

"AGRAVIS will continue to
pursue a strategy
of profitable
and sustainable growth."

Andreas Rickmers



Andreas Rickmers,

*Chairman of the Board of
AGRAVIS Raiffeisen AG*



Conducting business both responsibly and successfully

Why has AGRAVIS been addressing sustainability issues for many years? One answer is provided by the German Agricultural Society (Deutsche Landwirtschafts-Gesellschaft – DLG) in its position paper "Agriculture 2030". Fact is that agriculture as it is practised today puts cost efficiency, animal welfare and environmental protection in competition with one another. And if we want to be able to feed an anticipated global population of 85 billion by 2030, we will have to increase productivity even further. At the same time however, plant cultivation and livestock farming have to be organised in such a way as to achieve a broad social consensus. This is only possible if we make agriculture more sustainable. And this is precisely where AGRAVIS comes in.

As one of Germany's leading agribusiness companies, we want to be instrumental in advancing this development. Our aim is to offer our customers, cooperatives and farmers, the products and services that enable them to operate both more sustainably and more successfully. As such, sustainability provides AGRAVIS with enormous business opportunities, as well as being a crucial differentiating feature within the competitive markets.

Andreas Rickmers



Sustainability in action: practical examples from AGRAVIS



New feedstuff ordering app "IQ-Feed"

Agricultural customers are looking for creative, intelligent and practical solutions to accelerate their own processes and achieve greater efficiency. The new feedstuff ordering app "IQ-Feed" allows AGRAVIS customers to order their feedstuff simply, reliably and quickly via smartphone. In "IQ-Feed", farmers can create their own silos which they can number and manage. All customers need to do is sign up. The feedstuff ordering app "IQ-Feed" is available for download from stores for the operating systems Android and iOS.

Calculation tool for emissions reduction

One declared aim of the AGRAVIS sustainability programme is to reduce transport-related emissions. In addition to road traffic, inland shipping is a key factor here: up to two thirds of raw commodities are delivered to the AGRAVIS feedstuff plants by ship.

A calculation tool has been developed according to the DIN EN 16258 standard to analyse inland shipping logistics and its emissions. Based on initial calculations, the transport of grain or raw feed materials from Rotterdam to Münster incurs some 50 grams of emissions in carbon dioxide equivalents per tonne kilometre transported (for detailed results, see the AGRAVIS Sustainability Report 2016/2017). According to the German Federal Environmental Agency (Umweltbundesamt – UBA), transportation by truck generates twice the level of emissions per tonne kilometre on average. What is more, on this particular route it is possible to transport up to 1,000 tonnes of grain or raw feedstuff materials – equivalent to the load capacity of 40 trucks.



Feeding the future

The Eco-Efficiency Manager for pigs is a calculation tool developed by BASF for AGRAVIS: it allows various feed concepts to be compared in terms of their ecological and economic impact – from production to the living animal. This year the tool has been expanded to include livestock housing and manure management (e.g. manure accumulation, storage and distribution).

Initial results indicate that modern pig feeding concepts have a much lower environmental impact while keeping production costs at virtually the same level. This not only confirms the work done by AGRAVIS's product management, it is also a logical step towards developing integrated concepts for livestock producers: in livestock production, feeding and rearing, there is a demand for solutions that are not just compatible with animal welfare and the environment but also increase efficiency and therefore enhance profitability, too.

Did you know that ...

some **80 samples** are tested for value-determining ingredients and undesirable substances per day by the AGRAVIS raw materials and feed quality divisions?



AGRAVIS deploys more than **40 health managers** on site in its subsidiaries to promote sustained health among employees?



about **1/3** of the raw materials traded or used in feedstuff production by AGRAVIS are afterproducts or by-products from other industries, such as biscuits, potato peelings, apple pomace, vegetable fats and rapeseed waste?

Approx. **7,400 tonnes** of this material are used per day.



AGRAVIS has been named Top National Employer as part of the nationwide German Best Employer ranking carried out by the news magazine Focus in collaboration with the career platforms Xing and Kununu for

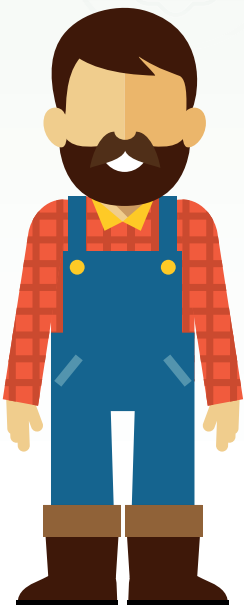
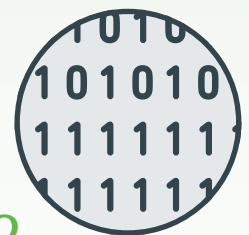
4 years in succession?



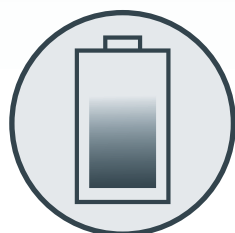
the use of digital technologies in agriculture has the potential to increase efficiency by some

16 per cent,

reduce costs by approx. **10 per cent,**
and increase yield by about **9 per cent?**



energy intensity in feedstuff production (i.e. kWh per tonne of feed produced) has been reduced by more than



10 per cent over the last five years
(from approx. 65 kWh/t
in 2011 to approx. 58 kWh/t in 2015)?

(Source: PwC study 2016, Quo vadis, agricola?, AGRAVIS Raiffeisen AG)

AGRAVIS sustainability management

From the point of view of AGRAVIS, sustainable development has long ceased to be an option: it has now become a “licence to produce”. Sustainability is therefore one of the company's clearly defined strategic objectives and is firmly anchored in all AGRAVIS business segments and activities. The work of AGRAVIS sustainability management is divided into four categories (see diagram).

The primary challenge and focus of AGRAVIS sustainability activities is to break down the complex issue of sustainable development into pragmatic, actionable and marketable concepts. Our aim is to demonstrate that conventional agricultural production is sustainable, too.



Key issues

According to the requirements of the Global Reporting Initiative (GRI), sustainability reports have to cover the company's main economic, ecological and social impacts. For each of the three sustainability dimensions AGRAVIS defined four key issues which are currently the focus of the sustainability management:

Sustainability at AGRAVIS

Economic dimensions

- Customer satisfaction
- Stability and growth

- Compliance
- Quality

Environmental dimensions

- Energy and carbon dioxide efficiency
- Eco-friendly products

- Raw material use and origin
- Innovative technologies

Society

- Employer appeal
- Initial training and professional development
- Regional partner
- Social responsibility

Let's stay in touch

Stakeholder dialogue

We'd like to engage in active dialogue with you – our stakeholders – in order to be able to assess the full extent and impact of the issues mentioned. That is because our company is subject to constantly changing social demands – which we want to be aware of, to understand, and genuinely want to comply with. Our aim is to maintain an ongoing, constructive dialogue that focuses on the economic, ecological and social aspects of our core business and on the relevant interests of all AGRAVIS stakeholders, without whom our company would not be economically viable.



Stakeholders are individuals or institutions with an interest or concern in our company. AGRAVIS's stakeholders include shareholders, employees, suppliers, customers, banks, politicians, associations, society at large, NGOs and media representatives.

Stakeholder survey

Your feedback is vital to us: it is the only way we can verify whether or not we are meeting all the demands being made of our company in terms of sustainability.



We cordially invite you to take part in our 2017 Stakeholder Survey:

www.umfrageonline.com/s/AGRAVIS-Stakeholder-Befragung

It will only take you about 10 minutes to complete and is of course anonymous. In turn it gives you the opportunity to provide us with specific feedback on issues relating to sustainability.

We look forward to hearing from you!

If you have questions on the topic or survey, please contact:

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