



Insight

AAK Magazine

The Co-Development Company

#3, November 2016

Responsible growth at AAK, pages 3–9
AAK USA goes west, pages 10–11
In the land of the rising sun, pages 12–13

AAK

Dear readers,

A very warm welcome to AAK's customer magazine *Insight*. In this issue we will pay some extra attention to the importance of corporate social responsibility.

To act responsibly is both a shared and an individual obligation, and as a global company AAK works hard to do its parts to the highest possible standards. Responsible growth is furthermore a key objective of our strategy and essential to being our customers' first choice for value-adding vegetable oil solutions.

To drive progress within CSR we focus our efforts in five areas – Marketplace, Supply chain, Environment, Workplace and Community – which are explained in more detail in this magazine. We also present a few of our sustainability initiatives within these areas. If you would like to read more about our efforts, please refer to our latest sustainability report, launched in October, which can be accessed through our website, www.aak.com.

AAK – from east to west

In this issue we also take a closer look at our latest acquisition, California Oils Corporation, on the U.S. West Coast. This expansion will transform AAK into the leading supplier of speciality and semi-speciality oils to the bakery, dairy, and chocolate and confectionery industries in California and across the West Coast of USA and Canada.

One year after the establishment of AAK Miyoshi JP, a joint venture of AAK and Japanese company Miyoshi Oils & Fats Co., we take a look at how the partnership is developing and what our co-development approach will mean to the Japanese market.

The Co-Development Company

Furthermore, we give you a couple of concrete examples of what it means to be the Co-Development Company. We have asked colleagues from different parts of the organization to share some of their recent co-development stories, and to explain how our customer value propositions for health and reduced costs have helped our customers improve and grow their businesses.

If you have any comments or questions about the content of the magazine or if you have suggestions for future articles of *Insight*, please don't hesitate to talk to your AAK representative or contact us via insight@aac.com.

Wishing you an insightful reading.

Arne Frank
CEO and President



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Insight AAK Magazine

Published by AAK AB, Sweden | www.aak.com

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Production: JohnJohn Konsult AB

Photographs: AAK, Thomas Hergaard, Stine Heilmann, www.benfoto.se, Shutterstock

Print: Exakta





Responsible growth at AAK

Corporate social responsibility plays a more significant role today than ever before and over the last years we have seen an increased focus on sound and ethical business practices. At AAK, acting responsibly towards all key stakeholders such as local communities, customers, employees, investors, and suppliers, is a key objective of the company’s strategy and essential to the vision of being the first choice for value-adding vegetable oil solutions.

AAK’s CSR policies and codes are based on the UN Global Compact (UNGC) and apply globally to all AAK business activities. UNGC, of which AAK has been a member since 2002, is a solid platform and a broad concept based on ten universal principles within human rights and labour rights, environment, and anti-corruption. The policies and codes of many of AAK’s customers are also based on UNGC which enhances AAK’s strategic alignment.

AAK has defined five CSR focus areas that are important to the company’s business – Marketplace, Supply chain, Environment, Workplace and Community.

“These five areas provide an overview and help us focus our resources”, says Mads Feer, Global CSR Manager at

AAK. “To maintain momentum and drive improvement, we define objectives within each of the five focus areas. We also monitor many other indicators internally, based on the GRI guidelines.”

To be transparent with stakeholders and share information on its CSR objectives, activities and achievements is also part of AAK’s approach. This is done through, among other things, the company’s annual sustainability report, the company’s website, and Sedex, a collaborative online platform that facilitates the sharing of information with customers.

“Partnering with other businesses, NGOs, and governmental agencies is a key element of the Global Compact concept, and we are proud to participate in several partnerships”, says Mads Feer. “The Roundtable on Sustainable Palm Oil, the Global Shea Alliance, and the Danish development cooperation Danida are a few examples.”

AAK’s CSR model is in no way static. Instead, Mads Feer explains, it is continuously adjusted to input from key stakeholders such as customers, investors and employees. In addition, new and upcoming legislation is monitored, trends in local communities are closely followed, and CSR practices are benchmarked against those of retailers, customers and competitors.

“Our overall objective is to drive responsible and sustainable growth for AAK”, says Mads Feer. “Not only by applying our model for responsible growth, but also by developing it as we acquire new knowledge and as environmental and social priorities change.”



The importance of shea – natural, sustainable, beneficial

For decades, shea oil has been used as a natural and valued ingredient in several food applications, oftentimes as a replacement for, or improver of, cocoa butter in the confectionery industry. For AAK, shea is a unique and very important raw material, and as a result of the company's sourcing operations in West Africa, many women in the region have significantly improved their lives.

The shea tree is a wild-growing tree that can only be found in the Sahel belt of West Africa. The tree is very important for the countries in the region, as its fruit provides nutrition and income to the population in the rural areas, and as the bark, leaves, sap and roots are used for traditional medical purposes. In addition, the trees contribute to the prevention of desertification.

The trees flower and the fruit develops during April and May. When the fruit has ripened it falls to the ground, where it may be consumed by bats, thereby spreading the growth of new trees in a natural way. As the kernel of the ripened fruit sprouts easily, it is important to collect the fruits immediately after they have fallen to the ground.

Traditionally, women collect the shea fruits, and during part of the year these fruits make up a significant proportion of people's diet. The kernels are boiled, deshelled and dried. Some kernels are kept for household use, and the rest are sold.

"The income from selling the kernels makes an important contribution to the families' economy, enabling them to pay for school fees, clothing and farm equipment", says Aude Traoré, Sourcing & Trading Manager for shea at AAK in West Africa.





Controlled supply chain

AAK has used shea oil as a raw material for over 60 years. Originally, European dealers supplied the kernels, but in order to secure supply, improve transparency, and have a better control of the quality, AAK decided to increase its presence in West Africa and to integrate backwards along the value chain.

Since the end of the 1990s, AAK has opened several local offices throughout West Africa. In addition, warehouses, weighbridges and laboratories have been established to enable quality control along the whole supply chain.

Transparency has increased and the value chain has been shortened.

Today, shea trees are monitored and weather data are gathered in order to assess the size of the next harvest. A number of processes take place to ensure an unbroken supply chain – from the collection of shea kernels and early pre-treatment, via transportation to ports and warehouses, to the final shipment to Northern Europe.

Kolo Nafaso

In 2009 AAK initiated a project of responsible sourcing of shea kernels in Burkina Faso, a country with one of the highest population of shea trees. The initial project was designed as a win-win concept between the women collecting the shea kernels and AAK. It was called Kolo Nafaso, meaning “the house of benefits of shea kernels”. The project grew bigger and became a program, meaning a new way of doing business for both AAK and the women.

“The number of women participating in the program has grown almost exponentially since 2009 which tells us that the program is a very successful one”, says Aude Traoré. “This season, more than 90,000 women joined the program, surpassing our expectations by 20,000. There are still many women who would like to join the program, and thus our aim is to further extend it next season.”

AAK has now started the same program in neighboring Ghana where 4,000 women, having delivered shea kernels for the first season, are enrolled. The company intends to broaden the program in Ghana for the coming season.

“Kolo Nafaso is very important to AAK as it gives us direct contact with the parties doing the majority of work in producing good-quality shea kernels”, says Aude Traoré. “The win-win concept is evident as AAK pre-finance the women, educate them in how to process the shea, and support them in logistical issues.”





Local benefits

One woman who has greatly benefitted from AAK's program is Marie Jeanne Somé from the village of Pouleba in south-western Burkina Faso. Marie Jeanne, mother of two boys and two girls and gardener by trade, had a difficult time to make ends meet before joining Kolo Nafaso.

"Thanks to the pre-financing from AAK, I feel reborn. I now have a job that provides me with money and I can afford what I need", says Marie Jeanne Somé.

When Marie Jeanne Somé received the pre-financing from AAK, she asked her husband to buy her seeds so she could improve her garden. It has been four years since she started to receive pre-financing from AAK and during these years a lot of things have improved Marie Jeanne's and her family's situation.

"I can pay the school fees for my children and I can help my husband to buy school supplies for them. I can take care of myself when I'm sick without having to ask my husband for help. And I have built a small enclosure with two pigs. As soon as I get more money I'll add more livestock."

Marie Jeanne's husband, Iroubaar Somé, is also very grateful of the help his wife receives through AAK's program.



Marie Jeanne Somé is one of many West African women who have benefitted from AAK's work in the region.

"Before the program and the pre-financing, our wives sold their shea kernels in small quantities but today, thanks to AAK, they can put together larger quantities which allow them to earn more money", says Iroubaar Somé. "This has also helped our wives become more financially independent, and in our village, it has encouraged the women to unite and initiate community activities that benefit everyone."



Quality and food safety – a top priority

Quality and food safety is, needless to say, an area of great concern for most consumers. To satisfy customer requirements as well as national and international legislation, AAK's production plants are certified in accordance with recognized standards and subject to regular third party audits. One market where food safety is of particular importance is the one within infant nutrition whose end consumers are especially vulnerable.

Being a global supplier of infant formula lipid solutions, one of AAK's most important focus areas is to ensure that these solutions, branded as Akonino®, are safe for infants. AAK's different Akonino® solutions are co-developed together with customers. By utilizing AAK's Customer Innovation teams, specific needs are mapped out and solutions that meet customer demands, both in terms of specifications and overall quality, are created.

"Working with an essential ingredient intended for the smallest and fastest growing consumer, we need to deliver safe and consistent high-quality products, every time", says Bodil Granroth, Commercial Product Manager within AAK's Infant Nutrition business. "All of our products aimed for the infant nutrition market meet stipulated international quality standards."

The Akonino® product range also includes organic solutions which are increasing in importance as consumers are becoming more and more concerned about sustainability. These solutions, which AAK supplies globally, are organic approved within the EU, China and the United States.

Safety from start to finish

At the basis of AAK's quality and food safety work is the company's extensive and very important food safety program that covers all steps from raw material sourcing to delivering the lipid solutions to the customers.

All raw material suppliers need to be evaluated and approved by AAK. This is done by trained internal auditors who approve suppliers at company level and per each product purchased. The evaluation is based on questionnaires and in some cases also on on-site audits.

"All raw materials are monitored upon arrival to our plants, and then followed through all processing and logistics steps until the final product is delivered to the customer", says Bodil Granroth. "Our quality system is based on the HACCP risk assessment with an extensive control program in place to enable us to work proactively, and a monitoring program verifying the functionality of the food safety program. For us, it's really all about safety and quality – from start to finish."



Mintel: Sustainability and the food industry

The public demand for a more sustainable world has significantly increased over the last years. This has dramatically changed the way most companies work and conduct their business operations. We asked Anna Fireman at Mintel, one of the world’s leading market intelligence agencies, how sustainability has impacted the food industry.

Sustainability is evolving from a term associated primarily with packaging that can be recycled to a term for any product made ethically. Yet, it is sustainable packaging that is most familiar to consumers. Indeed, environmentally-friendly packaging is one of the top claims made by global food and drink product launches between June 2011 and May 2016. Moreover, environmentally-friendly packaging claims have increased in each of the moving annual years measured from June 2011 to May 2016.

Showcasing the shift to a more holistic approach to sustainability, the percentage of food and drink products making environmentally-friendly product claims has nearly tripled between June 2011–May 2012 and June 2015–May 2016. The expanding interest in sustainability finds many companies making efforts and also sharing more information with consumers about corporate initiatives that support the welfare of humans, animals and the environment.

The increased use of ethical and environmental claims represents another change in the approach to sustainability. For many years, sustainability has been a corporate goal to reduce waste in production or packaging that created excess costs. However, climate issues, worries about food waste and other natural phenomena are repositioning sustainability as a necessary consideration in new product development.

New products that are created to be more sustainable overall can benefit the common good, and also motivate consumer purchases. This is especially true for food and drink companies; the industry has a particular opportunity to be on the forefront of sustainable advancements because many consumers already associate the industry with sustainability. For example, UK adults are most likely to consider the ethical qualities of food and drink companies before they purchase a product.

Climate issues and population growth

If being more transparent to consumers was not enough of a challenge, manufacturers also face more imminent threats to their supply chains because of climate issues. The situation is becoming even more pivotal because scientists verified 2015 as the hottest year in recorded history. The worldwide temperature peak caused severe floods in South America, spurred heat waves in the Middle East, worsened existing drought in Ethiopia, and led to a major typhoon in the Philippines. The frequency of these extreme weather patterns could place further stress on the food supply chain and makes sustainability a more urgent and widespread concern.

Further exacerbating the pressures on the food supply is the growth in the number of people on the planet. As the world’s population grows, so, too, does the demand for food, which may exceed the planet’s current capability. The world’s population is



estimated to reach 9 billion people by 2050, which would require the world grain output to rise by 50 percent and meat production to double in order to feed everyone, if world food patterns remain the same, according to the United Nations.

Flexitarian trend

Consumers are responding. The “flexitarian” trend is gaining traction, seeing a sizeable minority of consumers making a concerted effort to avoid meat/poultry on some days. This and similar campaigns which advocate eschewing meat/poultry on certain days tend to have a holistic message combining ethics with healthiness.

Illustrating the level of traction this concept has garnered, over a third (35 percent) of consumers who eat and buy unprocessed meat/poultry/game make a point of regularly having meat-free days. This is higher among women than men (39 percent compared to 32 percent) and climbs to 42 percent for the ages between 16 and 34.

This is having a profound impact on the food and drink market. Greater mindfulness about meat/poultry consumption is only likely to benefit higher welfare and organic options. This point is supported in the findings that consumers who regularly enjoy meat-free days place more emphasis on animal welfare and less on low prices and special offers when buying meat/poultry/game than the average shopper.

Beyond meat, more global food and drink companies should consider innovating and creating products that are responsibly sourced, transported, processed, sold and consumed. The momentum is starting, with inspiration from across the food and drink industry.

Increasing awareness

As consumers become more food aware, they have begun to show a greater interest in specific ingredients and products, driven by a number of motivations including food safety, product integrity and sustainability. A spate of food recalls in North America has also made consumers more cognizant of ingredients, their sources and their quality. Meanwhile, the horse meat scandal that rocked Europe in 2014 inspired consumers to ask more questions about the origin of food ingredients. Since April 2015, the European Union has required country of origin labelling for meat products. The required origin labelling for meat could lead consumers to expect similar information from other animal-derived products such as dairy.

A majority of Italian, Spanish, French, Polish and German adults agree that cheese packaging should provide more information about the origin of the milk used to make cheese. However, the desire for environmentally-friendly attributes varies by market and by category. When considering dairy drinks, for example, only 13 percent of UK category users considered environmentally-friendly credentials important.

In the United States, meanwhile, there is niche interest in claims that have an element of sustainability, such as milk from grass-fed cows, which is sought by 13 percent of consumers. Despite this, the past year, sustainability is shifting from a niche concern to a necessity as issues such as drought and other natural phenomena require companies to incorporate sustainability into their product development.





Terrence W. Thomas
President AAK USA

AAK USA goes west

In July AAK announced the acquisition of California Oils Corporation from Mitsubishi Corporation of Japan. The acquired company, also known as CalOils, represents AAK's fourth production site in the United States. This new West Coast presence strengthens AAK's position in a very important market, and brings the company's customer co-development approach to a national level in the United States.

With geographic expansion being a key component in AAK's global AAKtion strategy, the last few years have seen several interesting and strategic greenfield projects, joint ventures and acquisitions in growth markets such as Brazil, China and India. At the same time, an expanded footprint in more mature markets such as North America, has also been an important priority.

"A strong presence on the U.S. West Coast has been an AAK priority for several years", says Terrence W. Thomas, President AAK USA. "The West Coast encompasses approx-

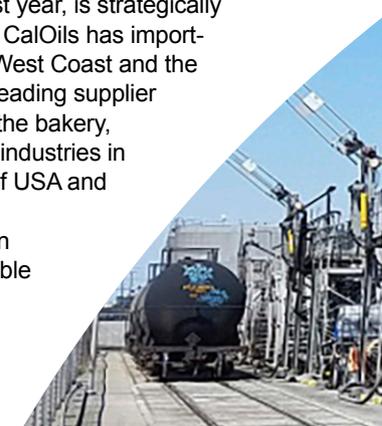
imately 20 percent of USA's population and this expansion was identified as an important component of AAK's growth strategy."

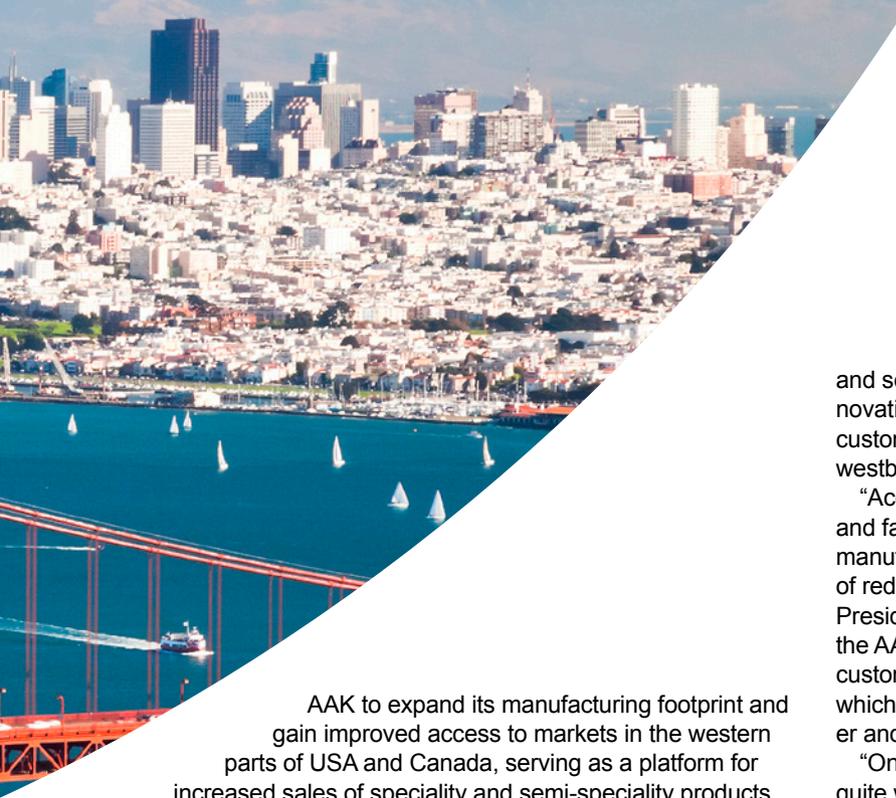
With the acquisition of CalOils AAK now has four production sites in the United States. AAK's facility in Port Newark, New Jersey was the company's first production facility in the country. In 2011, AAK acquired Golden Foods Golden Brands in Louisville, Kentucky, and one year later Oasis Foods in Hillside, New Jersey was acquired.

Strategic location

CalOils was established in the mid-1900s and the company has for many years been a vital and reliable source for high-quality vegetable oils to the region's food industry. The company operates out of Richmond, California, and its factory, with volumes of 110,000 MT last year, is strategically located in the San Francisco Bay area. CalOils has important market positions up and down the West Coast and the acquisition will transform AAK into the leading supplier of speciality and semi-speciality oils to the bakery, dairy, and chocolate and confectionery industries in California and across the West Coast of USA and Canada.

"As with the acquisition in Kentucky in 2011, the acquisition of CalOils will enable





AAK to expand its manufacturing footprint and gain improved access to markets in the western parts of USA and Canada, serving as a platform for increased sales of speciality and semi-speciality products within the segments that we serve”, says Thomas. “In the medium term it will also support AAK USA’s foodservice platform, Oasis Foods, to develop into a national supplier.”

CalOils’ product portfolio aligns well with AAK USA’s, and brings new categories such as safflower and sunflower oils to the portfolio. These new categories will enable AAK to further address growing market trends for clean label foods and more differentiated oils.

Great customer benefits

The West Coast is a hub for new, emerging and innovative companies and a presence in the area will allow AAK to partner, at an early stage, with these companies as they go from emerging to mainstream.

The acquisition is also of great importance to AAK’s and CalOils’ existing customers. CalOils has well-established customer relations in the western part of USA and many loyal customers that will be able to benefit from AAK’s speciality

and semi-speciality products and value-adding customer innovation and sales support. At the same time, AAK’s existing customers will be able to gain a lot of advantages from AAK’s westbound expansion.

“Acquiring CalOils will differentiate AAK as the only oils and fats supplier in USA and Canada to have bi-coastal manufacturing, thus offering our customers a strong measure of redundancy and risk mitigation”, says Mark Becker, Vice President of Sales & Marketing, AAK USA. “This addition to the AAK production network provides our regional and global customers the opportunity to consolidate their supplier base which in turn allows them to reduce SKUs and develop deeper and more meaningful relationships.”

“One of AAK’s long-standing customers summed it up quite well: ‘Wow, this really changes everything.’”

California Oils Corporation

- ◆ Located in Richmond, California
- ◆ AAK’s fourth production facility in the United States
- ◆ Volumes of approximately 110,000 MT (2015)
- ◆ Revenues of approximately SEK 1,350 million (2015)
- ◆ 65 employees
- ◆ Food safety standards and certifications
– AIB and RSPO certified. Products produced are Kosher and Halal





AAK in the land of the rising sun

One year ago AAK established a partnership with Miyoshi Oils & Fats Co. by forming a new company together for the Japanese market, AAK Miyoshi JP. With the partnership now fully operational AAK has further strengthened its presence in the strategically important Asian market.

Despite its relatively small size, Japan is a major economic power in the modern world, behind only the United States and China. The manufacturing industry is the backbone of Japan's economy and the country is well-known for its cutting edge technology. Japan is also a major player in the food industry sector and the country's bakery and chocolate and confectionery markets are among the largest in the world.

According to global market research company Euromonitor, retail value sales within chocolate and confectionery increased by 7 percent in 2015, reaching ¥405.0 billion (approximately USD 3.4 billion). This despite a declining Japanese population.

"With global customers and regional leaders Japan is obviously a very attractive market to be present in for AAK", says Torben Friis Lange, President AAK Asia. "Miyoshi is a very good match in size, location, technology and culture and has very well-developed relations with many important local customers. Together, we will continue to develop customer relations as well as the portfolio of speciality and semi-speciality solutions."

Many years of experience

Miyoshi Oils & Fats Co. was established in 1921 and is made up of a food division (approximately 70 percent of revenues) and a smaller chemical division. The company started its edible oils and fats business in 1941 and has since then traditionally worked towards the bakery market in which it has a very strong position.

Miyoshi Oils & Fats Co. has well-located factories in the Tokyo and Osaka harbor areas as well as customer innovation labs in the Japanese capital. Margarines, shortenings, lard, powdered fats, whipping cream, and release agents are some of the major product groups within its food division.

AAK owns 70 percent of AAK Miyoshi JP (the remaining 30 percent is owned by Miyoshi Oils & Fats Co.) and AAK Miyoshi JP has a toll manufacturing agreement with Miyoshi Oils & Fats Co. who manufacture the products locally. Based in Tokyo, AAK Miyoshi JP has functions within sales and customer innovation that focus on products for the chocolate and confectionery, bakery, dairy and infant nutrition markets.

"AAK Miyoshi JP has been fully operational since January 2016 and the partnership has considerably extended the prerequisites for AAK's business in the local market", says Peter Brazel, Representative Director for AAK Miyoshi JP. "The partnership is particularly important for our Chocolate & Confectionery Fats and Bakery segments."

Co-Development is key

As the Japanese market differs quite a lot from other Asian markets a local presence is vital in order to gain the right insights into consumer preferences. Together with customers AAK Miyoshi JP will co-develop new product ranges, optimized for Japanese applications and market experiences.

To highlight AAK's position as a global leader and provider of value-adding oil solutions for Japanese customers, many of which possess high technical knowledge of oils and fats, AAK Miyoshi JP in June organized its very first "Co-Development Day".

Special attention was given to advanced fat migration and bloom development mechanisms. Some major chocolate producers attended the event as did a number of representatives from food industry media. In addition, some top external professors were invited to the event. Their presentations underlined the pains and challenges that the chocolate industry faces today, and created many constructive discussions among the participants.

"To have a close relationship with our customers and to understand their particular challenges is critical for our co-development approach", says Peter Brazel. "This inaugural event in Tokyo was very successful and will no doubt be helpful to us when establishing AAK in the Japanese market."



AAK – The Co-Development Company

The Co-Development Company. What is really in that brand promise from AAK? In a simplified way you could say that AAK collaborates with its customers – from idea to product launch – in order to create value-adding solutions. But how does it work? *Insight* asked some of AAK’s teams around the world to share some recent successful co-development stories.



Customer Co-Development in China

Vegetable-based pizza topping

Western-style foods have become common in China and more and more cheese products, appealing to especially young consumers, appear on the market, for example pizza, cheese fondue, cheese cake, and cheese-flavored ice cream. The amount of imported cheese is growing every year, and the import volume in 2014 doubled compared to 2012 with the foodservice industry covering more than 80 percent. Processed cheese is also growing in popularity and is widely used by pizza chains. Consequently, we were contacted a year ago by two local dairy companies who both wanted to produce a vegetable-based pizza topping.

Our customer innovation team initiated the two projects with the ambition to create a fat blend adapted to Chinese

taste and mouthfeel preferences. Several prototypes were developed and tested and the samples were evaluated in close cooperation with the customers. After continuous improvements our new solution was approved by both customers and launched as Akoroma NH38. The solution, with the color, milk flavor and aftertaste of dairy fat-based cheese, was developed based on the traditional process of cheese which means no need for adjustments or changes to any of the existing steps in the production.

Li Bao

Commercial Leader Dairy and Infant Nutrition, AAK China



Customer Co-Development in Sweden

Ice cream solution to overcome multiple challenges

The Swedish AAK Sales and Customer Innovation teams have over the last few years worked intensively together with selected Swedish ice cream producers to help them overcome some of the biggest challenges in ice cream production. Despite its chilly climate Sweden is one of the countries in the world that consume most ice cream per capita.

Traditionally, coconut oil has been the most commonly used fat base in ice cream. However, the heavily fluctuating coconut prices and an increased demand for coconut oil in food applications resulting in higher world market prices have created a desire for an alternative solution. The ever-present health trend combined with today’s mandatory labeling of fat quality on foods have also created a willingness to improve the nutritional profile of ice cream.

But when changing ingredients, it is crucial to maintain the ice cream’s good taste, melting behavior and color. To overcome these challenges, application specialists at AAK have developed the Akomix concept. Akomix LS40 has been introduced to the Swedish ice cream producers as a possibility

to reduce the cost of ingredients with more than 20 percent compared to coconut oil while at the same time improving the nutritional profile and maintaining the performance of the finished product. Akomix LS40 has also enabled an easier forecasting as the blend isn’t solely relying on one small raw material source and hence shows significantly less price fluctuations.

To ensure maintained functionality and taste and a smooth transition, AAK has offered extensive technical support during implementation, working closely with the customer’s production to advice on process adjustments and to make sure the resulting ice cream meets quality expectations. The outcome has been an ice cream with excellent taste and functionality and with a healthier nutritional profile, paired with a lower cost base and easier forecasting.

Ted Fyke

Regional Sales Director, Nordic & Baltics



Customer Co-Development in the United Kingdom

Butter alternatives within pastry and brioche production

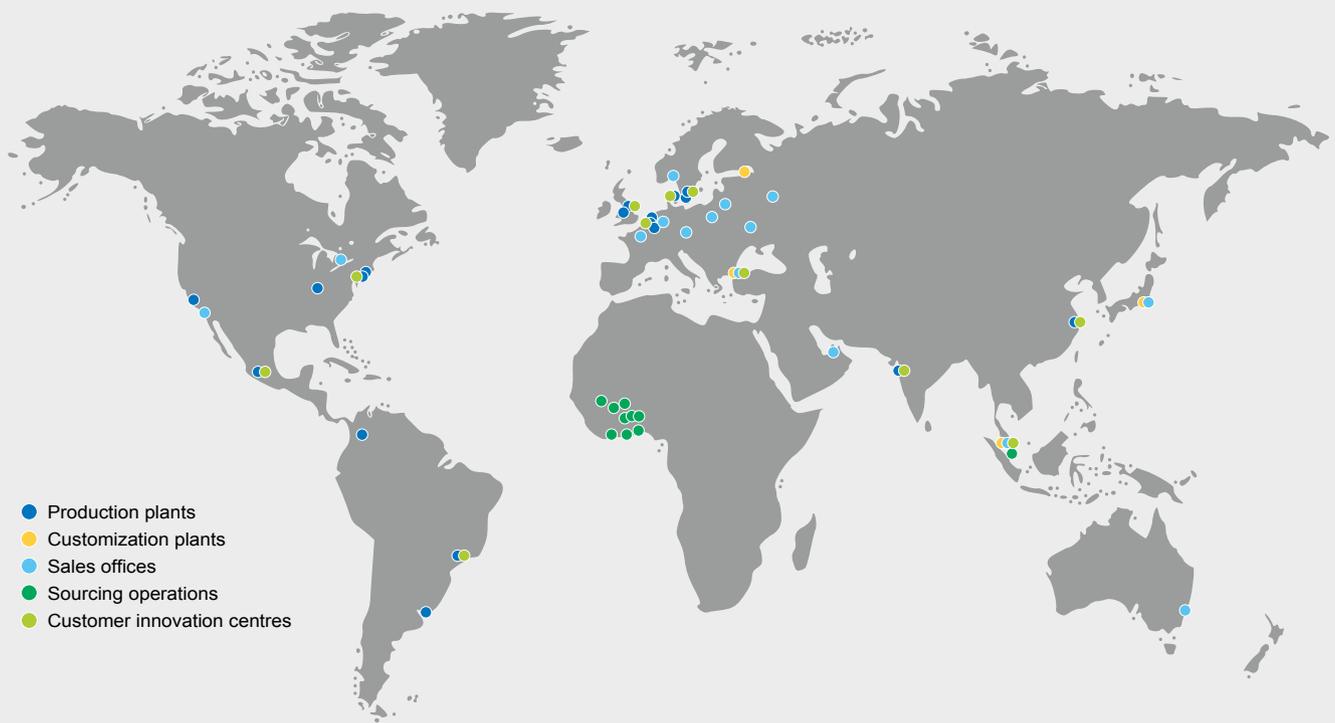
With an increasingly volatile butter market, and a growing demand from retailers for healthier products, manufacturers are looking for ways to stabilize ingredient costs and improve nutritional profiles. As they, of course, are unwilling to compromise on taste, texture, quality, appearance and shelf life, AAK's Customer Innovation team in the UK have been working with several baking customers to formulate butter alternatives.

One close collaboration was with a leading manufacturer of pies and pastries. As butter prices had increased dramatically, this specific customer was seeking cost savings without compromising on the products' buttery taste and texture. Our Customer Innovation Manager worked out different options which were trialed at the customer's site. After some iterations a matching formulation was identified and the switch was performed. Now, our butter replacer is being used in the company's new ready-to-roll pastry, resulting in a pastry with a buttery taste and texture, but with increased convenience and dramatic cost savings.

Following an innovation day held for a British bakery, our team raced against the clock to supply a pumpable butter alternative for use in a new brioche recipe. It had to deliver a healthier profile, an exceptional ease of use optimized for the baker's process systems, and significant savings – all in the space of less than four weeks. Our Customer Innovation Manager had to react quickly and prepare a couple of prototypes based on some existing solution – which worked out as planned during trials. Next step was to present the alternatives for the bakery and luckily they could find a close enough match enabling a solution within less than four weeks.

*Tracey Moss
Technical Sales Manager, AAK UK*

*Jill Ellis
Customer Innovation Manager, AAK UK*



The first choice for value-adding vegetable oil solutions

We develop and provide value-adding vegetable oil solutions in close collaboration with our customers, enabling them to achieve long lasting business results.

We do so through our in-depth expertise in oils & fats within food applications, working with a wide range of raw materials and broad process capabilities.

Through our unique co-development approach we bring together our customers' skills and know-how with our capabilities and mindset. By doing so, we solve customer specific needs across many industries – Chocolate & Confectionery, Bakery, Dairy, Infant Nutrition, Foodservice, Personal Care, and more.

AAK's proven expertise is based on more than 140 years of experience within oils & fats. With our headquarters in Malmö, Sweden, 20 production facilities and customization plants, and sales offices in more than 25 countries, our more than 2,800 employees are dedicated to providing innovative value-adding solutions to our customers.

So no matter where you are in the world, we are ready to help you achieve long lasting results.



Explore more at
www.aak.com

We are AAK – The Co-Development Company.

