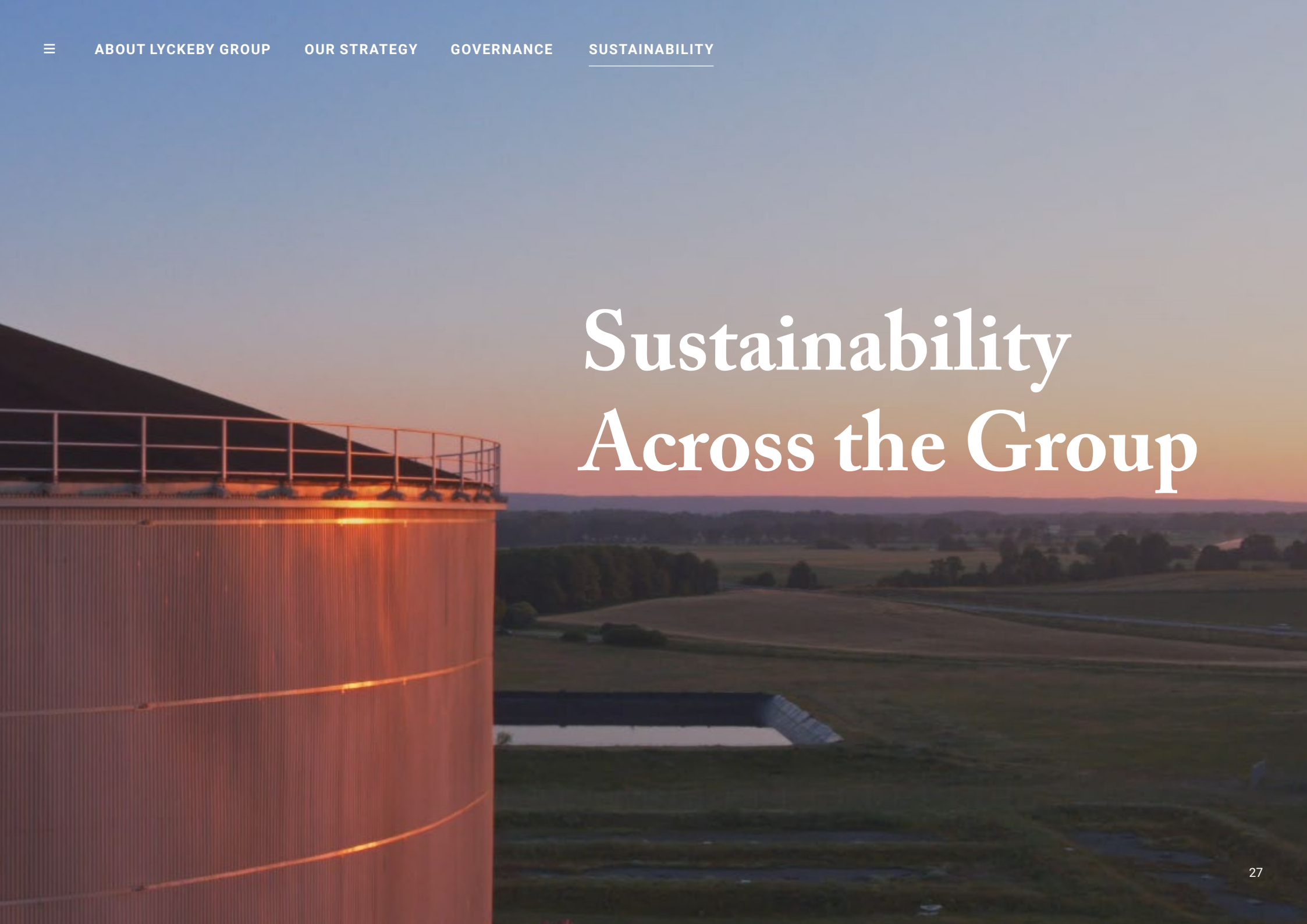
Fair Competition
Fair competition is a fundamental prerequisite for sustainable long-term business success. Lyckeby Group is committed to acting responsibly in markets where the Group holds a strong position and to promoting open and effective competition.

Compliance with competition laws is supported through internal procedures, controls, and training programs for relevant employees.

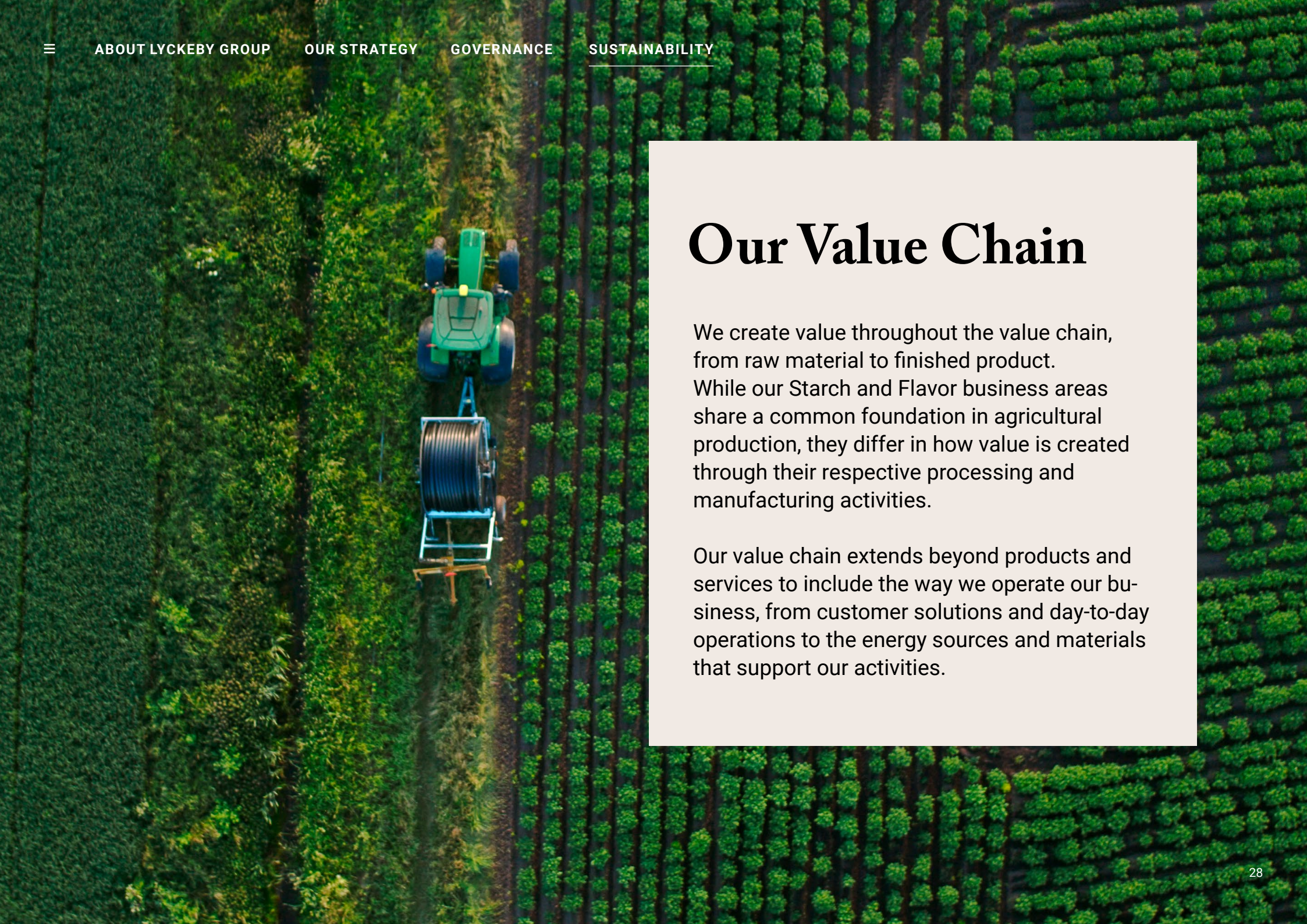
Whistleblowing
Lyckeby Group encourages the reporting of suspected misconduct, violations of internal policies, or breaches of laws and regulations. Concerns may be reported through an employee's immediate manager or anonymously through the Group's whistleblowing system. All reports are handled confidentially and investigated in an objective and impartial manner. Whistleblowers are protected against retaliation.

Crisis Management
The Group has established crisis management procedures to ensure business continuity, safety, and operational stability. Roles and responsibilities are clearly defined, and crises are managed through established processes for identification, response, and follow-up.

Climate Adaptation
Lyckeby Group's operations depend on a stable supply of agricultural raw materials. Climate change and increasing weather-related risks present both challenges and the need for adaptation. The Group therefore conducts environmental scanning, risk assessments, and mitigation activities to strengthen business resilience and support long-term stability and profitability.



Sustainability Across the Group



Our Value Chain

We create value throughout the value chain, from raw material to finished product. While our Starch and Flavor business areas share a common foundation in agricultural production, they differ in how value is created through their respective processing and manufacturing activities.

Our value chain extends beyond products and services to include the way we operate our business, from customer solutions and day-to-day operations to the energy sources and materials that support our activities.

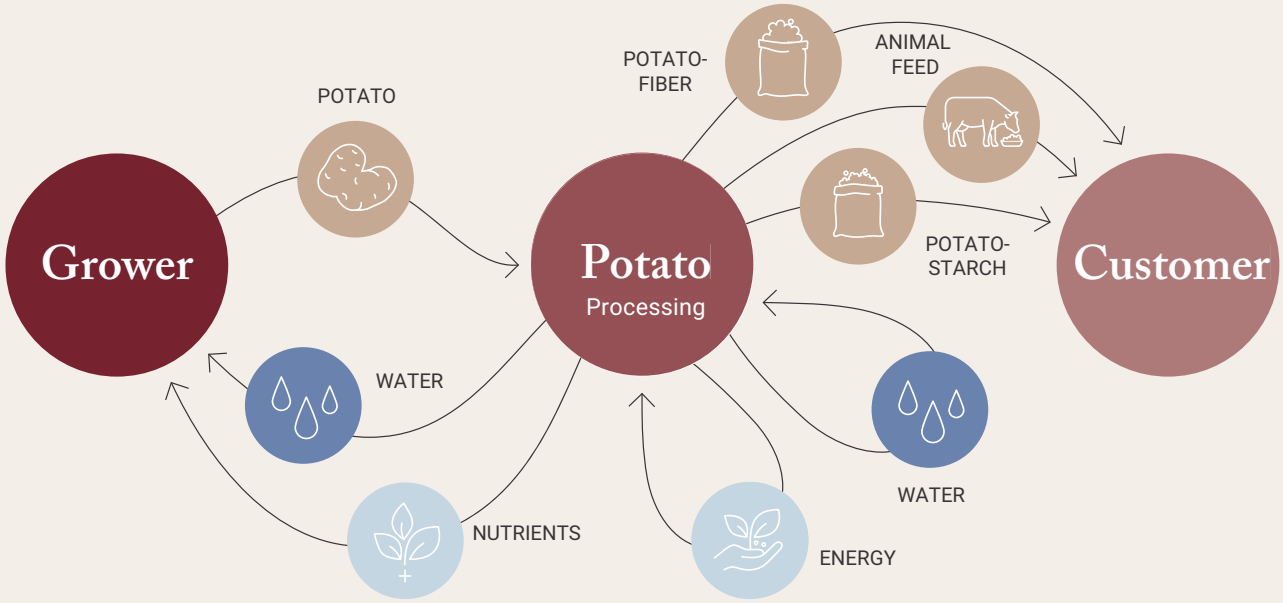
Value Chain – Starch

In Sweden, Lyckeby purchases potatoes from Swedish growers, who are also co-owners of the Group. The raw material is processed locally into customized starch solutions for the food and paper industries, with a focus on applications where potato starch delivers clear functional benefits.

Our offering is complemented by expertise in product development, application support, logistics, and quality assurance, enabling long-term customer partnerships.

By-products from potato processing are utilized to a high degree. Potato fiber is used as a food-grade ingredient, while potato protein is sold as animal feed. In Sweden, potato fruit juice and excess process water are returned to agricultural land for fertilization and irrigation. These practices support circular resource use and help minimize waste.

In the Czech operations, potatoes are sourced from contracted growers. Potato fiber is utilized as feedstock for nearby biogas plants, while portions of the process water are treated in municipal wastewater treatment facilities in accordance with local regulations.



Value Chain - Flavor

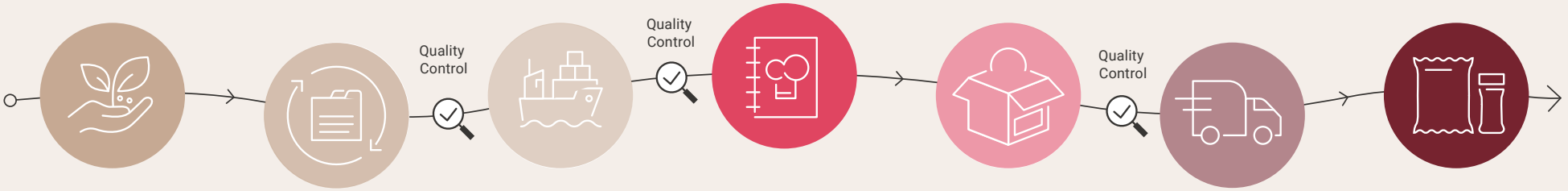
Within the Flavor business area, Culinar develops flavor and texture ingredients for the food industry by combining spices sourced through a global supply chain with functional ingredients, including potato starch from Lyckeby.

Culinar's role in the value chain is to simplify and streamline customers' sourcing, logistics, and production processes while enabling the use of more sustainably sourced raw materials. The business provides solutions for a wide range of applications, including snacks, meat products, processed meats, and bakery products.

Quality control, food safety, and traceability are integrated throughout the value chain, covering all stages from raw material sourcing and supplier evaluation to production, packaging, and delivery of finished products.

In addition to product development, Culinar works to optimize packaging solutions and manufacturing processes to reduce waste and improve the efficiency of ingredient handling.

The flavor business also includes the processing and packaging of products for the consumer and foodservice markets under the Kockens and Lailas brands.



Seed, Cultivation & Harvest

Raw materials are grown by selected suppliers under carefully monitored conditions. Through sustainable cultivation methods and thorough harvesting processes, quality, taste, and traceability are ensured from the very

Processing & Documentation

After harvest, raw materials are cleaned, sorted, and processed into high-quality food ingredients. At the same time, documentation is maintained to ensure food safety and full traceability.

Sourcing & Delivery

Raw materials are sourced from carefully selected suppliers and transported to our facilities. Efficient logistics solutions ensure availability and quality throughout the supply chain.

Recipe Development

We develop customized taste solutions and tailor-made spice blends to meet customers' unique needs. Our focus is on flavor, functionality, and quality in the finished product.

Production

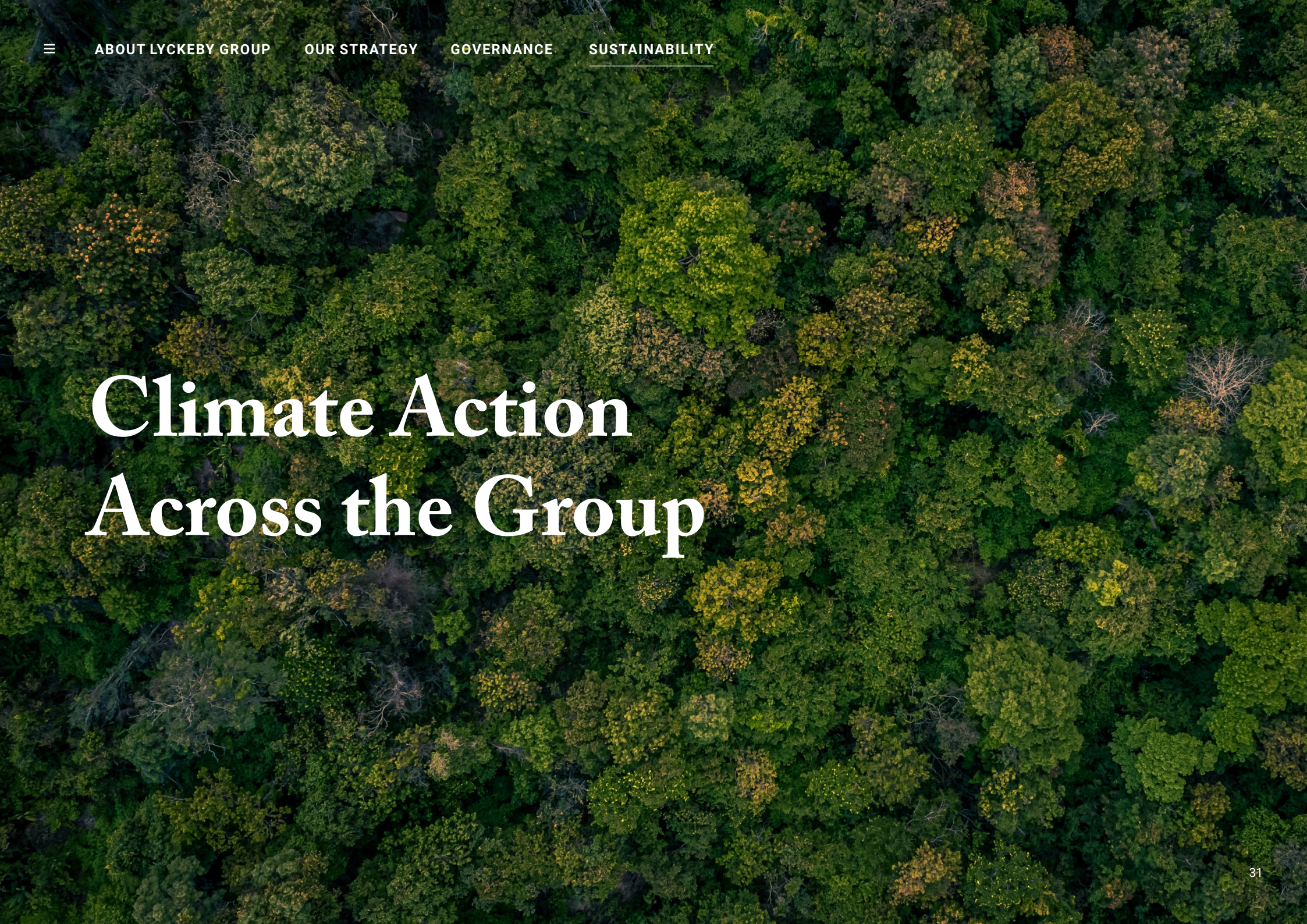
Raw materials are transformed through blending and packaging into finished products for both the food industry and consumer market. Processes are managed according to strict quality and food safety standards.

Distribution

Finished products are distributed to customers and retailers in the right quantity and with maintained quality. Efficient flow ensures reliable deliveries all the way to market.

Consumer

Through quality, flavor, and reliability, our raw materials contribute to positive food experiences every day.



Climate Action Across the Group

Lyckeby Group measures and monitors its climate impact through Group-wide greenhouse gas calculations in accordance with the GHG Protocol. The assessment shows that the majority of emissions arise within the value chain (Scope 3) and provides the basis for prioritizing actions and setting future targets.

We take a systematic approach to reducing our climate impact and tracking progress toward our climate ambitions. Climate action spans the entire Group and serves as an important foundation for performance monitoring, prioritization of initiatives, and strategic decision-making.

As a Group with a shared strategy and sustainability as a key priority, this enables a consistent and comparable approach while supporting the identification of the most significant emission sources.

Results of Greenhouse Gas Calculations

Last year, Lyckeby Group conducted a comprehensive and expanded assessment of the Group's greenhouse gas emissions. For the first time, the calculations covered Scope 1, Scope 2, and the most significant Scope 3 categories across all operations. For the Swedish operations, all Scope 3 categories were included in the assessment. In 2025, the climate calculations for Scope 1 and Scope 2 were updated with current data.

The Group's total greenhouse gas emissions:

- **Scope 1: 9,115 tCO_2e (2025)**
- **Scope 2 (location-based): 6,167 tCO_2e (2025)**
- **Scope 3: 152,458 tCO_2e (2024)**

The largest Scope 1 emissions originate from the use of LPG and natural gas in production operations in Sweden and the Czech Republic. Scope 2 emissions are primarily related to electricity consumption in the Czech operations. Most of the Group's total greenhouse gas emissions occur within Scope 3, driven mainly by Category 1 – Purchased Goods and Services, as well as transportation activities.

Scope 1 and Scope 2 – Direct Emissions

Scope 1 and Scope 2 encompass emissions that Lyckeby Group can influence more directly. Over several years, the Group has worked to transition to renewable fuels, improve energy efficiency, and implement common guidelines for vehicle use, contributing to significant emission reductions over time.

Year-over-year emissions are also influenced by changes in production volumes. During 2025/2026, starch production increased in both Sweden and the Czech Republic.

Approximately 98% of Scope 1 and Scope 2 emissions originate from starch production, making this area a continued priority in our climate efforts. Within the Flavor business area, emissions are monitored on an ongoing basis and improvement initiatives are implemented continuously.



Within the Flavor business area, emissions are monitored on an ongoing basis and improvement initiatives are implemented continuously.

Updated Climate Targets
Following the expansion of the Group's greenhouse gas accounting, Lyckeby Group has revised its base year and climate targets to align with the Paris Agreement and the Science Based Targets initiative (SBTi).

Climate Action in Starch Production
Starch production is energy-intensive and therefore represents a key focus area in Lyckeby Group's climate efforts. Our work is focused on improving energy efficiency and gradually transitioning from fossil-based to renewable energy sources.

Within the Swedish operations, fossil fuels have largely been replaced by bio-oil, resulting in lower direct emissions. However, the largest share of the climate impact is found within the value chain, primarily related to potato cultivation, agricultural inputs, chemicals, packaging, and transportation.

In 2024, a comprehensive Scope 3 assessment was completed for the starch business.
The assessment showed the following results:

- **Sweden:** 57,838 tCO_2e (approximately 95% of the business area's total climate footprint)
- **Czech Republic:** 17,528 tCO_2e (approximately 62%), primarily related to raw material sourcing and potato cultivation

CLIMATE TARGETS 2030 (2024 BASELINE)

Non-FLAG targets

Scope 1+2: -42%

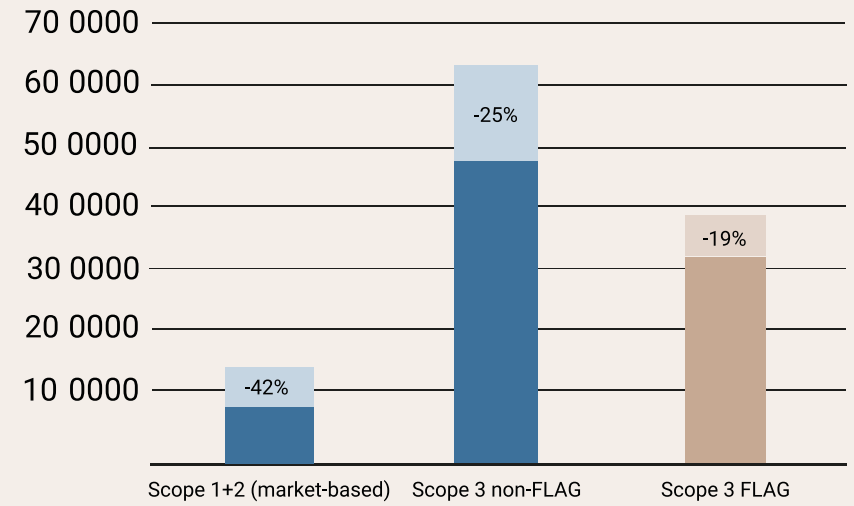
Scope 3: -25%

FLAG targets

Scope 3: -30%

Reductions: -19%

Removals: -11%



Scope 3 – Value Chain Emissions
The majority of Lyckeby Group's climate impact arises within Scope 3. Reducing these emissions requires long-term collaboration with suppliers, customers, and transportation partners.

The Group-wide Scope 3 assessment provides an improved basis for decision-making and enables the prioritization of initiatives where the potential for emissions reductions is greatest. Key focus areas include raw material sourcing, packaging, and transportation.

The results of the assessment will be used to prioritize and implement initiatives that deliver the greatest potential for reducing value chain emissions.

Energy Efficiency and Investments
Energy efficiency is a key component of Lyckeby Group's climate efforts. The Swedish starch business is certified according to ISO 50001 and takes a structured approach to monitoring and optimizing energy performance.

The objective is to reduce energy consumption by an average of 1 GWh per year, calculated as a rolling five-year average. During the current period, performance has exceeded this target, primarily as a result of investments in energy-efficient production technologies and improved heat recovery systems.

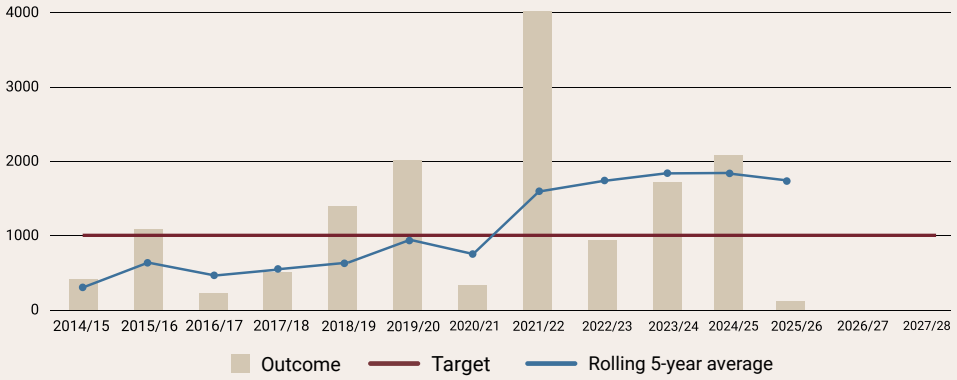
Expanded measurement and monitoring points across the Group's facilities in Sweden and the Czech Republic provide a stronger basis for decision-making and support continuous improvement in energy performance.

Circular Water Use and Efficiency

Starch production is water-intensive, making efficient water use a priority area for Lyckeby Group. Through increased water reuse and the recirculation of clean water streams within the production process, freshwater withdrawal in the Swedish starch business has been reduced.

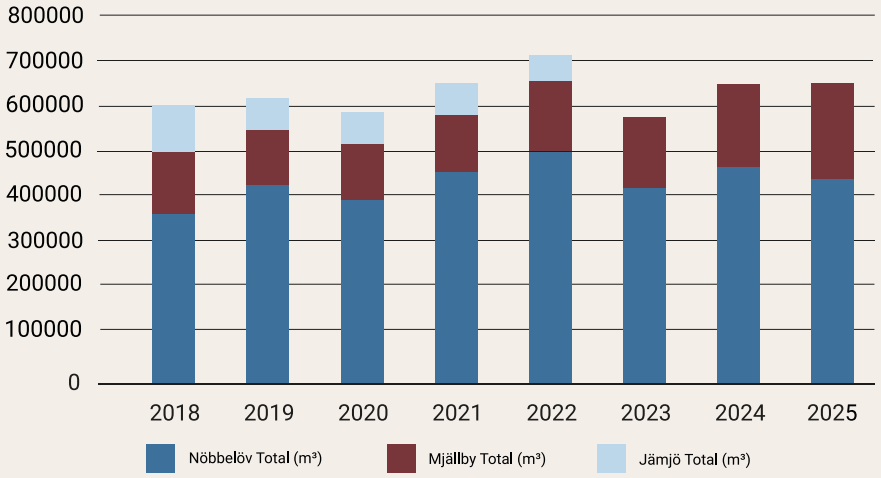
Water used for washing incoming potatoes is returned to agricultural land for irrigation, supporting a more circular use of resources. To further improve water efficiency, the production site in Nöbbelöv has established a target to reduce water consumption in native starch production by 7% during 2026/27 compared with the 2024/25 baseline year. Initiatives to achieve this target are continuously evaluated and refined.

ENERGY SAVINGS (MWH) IN THE SWEDISH STARCH OPERATIONS



The target is measured as absolute energy savings, since energy consumption per metric ton produced is affected by the product mix and may therefore not always provide a representative picture over time.

WATER CONSUMPTION (M³) IN THE SWEDISH STARCH OPERATIONS



Sustainability Data by Business Area and Country

EMISSIONS OF GREENHOUSE GASES

	2025					2024				
	Starch Sweden	Starch Czech Republic	Flavor Sweden	Flavor Czech Republic	**Total**	Starch Sweden	Starch Czech Republic	Flavor Sweden	Flavor Czech Republic	**Total**
Scope 1										
Scope 1 GHG emissions (tCO_2e)	3 849	5 160	13	93	**9 115**	2 756	4 731	44	93	**7 624**
Scope 2										
Scope 2 location-based (tCO_2e)	273	5 744	26	124	**6 167**	329	5 151	15	110	**5 605**
Scope 2 market-based (tCO_2e)	4	6 639	0	144	**6 787**	4	5 870	0	121	**5 995**
Total Scope 1 och 2 location-based (tCO_2e)	**4 122**	**10 904**	**39**	**217**	**15 282**	**3 086**	**9 882**	**59**	**203**	**13 229**
Scope 3										
Other indirect emissions (tCO_2e)	57 838b)	17 528a)	64 579b)	21 802a)	**152 458***	57 838b)	17 528a)	64 579b)	21 802a)	**15 258***

Historically, we have reported emissions data for Scope 1 and 2, as well as Scope 3 for the Swedish starch operations. In these calculations, smaller sales offices without production are excluded. Emissions are reported in accordance with the GHG Protocol. Scope 1 includes emissions from the use of propane, natural gas, and diesel in operations, as well as fuel for our vehicles. Scope 2 covers emissions from electricity and district heating used at the facilities.
Starting from the fiscal year 24/25, we report emissions data for Scope 1, 2, and 3 for all operations.
Scope 3a) includes indirect emissions in the value chain (Categories 1, 3, 4, 6, 7, and 9).
Scope 3b) includes indirect emissions in the value chain (all categories), and the calculations are largely based on estimates using industry-specific data.
Since some parts of the business purchase products from other parts, the total Scope 3 emissions for the group differ from the sum of emissions from the four individual operations.

Sustainability Data by Business Area and Country

EMISSIONS OF GREENHOUSE GASES

	2025/2026					2024/2025				
	Starch Sweden	Starch Czech Republic	Flavor Sweden	Flavor Czech Republic	**Total**	Starch Sweden	Starch Czech Republic	Flavor Sweden	Flavor Czech Republic	**Total**
Scope 1										
Scope 1 GHG utsläpp (tCO_2e)	3468	5 181	12**	98	**8 759**	3 770	4 638	44*	93	**8 545**
Scope 2										
Scope 2 location-based (tCO_2e)	244	5 935	26	117	**6 322**	298	5 213	15*	121	**5 647**
Scope 2 market-based (tCO_2e)	4	6 859	0	136	**6 999**	4	5 941	0*	134	**6 079**
Totalt Scope 1 och 2 location-based (tCO_2e)	**3 712**	**11 116**	**38**	**215**	**15 081**	**4 068**	**9 851**	**59***	**214**	**14 192**

We report emissions data for Scope 1 and 2. In the calculations, smaller sales offices without production are excluded. Emissions are reported in accordance with the GHG Protocol. Scope 1 includes emissions from the use of propane, natural gas, and diesel in operations, as well as fuel for our vehicles. Scope 2 includes emissions from the electricity and district heating used at our facilities.

* Data refers to the full calendar year 2024 and not the fiscal year.
** Refers to the full calendar year 2025 for refrigerants, not the fiscal year.

Sustainability Data by Business Area and Country

ENERGY AND WATER

	2025					2024				
	Starch Sweden	Starch Czech Republic	Flavor Sweden	Flavor Czech Republic	**Total**	Starch Sweden	Starch Czech Republic	Flavor Sweden	Flavor Czech Republic	**Total**
Energy consumption										
Natural gas (MWh)	0	24 879	0	325	**25 204**	0	22 869	0	312	**23 181**
LPG (MWh)	16 053	153	0	30	**16 236**	11 395	154	0	28	**11 577**
Diesel (MWh)	310	165	0	5	**480**	310	53	0	5	**368**
Bio-oil (MWh)	32 148	0	0	0	**32 148**	30 636	0	0	0	**30 636**
District heating (MWh)	1 034	0	0	0	**1 034**	1 038	0	0	0	**1 038**
Electricity (MWh)	41 848	11 257	5 233	243	**58 581**	49 849	8 913	2 310	208	**61 280**
Total energy consumption (MWh)	**91 393**	**36 454**	**5 233**	**603**	**133 683**	**93 227**	**31 989**	**2 310**	**553**	**128 079**
Water consumption										
Total water consumption (m^3)	654 943	78 381	9 844	650	**743 818**	657 172	74 460	10 689	736	**743 057**

The table contains data from our operations in Sweden and the Czech Republic. In comparison, the smaller sales offices without production are excluded.

Sustainability goals within Resource-Efficient Operations

Area	Goal	Outcome
Climate Impact from Operations	The Group has updated the base year to 2024 and the target year to 2030. The targets have been revised to align with the Paris Agreement and the Science Based Targets initiative (SBTi). **Non-FLAG targets** Scope 1+2: -42% Scope 3: -25% **FLAG targets** Scope 3: -30% Emissions reductions: -19% Carbon removals: -11%	**Scope 1+2** 2025: +13% 2025/2026: +5% The difference between the years is primarily attributable to variations in the use of bio-oil and natural gas in the Swedish operations. In addition, starch production increased in both Sweden and the Czech Republic during 2025/2026. **Scope 3** In 2024, a comprehensive assessment of all Scope 3 categories was completed, establishing the baseline year. Scope 3 emissions for 2024 amounted to 57,838 tonnes of CO_2e. Updated calculations are performed every two years or when significant changes occur in the business.
Energy Consumption	Achieve annual energy savings of 1 GWh compared with the rolling five-year average within the Swedish starch operations.	Result exceeded the target, with energy savings of more than 1.5 GWh per year.
Water Conservation	Reduce water consumption in native starch production in Nöbbelöv by 7% by 2026/27 compared with the 2024/25 baseline year.	New target established. Results will be reported starting in 2026/27.
Local Impact and Community Relations	Improve by-product management and reduce odor impacts from operations.	A project has been initiated to address odor issues related to fruit processing and wastewater.

Certified Sustainable Cultivation

To strengthen sustainability throughout the supply chain, Lyckeby is taking a long-term approach to verified sustainable farming through the international SAI/FSA standard (Sustainable Agriculture Initiative / Farm Sustainability Assessment). The initiative has developed in response to growing requirements from international customers and provides a common framework for sustainability efforts in farming.

The work covers several focus areas, including environmental and climate impacts, working conditions and social sustainability, biodiversity, and the long-term profitability of farming.

During the year, growers have carried out self-assessments and audits, with follow-up by Lyckeby in accordance with the SAI/FSA framework. This work has helped identify areas for improvement and non-conformities, while strengthening understanding of sustainability issues throughout the value chain. The process will be further developed ahead of future follow-ups to improve clarity and relevance.

The certification process is based on the principle of continuous improvement rather than achieving a specific certification level.

Lyckeby has chosen the SAI/FSA bronze level as a common baseline for its operations.
Through this work, Lyckeby is strengthening its ability to ensure compliance with Swedish and European legislation while establishing a common framework for improvements across environmental, social, and business-related areas.

Gården i centrum (”The Farm in Focus”)
Lyckeby participated in the Gården i Centrum (“The Farm in Focus”) project, initiated by Kristianstad Municipality. The aim of the project was to explore how stakeholders across the food supply chain can jointly finance measures to reduce climate impact.
The project brought together companies, banks, municipalities, and advisory organisations to develop collaborative solutions for financing future climate measures in agriculture. Three main scenarios were analysed: joint local financing through dedicated funds, carbon credit trading, and models in which farmers retain the climate benefits of their actions and are compensated through a higher value for their raw materials.

The scenario that received the strongest support was the model in which farmers retain the climate benefits, with the resulting climate improvements reflected in the product’s carbon footprint.
The project also shows that future solutions will require simplified reporting systems, clearly defined common key performance indicators, long-term compensation models for farmers, and a high degree of traceability throughout the value chain.

Carbon Footprint Calculations for Food Products
Previously, Lyckeby calculated the carbon footprint of native potato starch, fibre and protein products, as well as modified starch products for the paper industry.

During the year, carbon footprint calculations were also carried out for the Group’s starch products for the food industry. This is an important step in supporting customers in calculating the carbon footprint of their end products, while also providing product development teams with a stronger basis for prioritising and developing more sustainable products.

Sustainability goals within Sustainable Cultivation

Area	Goal	Outcome
Climate Impact (raw material)	The Group has updated the base year to 2024 and the target year to 2030. The targets have also been revised to align with the Paris Agreement and the Science Based Targets initiative (SBTi). Non-FLAG targets Scope 3: -25% FLAG targets Scope 3: -30% Emissions reductions: -19% Carbon removals: -11%	In 2024, a comprehensive assessment of all Scope 3 categories was completed. As a result, 2024 has been established as the baseline year. Scope 3 emissions in the 2024 baseline year amounted to 57,838 tonnes of CO_2e. Updated calculations are conducted every two years or when significant changes occur within the business.
	Increase soil carbon sequestration in agricultural land.	Climate agreement established with the Municipality of Kristianstad, including participation in the 'Gården i centrum' (Farm at the Center) project.
Biodiversity	100% of growers to be verified according to the SAI/FSA 3.0 standard for the 2026 growing season.	All growers have been verified in accordance with the SAI/FSA 3.0 sustainable farming standard for the 2026 growing season.
Working conditions in the value chain	100% of suppliers to have signed the Code of Conduct and undergone a risk assessment by 2025.	Ongoing work.
	Increase the share of sustainable purchases, as defined by the Sustainable Spice Initiative (SSI), among our ten highest-volume purchased products by 2030.	Ambition level established for the 2026-2030 period.



From Generation to Generation

As a fourth-generation potato grower and Chair of the Board of Lyckeby Group, Nicklas Göransson has a unique perspective on how sustainable farming and long-term decisions are shaping the future of starch production. His family farm has supplied potatoes to Lyckeby since the 1920s and is now approaching a century as a supplier.

With 26 years of experience as a grower and, since 2019, as Chair of the Board, Nicklas combines hands-on farming experience with strategic responsibility for the development of the Group as a whole.

Drawing on experience from both the field and the boardroom, Nicklas shares his perspective on long-term value creation, sustainable farming and the future of starch production.

Your family farm has supplied potatoes to Lyckeby for nearly 100 years. What does a long-term perspective mean to you, and how does it affect the decisions you make today?

– My outlook is that we should be able to produce potato starch here for at least another hundred years. That means making decisions that both strengthen our competitiveness and reduce our impact on the environment.

You have been Chair of the Board since 2019 while also running your own farming operation. How has combining these roles influenced your view of sustainability?

– It has strengthened my conviction that the decisions we make must be based on a long-term perspective and contribute to a more sustainable business.

What does certified sustainable farming mean in practice on your farm, and why is it important to both customers and consumers?

– It doesn't have much impact on the day-to-day work on our farm, since we already work according to the principles on which the certification is based. The certification is nevertheless important because it provides customers and consumers with independent confirmation that our farming practices are sustainable and responsible.

Lyckeby is increasing production while reducing the climate footprint per kilogram of raw material. Which specific measures have been most important in reducing resource use and emissions?

– The most important measures have been our advisory work on fertilisation and crop protection, as well as focused efforts in production to reduce water and energy use. We are also investing in research and development of starch products without E-numbers.

PFAS will be phased out within the EU in the coming years. How do you view the transition to new crop protection solutions, and what consequences do you think it will have for the industry as a whole?

– It is a challenging transition, but we have been through the phasing out of pesticides before. My experience is that good solutions can be found when growers and industry work together.

Recent years have been characterised by rising prices for energy, diesel and fertilisers, as well as geopolitical changes. How does this affect the conditions for Swedish starch production?

– It naturally presents challenges, but I believe we are well positioned to manage them. Our agricultural team is constantly working to find sensible ways to optimise the use of inputs.

If you look ahead another 100 years, what do you hope the next generation of growers will say about the decisions being made today?

– I hope they will say that we made strategically sound decisions, made the right investments, and created the conditions for sustainable farming for generations to come.

> ”
> **Our responsibility is to make the decisions that enable sustainable farming for generations to come.”**
>
> **NICKLAS GÖRANSSON**
> Chair of the Board, Lyckeby Group, and Grower

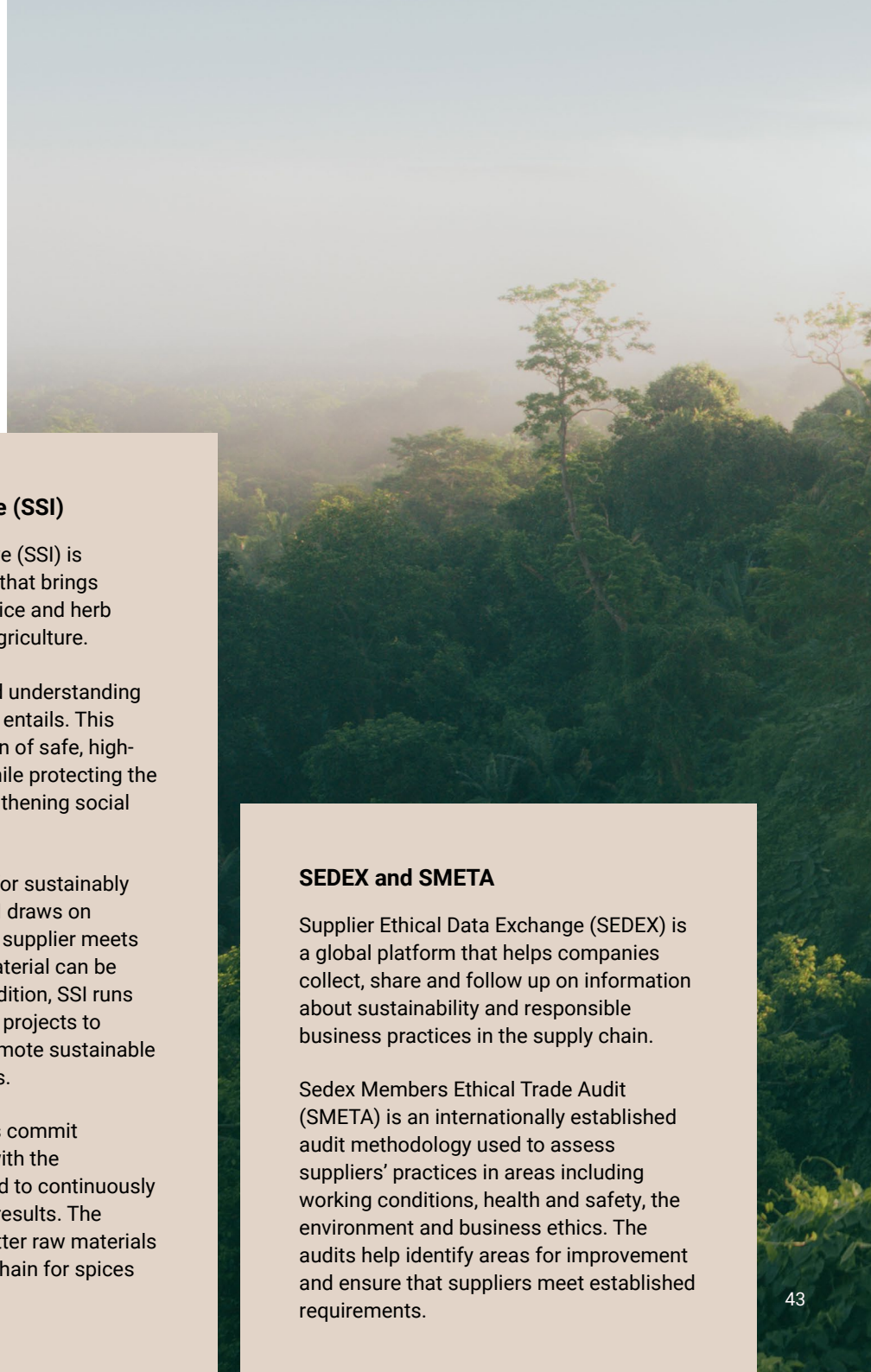
Sustainable Development in the Flavor Business

Culinar sources around 1 000 different raw materials from around the world, placing high demands on quality and sustainability throughout the supply chain.

During the year, Culinar has continued to develop its sustainability work in line with the company's goals for the 2025–2030 period. The focus has been on making the goals more concrete and clarifying responsibilities in order to make sustainability efforts more effective and further strengthen the work.

To achieve these goals, Culinar prioritises carbon-reduction measures, increased resource efficiency within its own operations and increased material recycling. The focus also includes strengthening its engagement in the Sustainable Spice Initiative (SSI), ensuring social verification of suppliers in high-risk countries and being a good neighbour in the local community.

Through ongoing supplier assessments, Culinar works to ensure that raw materials are produced in accordance with the company's supplier requirements and with due consideration for social sustainability. The SEDEX platform and follow-up through SMETA audits are used as tools in this work.



Sustainable Spices Initiative (SSI)

The Sustainable Spices Initiative (SSI) is a global collaborative platform that brings together stakeholders in the spice and herb trade to promote sustainable agriculture.

SSI's work is based on a shared understanding of what sustainable agriculture entails. This includes the efficient production of safe, high-quality agricultural products while protecting the natural environment and strengthening social and economic conditions.

To establish minimum criteria for sustainably produced herbs and spices, SSI draws on established standards. When a supplier meets these requirements, the raw material can be classified as sustainable. In addition, SSI runs a number of local collaborative projects to increase knowledge of and promote sustainable cultivation in different countries.

As members of SSI, companies commit to setting clear targets in line with the organisation's requirements and to continuously monitoring and reporting their results. The collaboration contributes to better raw materials and a more sustainable value chain for spices and herbs worldwide.

SEDEX and SMETA

Supplier Ethical Data Exchange (SEDEX) is a global platform that helps companies collect, share and follow up on information about sustainability and responsible business practices in the supply chain.

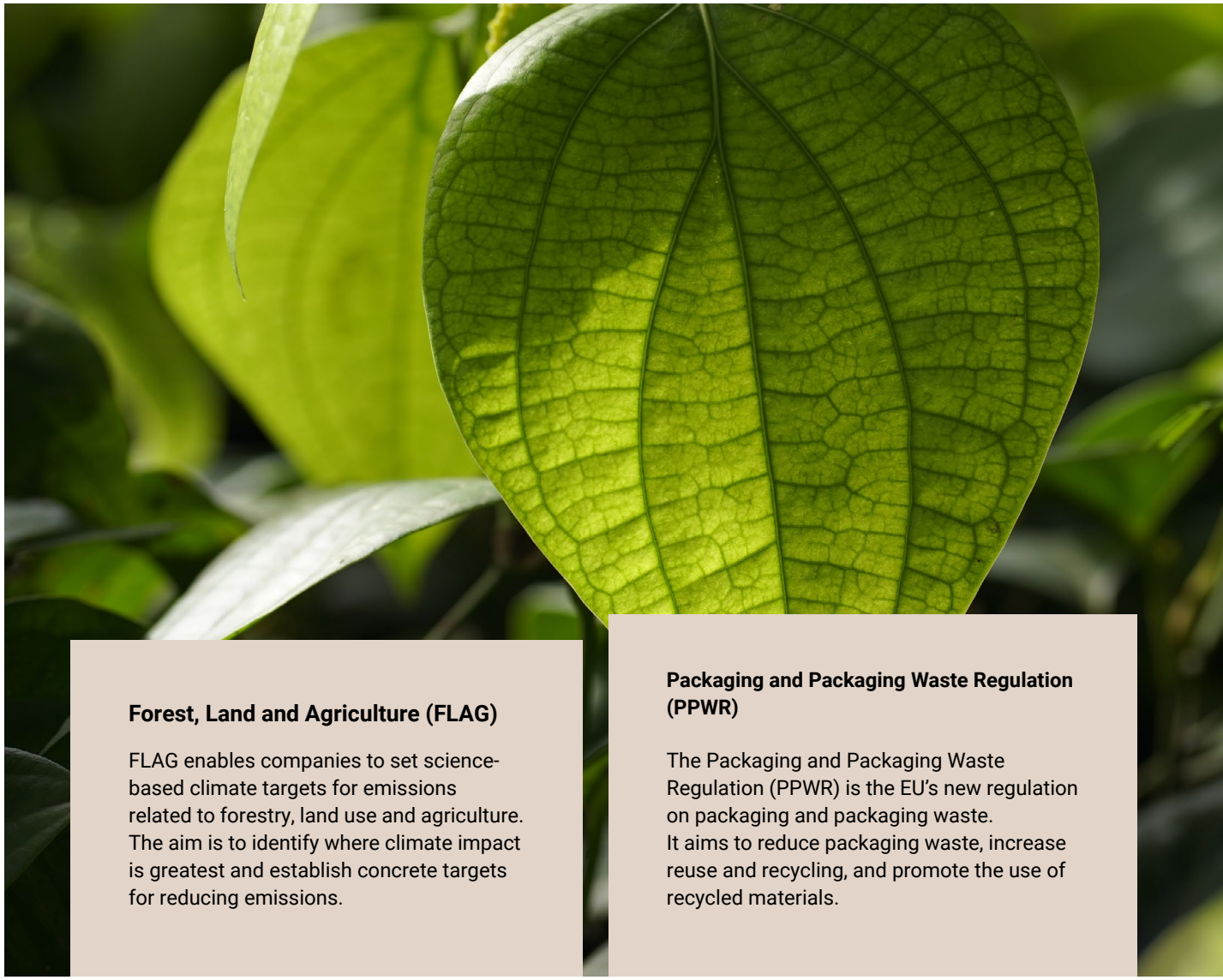
Sedex Members Ethical Trade Audit (SMETA) is an internationally established audit methodology used to assess suppliers' practices in areas including working conditions, health and safety, the environment and business ethics. The audits help identify areas for improvement and ensure that suppliers meet established requirements.

Spices, herbs and vegetables are key raw materials in the flavor business. In 2023, Culinar decided to raise its ambitions for sustainably produced spices. The work began with chilli, pepper and turmeric and has since expanded to ten priority raw materials: cinnamon, cumin, oregano, onion, tomato, paprika and garlic. The SSI Basket of Standards serves as a reference framework in the work towards more sustainably produced spices.

Culinar also works with climate targets linked to Lyckeby Group's overall targets for 2030, including FLAG targets (see information box) for emissions from forestry, land use and agriculture-related activities. During the year, training sessions and workshops will be held to increase knowledge of climate-related issues and translate the targets into concrete activities.

In parallel, extensive work is under way to ensure compliance with new and upcoming regulations. Particular focus is being placed on packaging, where the PPWR (see information box) introduces increased documentation requirements relating to packaging materials and customer requirements.

By combining regulatory compliance with proactive initiatives relating to climate, raw materials and the supply chain, Culinar continues to strengthen its sustainability work and contribute to the Group's long-term development towards 2030.



Forest, Land and Agriculture (FLAG)

FLAG enables companies to set science-based climate targets for emissions related to forestry, land use and agriculture. The aim is to identify where climate impact is greatest and establish concrete targets for reducing emissions.

Packaging and Packaging Waste Regulation (PPWR)

The Packaging and Packaging Waste Regulation (PPWR) is the EU's new regulation on packaging and packaging waste.
It aims to reduce packaging waste, increase reuse and recycling, and promote the use of recycled materials.

Circularity and Climate in Product Development

Circularity and climate responsibility are integral parts of Lyckeby Group's product development. Our efforts are aimed at strengthening resource efficiency, reducing climate and environmental impacts, and supporting a sustainable long-term value proposition.

Product development is intended to support the transition to a more circular and climate-smart food system. New and enhanced products are designed to promote more efficient use of energy, water, and raw materials, reduce the use of chemicals, and increase the reuse and value creation of by-products and side streams.



Sustainable Starch Operations
Within the starch business, our ambition is to enable more climate-smart and resource-efficient potato cultivation. Through modern plant breeding and long-term research, we improve growing conditions while ensuring high yields and quality.

Our efforts include the development of starch products that require less energy and fewer processing chemicals during production, as well as initiatives aimed at reducing environmental and climate impacts across the value chain. A key framework for this work is The Green Starch Factory, our internal vision that brings together priority research and development initiatives focused on sustainable innovation.

Resource Efficiency and Circular Flows
Lyckeby Group continuously works to improve resource efficiency across its operations and production processes. These efforts include further developing the use of by-products, optimizing processes to reduce water and chemical consumption, and creating solutions that strengthen circularity from agriculture to finished product.

Examples of Product Development Applications
Lyckeby develops potato-based starch and ingredient solutions that contribute to improved resource efficiency and reduced climate impact in both food and industrial applications. Product development includes solutions that enable lower energy consumption and reduced use of processing chemicals, as well as bio-based alternatives that can replace fossil-based raw materials. These applications demonstrate how the Group's commitment to circularity and climate responsibility is translated into practice.

Industry Collaboration
Lyckeby Group participates in industry collaborations that support the transition to a more sustainable food system. One example is FINEST, a research and collaboration initiative led by RISE and funded by Formas, aimed at strengthening environmental, social, and economic sustainability within the Swedish food sector.

Packaging
Culinar takes a systematic approach to developing more resource-efficient packaging solutions to reduce climate impact and improve resource efficiency while ensuring product protection and food safety. Effective packaging protection also plays an important role in reducing food waste throughout the value chain.
The work includes material selection, weight optimization, and improved recyclability. In 2025, Culinar completed its commitments under the Swedish Grocery Retail Sector Plastic Initiative 2025. Going forward, the focus will be on compliance with the EU Packaging and Packaging Waste Regulation (PPWR).



Circularity in Starch Production

In starch production, Lyckeby applies a circular approach to resource utilization, ensuring that the entire potato is put to use. Through fractionation, the raw material is separated into starch, fiber, and protein, with both primary products and by-products serving defined purposes further along the value chain.

The focus is on efficient fractionation and processing with low energy consumption and reduced use of chemicals. Through this approach, starch production contributes to efficient resource utilization, reduced waste, and high-quality products, while limiting impacts on the environment and natural resources.



Soil and stones
from incoming potato deliveries are recovered and reused as fill material, for example in road construction.

Process water
from production is returned to agricultural land for irrigation.

Nutrients
from potato fruit juice are recovered and used as fertilizer in agriculture.

Protein
is processed into feed protein for use in the animal feed industry.

Plant material
remaining after dietary fiber production is concentrated into pulp and used as an animal feed ingredient.

Sustainability Goals within Innovation and Product Development

Area	Goal	Outcome
Innovation and Product Development	Increase our knowledge of how the CRISPR technology affects the potato's properties.	Active engagement in research and innovation initiatives.
	Increase sales of LYCKEBY CAREFUL products tenfold between 2020 and 2030.	Sales have increased steadily since 2020, and the target is considered to be well over halfway achieved.

LYCKEBY GROUP

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