

Particulars

Organisation Name	AAK AB (Formerly known as: AarhusKarlshamn AB)		
Corporate Website Address	www.aak.com		
Primary Activity or Product	Processor and/or Trader		
Related Company(ies)	Company	Primary Activity	RSPO Member
	AarhusKarlshamn Sweden AB	Processor and/or Trader	Yes
	AarhusKarlshamn Denmark A/S	Processor and/or Trader	Yes
	AarhusKarlshamn USA Inc.	Processor and/or Trader	Yes
	Oasis Foods Company	Manufacturer	Yes
	AarhusKarlshamn UK Ltd	Processor and/or Trader	Yes
	AarhusKarlshamn Mexico SA de CV	Processor and/or Trader	Yes
	AarhusKarlshamn Netherlands NV	Processor and/or Trader	Yes
	AAK Turkey		Yes
	AAK Belgium	Manufacturer	Yes
	AarhusKarlshamn China Ltd	Processor and/or Trader	Yes
	AarhusKarlshamn do Brazil DdN Ltd	Processor and/or Trader	Yes
	AarhusKarlshamn Asia-Pacific Sdn. Bhd.	Processor and/or Trader	Yes
	AarhusKarlshamn Latin America S.A.	Processor and/or Trader	Yes
Country Operations	Belgium, Brazil, China, Colombia, Denmark, Mexico, Netherlands, Sweden, Turkey, United Kingdom, United States, Uruguay		
Membership Number	2-0001-04-000-00		
Membership Type	Ordinary Members		
Membership Category	Palm Oil Processors and Traders		

Palm Oil Processors and Traders

Operational Profile

1.1 Please state your main activity(ies) within the supply chain

- Refiner of CPO and CPKO
- Post-refinery processor
- Trader
- Ingredient manufacturer
- Animal feed supplier

Other:

--

1.2 Operation and Certification Progress

--

1.2.1 Do you have a system for calculating how much palm oil and palm oil products you use?

Yes

1.3 Total volume of all palm oil products handled in the year (Tonnes)

--

1.3.1 Total volume of Crude Palm Oil (CPO) handled in the year

295000.00

1.3.2 Total volume of Palm Kernel Oil (PKO) handled in the year

125000.00

1.3.3 Total volume of other Palm Oil Derivatives and Fractions handled in the year

420000.00

1.3.4 Total volume of all palm oil and palm oil derived products handled in the year

840000.00

1.4 Volume handled in the year that is RSPO-certified (Tonnes):

No	Description	Crude Palm Oil (Tonnes)	Palm kernel oil (Tonnes)	All other palm-based derivatives and fractions handled in the year that is RSPO-certified (Tonnes)
1.4.1	Book & Claim	13000.00		2000.00
1.4.2	Mass Balance		30000.00	
1.4.3	Segregated	95000.00		20000.00
1.4.4	Identity Preserved	2000.00		
1.4.5	Total volume of Oil Palm handled that is RSPO-certified:	112000.00	30000.00	22000.00

1.5 Do you plan to ask your suppliers if the palm oil supplied comes from growers who disclose their GHG emissions within the RSPO P&C 5.6 & 7.8?

No

Do you plan to ask your suppliers if the palm oil supplied comes from growers who disclose their GHG emissions within the RSPO P&C 5.6 & 7.8?

--

Time-Bound Plan**2.1 Date of first supply chain certification (planned or achieved)**

2010

2.2 Time-bound plan - Year expected to achieve 100% RSPO certification of all supply chains

2013

2.3 What are your interim milestones towards achieving this RSPO certification commitment (year and progressive CSPO%)? Please state annual targets/strategies.

All principal operating sites are certified for segregated and mass balance.

Sites not certified have been recently acquired and plan to be certified in the next year or process relatively small quantities (less than 1% of the AAK total).

2.4 Timebound plan - Year expected to only "handle/supply" RSPO certified oil palm products

2020

2.5 What are your interim milestones towards achieving this RSPO certification commitment (year and progressive CSPO%)? Please state annual targets/strategies.

AAK's time bound plan submitted in 2013 indicated an ambitious target of 2015, but also stated that in current market conditions this was unlikely to be achieved. AAK has made significant progress relating to palm sustainability over the past year, including a new policy and commitments relating to traceability, deforestation and development on peat.

Mindful of the current level of supply and demand (which varies significantly between markets), AAK has revised its time bound plan to only handling or supplying RSPO certified crude palm oil by 2018 and all other products by 2020.

AAK remains committed to the RSPO's ambition of certified palm oil becoming the market norm. However, as an intermediary, AAK's progress towards 100% certified sustainable palm oil is subject to availability of supply and, to some extent, to demand from customers.

2.6 How do you promote RSPO and RSPO certified sustainable palm oil to your customers proactively?

AAK actively promotes all RSPO supply chain options to its customers.

AAK believes that the most effective way to achieve the RSPO's ambition of certified palm oil becoming the norm is the active promotion of GreenPalm certificate trading, which directly rewards all certified producers and provides a straightforward mechanism for all end users to provide those rewards, without the complexities of segregation.

GHG Emissions

3.1 Do you publicly report the GHG emissions of your operations?

Yes

Please upload related report:

--

Add link to website

<http://www.aak.com/en/CSR/Sustainability-report/> [Click here to visit the URL](#)

Please explain why:

--

3.2 Does your company have a public commitment to only purchase palm oil from suppliers that disclose their GHG emissions?

No

Please upload related report:

--

Add link to website

--

Please explain why:

AAK supports such public disclosure, and follows the RSPO certification requirements on this matter, which require public disclosure from 31 December 2016.

In addition, in common with other industry participants, AAK's policy goes beyond the RSPO requirements relating to deforestation and development of peat lands, which are major contributors to GHG emissions.

Actions for Next Reporting Period

4.1 Outline actions that you will take in the coming year to promote CSPO use along the supply chain

AAK was a founder member of the RSPO and has been a member of the Board ever since. In addition, AAK is actively involved in the Trade and Traceability Standing Committee and the Communication and Claims Standing Committee. One of AAK's most significant contributions has been the conception, development, management and promotion of GreenPalm, the RSPO's most successful; supply chain option. AAK will continue to promote GreenPalm in the coming year.

Reasons for Non-Disclosure of Information

5.1 If you have not disclosed any of the above information please indicate the reasons why

--

Application of Principles & Criteria for all members sectors

6.1 Related to your sourcing, do you have (a) policy/ies, that are in line with the RSPO P&C such as:

- Water, land, energy and carbon footprints
- Land Use Rights
- Ethical conduct and human rights
- Labour rights
- Stakeholder engagement

Water, land, energy and carbon footprints

[P-Policies-to-PNC-waterland.pdf](#)

For administration purpose, attachment files are renamed automatically

Land Use Rights

[P-Policies-to-PNC-landuseright.pdf](#)

For administration purpose, attachment files are renamed automatically

Ethical conduct and human rights

--

Labour rights

--

Stakeholder engagement

--

6.2 Where relevant, what prevents you from trading/processing only CSPO?

The fundamental issue is the availability of supply, particularly relating to more complex products, together with a lack of demand in some areas. The other major barrier is the logistical difficulty of segregation through processing plants.

Commitments to CSPO uptake

As you don't source 100% CSPO through physical supply chains (IP/SG/MB), please answer the following questions: Do you have plans to?

Yes

- Please explain why:

--

- Please specify:

See answer to question 2.5

- Do you have plans to immediately cover the gap using Book & Claim?

No

- How and when do you plan to immediately cover the gap using Book & Claim?

--

- Please explain why:

AAK's view is that GreenPalm is the most effective supply chain mechanism to incentivise all growers to produce RSPO certified sustainable palm oil, whether or not they supply markets which demand sustainable palm oil. However, GreenPalm is intended to cut out the supply chain, providing a direct link between producers and end users, so it is not appropriate for trader/processors except where such trader/processors also act as end users such as in the sale of branded foodservice products. For these areas AAK's policy is to buy GreenPalm certificates to cover such sales.

Challenges

1 What significant economic, social or environmental obstacles have you encountered in the production, procurement, use and/or promotion of CSPO and what efforts did you make to mitigate or resolve them?

AAK notes the increasing use of RSPO certified production in biofuel, often under alternative certification. Such use reduces supply for the food industry, and may distort RSPO statistics relating to demand.

2 How would you qualify RSPO standards as compared to other parallel standards?

--

Cost Effective:

Yes

Robust:

Yes

Simpler to Comply to:

similar

3 How has your organization supported the vision of RSPO to transform markets? (e.g. Funding; Engagement with key stakeholders; Business to business education/outreach)

AAK has supported market transformation by providing funding and resources, as well as actively participating in initiatives and undertaking speaking engagements in many parts of the world, including Europe, the Americas, India and SE Asia.

4 Other information on palm oil (sustainability reports, policies, other public information):

See www.aak.com [Click here to visit the URL](#)
