

Reporting criteria

Scope and materiality

This is the ninth AAK Sustainability Report. The first was published in October 2010 and our aim is still to continue reporting on an annual basis. Due to Swedish legislation future reports will be published together with the AAK Annual Report in the second quarter.

Since commencing structured reporting in 2008, we have followed the Global Reporting Initiative's (GRI) Sustainability Reporting Guidelines, now following the current G4 version. As this is the most widely used reporting framework, we believe many readers will already be familiar with its principles and find them helpful when searching for information. We have used GRI standard disclosures and sector disclosures for food processing with special focus on core indicators. Indicator numbers and titles in the GRI index are in accordance with the G4 version.

Because GRI is an all-encompassing format, it is not relevant for us to report on all criteria. In 2010, we initiated an internal process to identify the issues relevant to our business and our stakeholders. This involved discussions with staff at all sites and feedback from other stakeholder groups. In 2013, we began using the materiality analysis tool to map our own priorities against our stakeholder priorities. That has been further developed over the years and we find it a very useful tool in identifying important focus areas. Our ambition is always to focus on reporting the information requested by stakeholders, or that of internal value.

This Sustainability Report is a supplement to the AAK Annual Report 2017 and, therefore, only contains a summary of financial performance figures and references to the AAK Annual Report. Both reports are available at AAK's website.

In general, the data in this report covers our activities from January 1 to December 31, 2017. Updated information for

some 2018 events is included, since they are considered to be of material importance to our stakeholders.

Environmental data (GRI abbreviation: EN) relate to the fifteen AAK production plants that were fully operational in 2017 including the AAK products produced by our toll production partner Cousa in Montevideo, Uruguay. Other core data also include purchasing sites and sales offices.

Data and calculations

We release a GRI Report internally in the first quarter of every year. The report is based on information received from all sites, and contains both local and compiled global data. A section showing trends from the previous year is also included. Data and information from the GRI Report form the basis of our Sustainability Report, which is published externally.

The majority of data in the Sustainability Report are drawn from measurements. Air emissions data are based on direct measurements, calculations based on specific data or calculations based on default values. Information concerning purchased electricity from renewable resources is based on national grid information, if not purchased as green electricity. Information about employees, including numbers, gender, composition, etc., is calculated per December 31, 2017 and based on payroll information.

Some minor data errors have been identified since the 2016/2017 Sustainability Report was launched. These data have been adjusted in the present report. From our experience of the reporting process, we expect corrections will also be necessary in future reports. Nevertheless, we believe that the trends and overall picture given are a true reflection of our activities.

Auditor's report on the statutory sustainability report

To the general meeting of the shareholders in AAK AB (publ), corporate identity number 556669-2850

Engagement and responsibility

It is the board of directors who is responsible for the statutory sustainability report for the year 2017 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination has been conducted in accordance with FAR's auditing standard RevR 12 The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is substantially different and less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

Opinion

A statutory sustainability report has been prepared.

Malmö, April 23, 2018

Sofia Götmar-Blomstedt
Authorized Public Accountant
Auditor-in-charge

Linda Corneliusson
Authorized Public Accountant