

Sustainability programme 2014

Sustainability policy

Axfood AB shall strive for continuous improvement in its work with the environment, natural resources and social issues. A fundamental principle in this work is to take preventive action as far as possible and to apply the precautionary principle. Axfood works mainly in accordance with ISO 14001.

Axfood's ambition is to be a leader in sustainability and to boldly take the forefront in embracing new technical solutions and ways of working.

Through systematic work with the environment and social issues encompassing clear goals, actions and follow-up, this work can be closely followed by customers, employees, owners and society in general.

Axfood's environmental work is focused on reducing the Group's climate impact in the handling of goods, the ecocycle, transports, energy and the use of premises. Ahead of major structural changes we draw up environmental impact statements. In our stores we strive to promote environmental awareness among customers by offering an environmentally adapted range of products, Fairtrade certified products, practical solutions and useful consumer information. We also want to give our customers opportunities to engage in sustainability issues through partnerships with non-profit organizations.

Our social initiatives involve promoting a positive social environment for the people who work at Axfood and its companies as well as for those who produce and deliver products for the Group. In this work, Axfood adheres to the UN's Protect, Respect and Remedy framework as well as the related UN Guiding Principles for Business and Human Rights. This work is conducted in close coordination with the Business Social Compliance Initiative (BSCI), in which more than 1,200 companies collaborate for improved working conditions in their global supply chains.

A good work environment includes providing greater opportunities for work/life balance. This can include measures like promoting travel-free meetings and offering employees ample opportunities to balance parenting with work. Of course, the company honours its responsibilities under collective agreements.

Axfood's Code of Conduct clarifies for our suppliers what we expect especially in the social area. We are steadily improving our ability to apply our Code of Conduct as a means of improving conditions where our products are made.

Axfood addresses sustainability issues as an integrated part of its business, and the individual companies within Axfood AB are responsible for the practical execution of Axfood's sustainability work. A high level of competence and commitment to sustainability issues among employees is a prerequisite for the fulfilment of these ambitions. Sustainability coordinators have been appointed in all Axfood companies.

Sustainability goals

Products

Willys will continue to offer “the cheapest bag of organic groceries”.

In 2014 Willys will increase its sales of organic food to 3%.

In 2014 Hemköp will increase its sales of organic food to 6%.

By 2017 Hemköp will increase its sales of organic food to 10%.

Hemköp’s proprietor-run stores will adhere to the same sustainability decisions as the Group-owned stores.

By 2020 at the latest, Axfood’s stores will sell only green-listed fish and shellfish products.

Requirements for IP (Integrated Production) or Global Gap for private label products will be adopted in 2015 also for “dry goods”.

Axfood’s private label products will be labelled with information about the country of origin of main ingredients by 2015 at the latest.

The palm oil used in Garant products will be certified by 1 January 2015.

Axfood will begin to use certified soy or soy certificates for at least 50% of production of its private label products by 2014 at the latest and for 100% by 2015.

Axfood’s companies will reduce the share of combustible residual products in relation to sales.

Axfood Snabbgross will quality-assure its waste sorting in all stores.

Transports

Dagab will reduce its CO₂ emissions from transports by 10% per tonne of transported goods in 2014 (base year 2012).

The Axfood Group will reduce its air travel by 15% in 2014 (base year 2012).

All company cars will be classed as environmentally friendly.

Energy and use of premises

The Axfood Group will reduce the climate impact of its own operations by 75% by 2020 and be climate-neutral.

The Axfood Group will reduce its energy consumption by 25% per m² by 2015 (base year 2009).

The Axfood Group will reduce its energy consumption by 4% per m² by year-end 2014 (base year 2013).

Dagab will reduce its use of district heating by 15% by year-end 2014 (base year 2011).

The Axfood Group will halve its climate impact from refrigerants by 2015 (base year 2009).

When investing in refrigeration equipment for stores, refrigerants that do not have an adverse climate impact will always be chosen.

The Axfood Group will use ecolabelled office equipment (computers, printers and copiers) where such alternatives are available.

Suppliers

By 2016 at the latest, Axfood will implement the improvements that it has undertaken to make by becoming a member of BSCI, by ensuring that its suppliers improve their fulfilment of the BSCI standards for working conditions.

In 2014, a number of selected, key suppliers in risk countries will participate in BSCI's training programme.

In 2014 Axfood will begin conducting routine risk analyses in all supply chains with significant risk for deficiencies regarding Axfood's sustainability requirements and begin work on minimizing and addressing these risks.

By 2014 at the latest, new, more stringent routines for supplier assessments based on sustainability aspects will steer the selection process in all private label purchases in risk countries/risk categories.

Employees

By 2020 at the latest, 20% of Axfood's managers will have an international background.

Maintain a high work attendance rate of at least 95%.

Maintain an Employee Satisfaction Index score of at least 90%.

The share of travel-free meetings should increase.

Achieve 75% internal recruitment for managerial positions.

Achieve an even gender distribution in managerial positions, with women and men represented within the range of 40%–60%.

All employees will have completed basic environmental training.

Animal welfare

Hemköp's sales of organic meat will amount to 4% of total meat sales in 2014.

Axfood's private label products will be labelled with information about the country of origin for meat ingredients.

Requirements for some form of animal welfare certification of ingredients for private label products that use imported meat will be implemented by 2015 at the latest.

The sale of private label products containing pork meat from pig farming in which castration is practiced without the use of anaesthetics will be discontinued in 2015.