

AAK statement on Modern Slavery Act

This statement is made pursuant to section 54(1) of the United Kingdom Modern Slavery Act 2015 and describes the initiatives AAK has taken to ensure that slavery and other human abuse is not taking place in any part of the company's business.

AAK background

AAK's core business is the production of plant-based oils and fats solutions to industries such as Bakery, Chocolate & Confectionery, Dairy, Foodservice, Special Nutrition, and Personal Care.

AAK has more than 150 years of experience within oils & fats, produced from raw materials such as rapeseed, soya beans, shea kernels, sunflowers, and oil palms, primarily sourced in Northern Europe, West Africa, Southeast Asia, and Latin America.

AAK's headquarters is situated in Malmö, Sweden, and the company's more than 4,000 employees are working in production facilities, customization plants, and sales offices in more than 25 countries across the world.

AAK has since 2009 annually published a Sustainability Report, documenting its achievements within corporate social responsibility. The latest report can be found here: <https://www.aak.com/sustainability/sustainability-reports/>

United Nations Global Compact (UNGC)

AAK has been an active member of UNGC since 2003, submitting reports on progress annually. The reports are available at the UN Global Compact website. Our global policies and codes are based on the ten universally accepted principles in the areas of human and labor rights, environment, and anti-corruption.

AAK Group Code of Conduct

Our commitments are defined in our Group Code of Conduct (the Code).

AAK is committed to adhering to and upholding the UN Global Compact's ten principles, the OECD Guidelines for Multinational Enterprises, the ILO Declaration on

Fundamental Principles and Rights at Work, and the ILO core conventions. Combined with our values (called Better Behaviors), our policies and our rules for corporate governance, the Code provides a strong framework for our business and a way to maintain the trust of our stakeholders. The Code is applicable to all employees at all sites, in all business areas, in all markets, at all times. Amongst others, it covers human and labor rights. All AAK employees have to read, understand and sign our Code.

The AAK Group Code of Conduct can be found here: <https://www.aak.com/sustainability/policies-codes-and-statements/>

Sedex

AAK has chosen to use the Sedex platform to share ethical data with customers. Currently, 86 percent of our production sites are members of Sedex and have passed the ethical audit SMETA.

AAK Group Supplier Code of Conduct

Introduced in 2009, the AAK Supplier Code of Conduct has been implemented with direct raw material suppliers. During 2018, AAK adopted its Code of Conduct for Suppliers of Raw Materials, stipulating additional requirements for individual raw materials. The Code is an integral part of the approval system of new raw material suppliers, and compliance with the Code is a prerequisite for final approval.

In West Africa, the Code has been implemented in a different way due to various linguistic and cultural challenges. Because ethical requirements in business relations are not a widespread tradition in the region, more meetings and explanations are needed to achieve the necessary understanding.

Our Supplier Code of Conduct and our Code of Conduct for Suppliers of Raw Materials stipulate our requirements, amongst others, to human rights, child labor, young workers, working hours, remuneration, working environment, freedom of association, forced labor, discrimination, and workplace violence. These codes can be found here: <https://www.aak.com/sustainability/policies-codes-and-statements/>

Palm oil supply chain

For our palm oil supply chain, we have established additional requirements such as traceability to palm oil mills and plantation level. Besides our general requirements to human and labor rights, an additional requirement is free, prior, and informed consent (FPIC) for the development of any new plantation. Our AAK Group Policy Sustainable Palm Oil, signed by all palm oil suppliers, can be found here: <https://www.aak.com/sustainability/policies-codes-and-statements/>

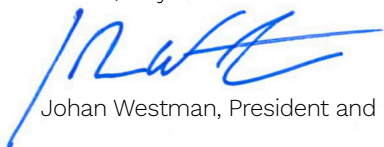
Audits

Risk assessment is required in order to allow us to prioritize our efforts, by identifying those origins where there is any significant risk of policy non-compliance and by focusing greater scrutiny on higher-risk suppliers, including field-based verification. We conduct audits of our suppliers and their supply chains also with external third-party auditors such as DNV and Proforest.

If AAK becomes aware of a supplier violating or breaching our Supplier Code of Conduct or other relevant requirements, we will take appropriate action to investigate the issue and seek to work with the supplier to resolve it. If no adequate resolution can be found, AAK will terminate commercial relations with the supplier.

Yours faithfully,
AAK AB (publ.)

Malmö, May 2022



Johan Westman, President and CEO

Agents and Distributors

In 2014, AAK began implementing a Code of Conduct for Agents and Distributors globally. In 2021, we achieved 95 percent implementation. The AAK Group Code of Conduct for Agents and Distributors can be found here: <https://www.aak.com/sustainability/policies-codes-and-statements/>

The AAK whistleblowing service

AAK's whistleblowing service is a third-party service available to both AAK employees and other stakeholders. It provides individuals with the ability to anonymously report on suspicions of misconduct regarding legal requirements or material violations against our Code of Conduct. The whistleblowing service is an external platform, available to all via our Group Code of Conduct and our intranet. As necessary confidentiality and anonymity are assured, anyone can report incidents without fear of reprisals.

Training of AAK employees

During 2021, AAK continued its comprehensive e-learning program addressing topics like sustainability, responsible sourcing, anti-corruption, and competition law.

Final remarks

Until now, AAK has not encountered incidents of human trafficking, child labor or forced labor in our facilities, at our suppliers, or in our supply chain. However, we will continue to be vigilant, commit to ongoing monitoring, and proceed to build up awareness, internally and externally.