



PRESS RELEASE 9 February 2017

Notice of 2017 Annual General Meeting of Axfood Aktiebolag

The shareholders of Axfood Aktiebolag (publ), reg. no. 556542-0824, are hereby invited to attend the Annual General Meeting (AGM) to be held at 5 p.m. on Wednesday, 15 March 2017. Location: Stockholm City Conference Centre, Folkets Hus, Barnhusgatan 12-14, Stockholm. Registration for the AGM will open at 4 p.m.

Registration and notification

Shareholders who wish to participate in the proceedings of the Annual General Meeting must

- be registered as shareholders in the register of shareholders maintained by Euroclear Sweden AB as per Thursday, 9 March 2017, and
- notify the Company of their intention to attend the Meeting not later than Thursday, 9 March 2017. Notification may be made via the Company's website: www.axfood.se. Notification may also be made in writing to Axfood Aktiebolag, c/o Euroclear Sweden AB, Box 7841, SE-103 98 Stockholm, Sweden, or by phone at +46-8-402 90 51. Notification must include the shareholder's name and personal identity number or corporate identity number, address, phone number, and the number of any assistants accompanying the shareholder to the Meeting.

Nominee-registered shares

Shareholders whose shares are registered in the name of a nominee through a bank or other nominee must, in order to be allowed to attend the AGM, request to have their shares temporarily registered in their own names in the register of shareholders by Thursday, 9 March 2017. Shareholders should inform their respective nominees of such request well in advance of this date.

Proxies and authorization documents

Shareholders who are represented by proxy must issue a power of attorney for their proxy. If the power of attorney has been issued by a legal entity, copies of authorization documents for the legal entity, which show authorization to grant power of attorney (certificate of registration or similar), must be attached. A representative of a legal entity must also present the corresponding authorization documents. To facilitate registration at the Annual General Meeting, the power of attorney, in original, and any authorization documents should be sent well in advance of the Annual General Meeting to the following address: Axfood Aktiebolag, c/o Euroclear Sweden AB, Box 7841, SE-103 98 Stockholm, Sweden. Proxy forms can be downloaded from Axfood's website: www.axfood.se.

Proposed agenda

1. Election of a chairman to preside over the Annual General Meeting
2. Drawing-up and approval of the voting list
3. Approval of the agenda
4. Election of one or two persons to check the minutes
5. Resolution as to whether the Annual General Meeting has been duly convened
6. Presentation of the annual report and auditor's report, of the consolidated accounts and auditor's report for the Group for 2016, and of the auditor's statement on whether the guidelines for executive compensation have been adhered to as well as the auditor's report on the audit work during 2016
7. CEO's address and questions from the shareholders
8. Resolution concerning adoption of the income statement and balance sheet, and the consolidated income statement and consolidated balance sheet for 2016
9. Resolution on discharge of the directors and president from liability
10. Resolution concerning disposition of the Company's profit in accordance with the adopted balance sheet and the record date for payment of the dividend
11. Report on the Nominating Committee's recommendations



12. Determination of the number of directors and deputy directors to be elected by the Annual General Meeting
13. Determination of directors' fees and auditor's fees
14. Election of the Chairman of the Board, other directors, and deputy directors where applicable
15. Resolution on guidelines for appointment of the Nominating Committee, etc.
16. Resolution on guidelines for compensation of senior executives
17. Resolution on (a) a long-term share-based incentive programme and (b) authorizing the Board to decide on purchases of own shares and transfers of treasury shares
18. Resolution on employee purchases of shares in subsidiaries
19. Conclusion of the Annual General Meeting

Proposals from the Board of Directors and the Company's nominating committee

Point 1 – AGM chairman

The Nominating Committee proposes Mia Brunell Livfors to serve as chairman to preside over the Annual General Meeting.

With respect to Axfood's nominating committee ahead of the 2017 Annual General Meeting, it was appointed in accordance with the guidelines that were decided on at the 2016 Annual General Meeting. The members of the Nominating Committee are Caroline Berg (Axel Johnson Aktiebolag), Tomas Risbecker (AMF Försäkring & funds), Åsa Nisell (Swedbank Robur funds), Johan Strandberg (SEB funds) and Jonas Hillhammar (Axfood's Shareholder Association). Caroline Berg has been appointed to serve as chair of the Nominating Committee.

Point 10 – Profit distribution and record date

The Board of Directors proposes a dividend of SEK 6 per share, and that the record date for entitlement to the dividend shall be 17 March 2017. Given the proposed record date, dividends are expected to be paid out via Euroclear Sweden AB on Wednesday, 22 March 2017. The last day for trading in the Company's stock including the right to the dividend is Wednesday, 15 March 2017.

Points 12-14 – Number of directors, fees, election of the Chairman of the Board and other directors

The Nominating Committee proposes the following:

Point 12 Seven AGM-elected directors and no deputies

Point 13 Directors' fees totalling SEK 3,225,000 for non-executive AGM-elected directors, of which SEK 675,000 payable to the Chairman (unchanged), SEK 500,000 to the Vice Chairman (unchanged), and SEK 410,000 to each of the other directors (previously 400,000), and no fees for committee work

Auditor's fee payable in accordance with approved invoice

Point 14 Re-election of directors Antonia Ax:son Johnson, Fabian Bengtsson, Caroline Berg, Mia Brunell Livfors, Ann Carlsson and Lars Olofsson

New election of Christer Åberg as a director

Christer Åberg (b. 1966) has served as CEO of Hilding Anders International AB (2015-2016) and prior to that of Orkla Confectionery & Snacks Sverige AB (2013-2015), Arla Foods AB (2009-2013) and Atria Scandinavia AB (2006-2009). He has also served in various positions for Unilever. Christer Åberg is currently a director on the board of Mekonomen Aktiebolag

Re-election of Mia Brunell Livfors as Chairman of the Board

Point 15 – Guidelines for appointment of the Nominating Committee, etc.

The Nominating Committee proposes that the Annual General Meeting adopt the following guidelines for appointment of the Nominating Committee, etc. The proposal corresponds to the guidelines adopted by the 2016 Annual General Meeting.

The shareholder who, based on ownership statistics compiled by Euroclear Sweden AB as per the last business day in August 2017, owns the most shares and votes in the Company shall, after consulting with the three next largest shareholders, appoint a nominating committee consisting of five persons. The Nominating Committee's composition shall be publicly announced not later than in connection with publication of the third quarter interim report for 2017.



The Nominating Committee is tasked with submitting recommendations for the following matters ahead of the Annual General Meeting:

- The number of directors and deputy directors, and where applicable, auditors and deputy auditors
- Directors' and auditor's fees, and any special fees for committee work
- Directors and, where applicable, auditors
- Chairman of the Board
- A chairman to preside over the Annual General Meeting
- Guidelines for appointment of the Nominating Committee, etc.

The Nominating Committee appoints a committee chair from among its members. The Nominating Committee's mandate period applies until a new nominating committee has been appointed. If a member of the Nominating Committee leaves the Committee before its work has been completed, or if a significant change takes place in the ownership structure after the Nominating Committee has been constituted, a replacement shall be appointed through such a procedure in which the departing member was appointed. Changes in the Nominating Committee's composition shall be publicly announced on the Company's website. The Nominating Committee's recommendations shall be publicly announced in conjunction with publication of the Notice of the Annual General Meeting

In connection with its assignment in general, the Nominating Committee shall fulfil the duties which, according to the Swedish Corporate Governance Code, are incumbent upon the Company's Nominating Committee, and at the request of the Committee, the Company shall provide personnel resources, such as a secretarial function for the Committee, to assist the Committee's work. Where needed, the Company shall also bear reasonable costs for external consultants who are deemed by the Committee to be necessary for the Committee to fulfil its assignment

Point 16 – Guidelines for compensation of senior executives

The Board proposes that the Annual General meeting approve the guidelines described below for compensation of senior executives of Axfood.

The proposal ahead of the 2017 Annual General Meeting is in accordance with the guidelines that were approved by the 2016 Annual General Meeting, with the adjustment that it shall be possible to pay long-term variable compensation through participation in long-term share-based incentive programmes instead of through long-term variable cash compensation.

The guidelines shall apply for compensation of the President and other members of Axfood's Executive Committee. The Executive Committee currently consists of ten persons.

Compensation of the President is set by the Board of Directors, and compensation of the other members of the Executive Committee is set by Axfood's Compensation Committee.

Guidelines for compensation

Axfood shall offer compensation in line with the going rate in the market and that is based on factors such as the importance of the individuals' work duties as well as their competence, experience and performance, and the compensation may consist of the following components: fixed base salary, short-term variable compensation, long-term variable compensation, pension, other benefits, and severance terms.

Fixed base salary

The members of the Executive Committee shall be paid an attractive, cash base salary compared with the going rate in the market. Base salary constitutes compensation for a committed work contribution at a high professional level that creates value-added for Axfood's customers, owners and employees.

Variable compensation

Short-term variable compensation shall be based on the achievement of Axfood's targets for earnings and sales growth, and of personal goals for the financial year.

Short-term variable compensation shall amount to a maximum of 60% of the base salary paid out during the year for the President and 50%-55% of the base salary paid out during the year for the other members of the Executive Committee.

In 2017 the combined short-term variable compensation for the current members of the Executive Committee can amount to a maximum of approximately SEK 16.3 m. In the event the Executive Committee increases in number, the



level of variable salary may exceed this amount. The right to variable salary is forfeited in the event an executive gives notice prior to payment.

It shall be possible for an executive to receive long-term variable compensation through participation in long-term share-based incentive programmes (LTIP) decided on by the Annual General Meeting. An LTIP shall be structured for the purpose of aligning the shareholders' and participants' interests and thereby ensure maximum long-term value creation for Axfood. Participation in an LTIP requires a personal shareholding in Axfood. A grant of shares to the participant in an LTIP requires that the participant continues to be employed in the Axfood Group, that the participant's shareholding in Axfood remains, and that certain performance targets are met.

The Board of Directors has proposed that the 2017 Annual General Meeting resolve in favour of a long-term share-based incentive programme (LTIP 2017). Further information about LTIP 2017 is provided in point 17 of the agenda.

Pension

The members of the Executive Committee have pension solutions that are customary, competitive and entered into at market terms. The pension solutions are secured through premium payments to insurance companies. The pension solution for one member of the Executive Committee is secured through provisions on the balance sheet corresponding to 35% of the annual base salary and through credit insurance with PRI Pensionsgaranti. Axfood applies a retirement age of 65 for all members of the Executive Committee.

Other benefits

The members of Axfood's Executive Committee receive – in addition to liability insurance – customary benefits for persons in corresponding positions, such as a company car benefit and health insurance, and in certain cases also a travel benefit and housing benefit.

Notice period and severance terms

In cases where the Company serves notice, a notice period of a maximum of 12 months is applied. In addition, severance pay may be payable for a maximum of 12 months. For the President and all other members of the Executive Committee, deduction shall be made for other earned income during the time termination pay or severance pay is received. A notice period of six months applies in the event an executive gives notice.

Information on previously decided compensation

Previous Annual General Meetings have adopted guidelines for compensation of members of the Executive Committee for the time extending up until the 2017 Annual General Meeting. In addition to base salary, variable salary was to be payable that was tied to Axfood's targets for earnings and sales growth and for the achievement of personal goals. In accordance with the adopted principles, a certain portion of this variable compensation has been withheld until the 2017 Annual General Meeting. However, the amounts have been expensed in the respective financial years. Withheld variable compensation for previous years will be paid out after the 2017 Annual General Meeting.

Departures from the guidelines

The Board may depart from these guidelines if there are special reasons for doing so in an individual case.

The guidelines adopted by the 2016 Annual General Meeting have been adhered to.

Point 17 – Long-term share-based incentive programme (LTIP 2017)

The Board of Directors proposes that the Annual General Meeting resolve to establish a long-term share-based incentive programme (LTIP 2017) for Axfood Aktiebolag (publ) and to authorize the Board to decide on purchases of own shares, and that the Annual General Meeting decide on transfers of treasury shares in accordance with points (a) and (b) below.

(a) Long-term share-based incentive programme

Participants in LTIP 2017

LTIP includes approximately 70 employees in Axfood's Executive Committee, members of the management teams of Axfood's subsidiaries, and certain other persons in management functions, broken down into three categories. The first category includes Axfood's President ("Category 1"), the second category includes members of Axfood's Executive Committee excluding the President (nine persons) ("Category 2"), and the third category includes members of the management teams of Axfood's subsidiaries and certain other persons in management functions (approximately 60 persons) ("Category 3"). Additional persons who have not begun their employment in the Axfood Group when the deadline to apply for participation in the programme has passed may be invited to participate provided that their employment began not later than 31 December 2017 (whereby the number of persons in the various categories may be adjusted).



Personal investment and vesting period

Participation in LTIP 2017 requires that the participant has a personal shareholding in Axfood that is allocated to LTIP 2017 ("Savings Shares"). Savings Shares can either be purchased for LTIP 2017 or be held since previously. Participation in LTIP 2017 can take place with a maximum of 4,700 Savings Shares (Category 1), 850 Savings Shares (Category 2), or 250 Savings Shares (Category 3). For all categories, each Savings Share entitles its owner to one matching share right ("Matching Share Right") and six performance share rights ("Performance Share Rights"), jointly referred to as "Share Rights". If a participant is in possession of inside information and is therefore prevented from purchasing shares in Axfood prior to applying to participate in LTIP 2017, purchases of shares shall be made as soon as possible, but not later than 31 December 2017. Any grants of shares in Axfood will normally be made within two weeks after publication of Axfood's interim report for the period 1 January–31 March 2020 ("the Vesting Period", which commences when the participant accepts an invitation to participate in the programme).

Conditions for Share Rights

The following conditions apply for the Share Rights:

- Share Rights will be granted free of charge a certain time after the Annual General Meeting.
- Share Rights cannot be transferred or pledged.
- A precondition for the right to receive share grants supported by Share Rights is that the participant has not sold any of his or her Savings Shares and, with certain limited exceptions, that the participant remains employed in the Axfood Group during the Vesting Period. Further, a grant requires that certain performance-related targets are achieved by Axfood in the manner described under the heading "Performance targets" below.
- To put the participants' interests on equal footing with the shareholders' interests, Axfood will compensate participants for profit distributions to the shareholders by increasing the number of shares that each Share Right carries entitlement to.
- The maximum value (including any compensation that the participants receive for paid shareholder dividends) that a participant can receive per Share Right is limited to SEK 573, which corresponds to 400% of the closing price of Axfood shares on 30 December 2016 (SEK 143.20). If the value of Axfood's shares, at the time of grant, exceeds the maximum value, the number of shares that each Share Right carries entitlement to will be decreased to a corresponding degree.

Performance targets

The Share Rights are broken down into Series A (pertains to Matching Share Rights), Series B, and Series C (pertains to Performance Share Rights). Of the six Performance Share Rights that the participant receives for each Savings Share, four Performance Share Rights shall be in Series B and two in Series C. The number of Share Rights that carry entitlement to grants of shares depends on the achievement of the performance conditions that apply for the respective series during the financial years 2017–2019 ("the Measurement Period"), as follows:

Series A Grant requires that the TSR during the Measurement Period exceeds 0%.

Series B The maximum level, which carries entitlement to a full grant, is that the Axfood Group's total average sales growth is more than 2 percentage points higher than HUI Research and SCB's Retail Trade Index, Food Retail Trade, Retail Trade with Broad Assortment, Mostly Groceries ("Average Market Growth") (*Detaljhandelsindex, Dagligvaruhandel, Detaljhandel med brett sortiment, mest livsmedel* ("Genomsnittlig Marknadstillväxt")) during the Measurement Period. The minimum level for a grant is that the Axfood Group's total average sales growth is level with the Average Market Growth during the Measurement Period. If the Axfood Group's total average sales growth is equal to or less than the maximum level of 2 percentage points higher than the Average Market Growth during the Measurement Period, but exceeds the minimum level of average sales growth that is level with the Average Market Growth during the Measurement Period, the grant shall be made on a linear basis according to the value there between. Further, a grant within the framework of Series B requires that the EBIT margin exceeds 3.5% on average during the Measurement Period.

Series C The maximum level, which carries entitlement to a full grant, is a TSR that exceeds the accumulated share price growth for the SIX Return Index by 10 percentage points or more during the Measurement Period. The minimum level for a grant is a TSR that exceeds the accumulated share price growth for the SIX Return Index during the Measurement Period. If Axfood's TSR is less than 10 percentage points higher than the accumulated share price growth for the SIX Return Index during the Measurement Period, but is higher than the minimum level of a TSR that is higher than the accumulated share price growth for the SIX Return Index during the Measurement Period, the grant shall be made on a linear basis according to the values there between.

Scope, hedge measures and costs

The maximum number of shares in Axfood that can be granted under LTIP 2017 shall be limited to 200,000, which corresponds to approximately 0.1% of the total number of shares and votes in the Company. Based on the more detailed



conditions that the Board decides on, the number of shares covered by LTIP 2017 shall be subject to recalculation in the event Axfood carries out a bonus issue, share split or reverse split, preferential issue for similar measure, while observing customary practice for corresponding incentive programmes. The Board has considered two alternative hedge measures for LTIP 2017 – either a hedge arrangement (equity swap) with a bank to ensure delivery of shares under the programme, or a transfer of shares in Axfood to entitled participants in LTIP 2017. The Board is of the opinion that the latter alternative is the main alternative. The Board has therefore proposed that the Annual General Meeting resolve to authorize the Board to decide on purchases of own shares and transfers of shares in Axfood held by the Company in accordance with point (b) below. Should the Annual General Meeting not approve the Board's proposal according to point (b) below, the Board intends to enter into the above-mentioned hedge arrangement with a bank to ensure the Company's obligation to deliver shares in accordance with the programme.

Assuming participation in the programme by all persons who have been invited to participate, that these make the maximum investment, 100% achievement of the performance targets, and estimations on personnel turnover, the total estimated value of the Share Rights is approximately SEK 21.7 m. This value corresponds to approximately 0.07% of Axfood's market capitalization on 26 January 2017. Based on the assumptions above, it is estimated that the total cost for LTIP 2017 including social security costs will be approximately SEK 31.4 m, which on a yearly basis corresponds to approximately 0.2% of Axfood's total personnel costs during the 2016 financial year.

(b) Authorization for the board of directors to decide on purchases of own shares and proposal for decision on transfers of treasury shares

The Board's proposal for decision to authorize the Board of Directors to decide on purchases of own shares, and proposal for decision on transfers of treasury shares in accordance with the description below, are conditional upon the Annual General Meeting first voting in favour of LTIP 2017 in accordance with point (a) above.

Purchase of own shares

The Board of Directors proposes that the Annual General Meeting resolve to authorize the Board to, on one or more occasions during the period up until the next Annual General Meeting, decide on purchases of own shares in accordance with the following:

- Purchases may be made of a maximum of 200,000 shares.
- Purchases of shares shall be made on Nasdaq Stockholm and at a price per share that is within the registered price interval at any given time (the spread), i.e., the interval between the highest buying price and the lowest selling price and in observance of the rules that apply at any given time in Nasdaq Stockholm's Rule Book for Issuers. However, for purchases that are made by a brokerage under assignment by the Company, the price of the shares may correspond to a volume-weighted average price during the period of time during which the shares were purchased, even if the volume-weighted average price on the day the shares were relinquished to the Company is outside of the price interval.
- Payment for the shares shall be made in cash.
- Purchases may be made for the purpose of securing the Company's obligations arising out of LTIP 2017 and any other share-based incentive programmes that may exist at any given time pursuant to a resolution by a general meeting of shareholders.

Transfers of treasury shares to participants in LTIP 2017

The Board of Directors proposes that the Annual General Meeting resolve to transfer shares in the Company as follows:

- A maximum of 200,000 shares in Axfood may be transferred (or such higher number of shares that may follow from a recalculation resulting from a bonus issue, split, preferential issue or similar measure).
- The shares may be transferred to participants in LTIP 2017 who, according to the terms for LTIP 2017, are entitled to receive shares.
- Transfers of shares shall be made at the point in time and in accordance with the other conditions that the participants of LTIP 2017 are entitled to receive grants of shares.

The reasons for the deviation from the shareholders' pre-emption rights is that the transfer of shares is part of the execution of LTIP 2017. The Board of Directors therefore is of the opinion that it is beneficial to the Company to transfer shares in accordance with the proposal.

Point 18 – Employee purchases of shares in subsidiaries

The Board proposes that the Annual General Meeting resolve to adopt the following proposal concerning the opportunity for employees to purchase shares in subsidiaries.

Purpose and background

The Axfood Group operates 263 grocery stores in Sweden, of which 67 are Hemköp stores in the wholly owned subsidiary Hemköpskedjan AB. In addition to these are 118 Hemköp stores that are run by independent franchisees. The franchise concept has a central role in the Axfood Group's business. It is therefore important that the Axfood



Group's franchisees have a high level of personal involvement in running their businesses efficiently and profitably in well managed stores. In this way, the franchisees' interests are aligned with the Axfood Group's interest in strengthening the Group's brands in the food retail market. It is also important that franchisees are persons who are judged to be capable of running the business in accordance with the Axfood Group's business concept. If the Axfood Group is given the right to designate employees at existing Hemköp stores as future franchisees, favourable conditions are created for the Axfood Group to achieve these objectives. At the same time, this promotes long-term value creation and profit growth in the Axfood Group in that the Group can attract, retain and motivate suitable store managers, and develop and defend key store locations.

Proposal

Against this background, the Board proposes that the Annual General Meeting resolve that employees of the Axfood Group be given the opportunity to purchase shares in store companies in Hemköpskedjan. The persons who shall have the right to purchase shares are store managers (presidents) of store companies that are run and/or established within Hemköpskedjan.

The proposal covers a maximum of ten Hemköp stores with estimated, combined annual sales of approximately SEK 500-600 m. By comparison, the Axfood Group had sales of SEK 43 bn in 2016.

The proposal entails that Hemköpskedjan AB initially transfers the operations of a pertinent store to a newly formed and wholly owned stock company (i.e., incorporates the business). The store manager of one of the above-mentioned ten Hemköp stores thereafter, as a first step, purchases a maximum of nine per cent (9%) of the shares in the store company, plus an irrevocable call option (step 1). The call option gives the store manager the right, but not an obligation, within a certain period of time – not to exceed five years – to purchase the rest of the shares in the store company, except for one (1) share to be retained by the Axfood Group. Exercise of the option to purchase the rest of the shares (step 2) requires that the store manager, during this time, has acted in accordance with the corresponding requirements that apply for Hemköpskedjan's franchise concept.

The share purchases shall be made at fair market value. Payment shall be made in cash. Step 1 shall be carried out before the 2018 Annual General Meeting of Axfood Aktiebolag (publ).

Fairness Opinion

The Board has obtained a Fairness Opinion from Öhrlings PricewaterhouseCoopers AB (PwC) on the fairness of the Board's proposal concerning the opportunity for employees to purchase shares in subsidiaries from a financial standpoint. PwC's opinion is that the method that Axfood uses to estimate the fair market value of shares and options is compatible with generally accepted valuation methodologies, that the calculations have been performed in a correct manner, and that the assumptions made are reasonable based on the current terms and a market-based perspective.

Other

The proposed resolution has been drafted by the Board in its entirety. The Board believes that only administrative costs (pertaining to the Fairness Opinion and continuing consulting) will arise for the Axfood Group in connection with the programme.

The 2016 Annual General Meeting voted in favour of a corresponding resolution to transfer shares to employees of subsidiaries. Up until the date of this AGM notice, one transfer has been carried out, whereby a store manager purchased shares in his store company, and the intention ahead of the 2017 AGM is to carry out an additional four transfers in accordance with the terms of the 2016 resolution.

If this proposal is adopted by the Annual General Meeting, it is the Board's intention to return with similar proposals at future Annual General Meetings of the Company.

Majority rules

A resolution by the Annual General Meeting in accordance with point 17 (b) and point 18 requires that it has the support of shareholders representing at least nine-tenths of the number of votes and shares represented at the Annual General Meeting.

Shares and votes

On the day this notice was issued, the Company had a total of 209,870,712 shares in issue with one vote each. The Company does not hold any treasury shares.



Documents

The Nominating Committee's complete proposals with respect to points 1 and points 12-15, and the Board's complete proposals with respect to points 10, 16 and 18, are presented above. The Board's complete proposal with respect to point 17, the auditor's statement pursuant to Ch. 8 § 54 of the Swedish Companies Act on application of guidelines for compensation of senior executives, the Fairness Opinion regarding point 18, and the Nominating Committee's reasoned statement regarding its recommendation for the Board of Directors, and information about the proposed directors, etc., are available on Axfood's website, www.axfood.se, and from the Company at Norra Stationsgatan 80 C, Stockholm.

Accounting documents and the auditor's report as well as the Board's statement pursuant to Ch. 18 § 4 of the Swedish Companies Act with respect to profit distribution and pursuant to Ch. 19 § 22 of the Swedish Companies Act with respect to authorizing purchases of own shares will be available on Axfood's website and from the Company (at the addresses above) starting on 22 February 2017.

Documents will be sent upon request to shareholders who provide their postal address. Documents can be requested by phone, +46-8-402 90 51, or by post: Axfood Aktiebolag, c/o Euroclear Sweden AB, Box 7841, SE-103 98 Stockholm, Sweden. As a service to the shareholders, this notice will be sent to all shareholders (at the address registered in the shareholder register) in conjunction with its publication. A printed version of the Annual Report will be sent to shareholders who specifically request such approximately one week before the Annual General Meeting.

Information on shareholders' right to request disclosures at the Annual General Meeting

The Board of Directors and President shall, if requested by any shareholder and if the Board is of the opinion that it can be done without causing material harm to the Company, provide disclosures about conditions that may impact assessment of an item of business on the agenda, about conditions that may impact assessment of the Company's or a subsidiary's financial situation, and about the Company's relationship with another Group company.

Stockholm, February 2017

Axfood Aktiebolag (publ)

The Board of Directors

For further information:

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This press release was submitted for publication at 14:00 (CET) on 9 February 2017.