

Axfood's policy for sustainable development

Adopted by the Axfood Board on 3 December 2007

Axfood's work is based on the UN definition of sustainable development as "Development that meets the needs of the present without compromising the ability of future generations to meet their own needs".

Axfood's policy on sustainable development will be subject to an annual review.

(This document presents Axfood's policy for sustainability from an ecological perspective. Axfood's policy on ethical, social and economic sustainability will be drawn up at a later date.)

Axfood's environmental policy

1. Strategy and objectives

1.1 Points of departure for the environmental work

The point of departure for Axfood's policy is the EU's fundamental principles for how environmental work is to be conducted.

- The precautionary principle – we will take action if there is well-documented evidence that one of the products that we sell may damage health or the environment.
- The principle of preventive action – we work to prevent environmental damage from occurring instead of simply reinstating the environment.
- The principle that environmental damage should as a priority be rectified at source – pollution is to be dealt with at the point where it originates.
- The principle that the polluter pays – whoever causes the pollution must pay for its effects.

Axfood sees environmental work as an integral part of its business. We seek to create an environmentally aware company where all staff are responsible for taking account of environmental issues in their everyday work.

Axfood will integrate environmental considerations into all parts of the group's business. This involves taking a holistic approach to environmental issues: from the choice of products and producers, via purchasing, logistical flows and store management up to our final offering to the consumer.

Axfood takes complete responsibility for its private label products, based on a lifecycle perspective, i.e. from raw material and packaging via transport to recycling.

In those cases where Axfood does not produce the product, it strives to ensure that these goods are transported via environmentally aware and efficient logistical flows.

Axfood realises that environmental work and sound economics go hand in hand. Driving forward environmental issues allows us to create the right offering for our customers, which in turn generates good business at a lower cost.

1.2 Overriding objectives

Axfood is an environmentally aware company. Environmental work is carried out across the company, every day and by all employees.

Axfood makes it easier for customers to make informed environmental choices.

Axfood takes an active role in supporting “best practice” in the food retail industry.

2. Ongoing environmental work

2.1 Axfood's environmental reporting

Axfood will produce an annual statement of the company's environmental impact and the measures being taken to cut this impact. The intention is for the reporting to develop into a comprehensive picture of the company's environmental impact and environmental work. This will form part of Axfood's overall annual report.

2.2 Selecting and purchasing products

Axfood's choice of products and assortments affects the environment at the stages of production, transport and consumption. Axfood will therefore strive to purchase products that have the lowest environment impact.

Axfood is working actively to introduce an industry-wide climate labelling system for packaging. Axfood will thus help Swedish consumers to eat in a more climate-friendly way.

Axfood will make it easier for consumers to buy organically produced goods. This will be achieved through ongoing information to consumers about the different ecolabelling systems, e.g. Krav, Svenskt Sigill, Good Environmental Choice, Nordic Swan, Rain Forest Alliance, and any other ecolabels that may arise.

Axfood will follow the EU's Europe-wide labelling system for organically grown food.

2.3 Logistics, transport and goods flows

Axfood's business requires major flows of goods. Axfood will strive to ensure that these deliveries are as sustainable as possible in the long term.

Axfood will manage logistical flows through its subsidiary Dagab, and through a shared purchasing and assortment function. This means, for example, that all trucks must take carefully planned routes and also run as fully loaded as possible.

Axfood will actively support developments in fuel, transport technology and logistics.

2.4 Our stores

Axfood's environmental work is to be implemented and maintained with the help of a systematic environmental management system.

Axfood will reduce the environmental impact of all its stores, as well as improving the range of organic products and creating more efficient goods flows.

Axfood will cut energy consumption at all its stores.

Car journeys to and from stores account for a large proportion of the overall environment impact generated by retail trade. Axfood will therefore aim for all its stores to be accessible by public transport.

2.5 Lifecycle and waste

Axfood will work for greater recycling and to reduce the amount of goods sent to landfill.

Axfood will follow the guidelines in REPA – the Swedish food industry’s solution to producer responsibility for packaging made of plastic, metal, paper/board and corrugated cardboard. REPA offers a nationwide recycling system for packaging.

2.6 Management and control

In terms of policy, management, control and follow-up of environmental work, Axfood works according to the guidelines of ISO 14001.

Axfood’s environmental work is managed by the group’s head of environmental affairs, who is also responsible for the overall focus of environmental work within Dagab, Hemköp, Närlivs and Willys. The head of environmental affairs is coopted to Axfood’s executive committee for discussions and general decisions on environmental issues. However, each company within the group has responsibility for its own internal operational work on environmental issues.

The head of environmental affairs will draw up an annual environmental plan outlining objectives, strategies, actions and monitoring procedures for the group’s environmental work. The environmental plan will be sanctioned by Axfood’s executive committee.

At least once a quarter, Axfood’s executive committee will examine environmental aspects of the business, in order to ensure an ongoing follow-up and assessment of measures implemented.

Axfood’s executive committee acts as client to the head of environmental issues with regard to the priorities of the environmental work.

Axfood will produce an annual plan for internal and external communication regarding the company’s environmental work.

Axfood’s internal environmental communication will be coordinated via the head of corporate communications and the head of environmental issues.

Axfood’s external environmental communication will be coordinated via the head of corporate communications, the head of environmental issues and the head of investor relations.

2.7 Internal environmental work

Axfood will minimise the environmental impact of its internal business at warehouses, offices and stores. All staff are responsible for taking account of environmental issues in their everyday work.

2.8 Travel and company car policy

Axfood will strive to reduce the extent of internal travel.

When deciding on a business trip, the employee must always consider video-conferencing or taking the train as an alternative to driving or flying.

When choosing a company car, Axfood's staff must, in the first instance, choose an environmental car as officially defined at the time. Axfood's target for 2010 is for 100% of the company car fleet to be made up of environmental cars, and for 10% of business trips to be taken by train.

2.9 Internal environmental communication

With greater knowledge of environmental issues, employees function better in their role as adviser to customers in store.

Axfood will inform all its employees about the company's environmental work on an ongoing basis.

Axfood will constantly inform all its staff about their own responsibility with regard to environmental work and give concrete advice on what they themselves can do to reduce the environmental impact.

2.10 External environmental communication

Axfood will see environmental issues as an opportunity to improve the company's reputation, increase its attractiveness in recruitment and drive up sales.

Axfood will inform the wider community about the company's environmental work on an ongoing basis.

Axfood will have an open attitude in its environmental communication with the wider community.

2.11 Alliances and partnerships

A key aspect of Axfood's environmental work is collaboration with other players and stakeholders.

Axfood will be a committed partner in collaborations and projects with public agencies and other organisations. In these collaborations, Axfood will exchange experiences and develop knowledge and methods for initiatives to protect the environment.