

AAK 2024 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 is taking to ensure that slavery and other human abuse is not taking place in any part of the company's business.

AAK background

AAK specializes in plant-based oils and fats, the value-adding ingredients in many products people love to consume. We make these products better tasting, more nutritious, cost-efficient, and sustainable. We are listed on Nasdaq Stockholm, with headquarters in Malmö, Sweden, and the company's more than 4,000 employees are working in production plants, customer innovation centres, and sales offices in more than 25 countries across the world.

At the heart of AAK's offer is customer co-development, combining our desire to understand what Making Better Happen™ means for each customer with the unique flexibility of our production assets and deep knowledge of products and industries we co-develop with. We co-develop with our customers for: better performance, better health, better experience, better planet and better futures in: Chocolate & Confectionery Fats, Bakery, Dairy, Plant-based & New food solutions, Special Nutrition & Health, Foodservice, Personal Care, Technical Products, Feed, Natural Emulsifiers, Fish Feed.

AAK key raw materials are: palm oil, rapeseed oil, palm kernel oil, coconut oil, soybean oil, shea kernels and sunflower oil, primarily sourced in Northern Europe, Southeast Asia, Latin America and West Africa.

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/>

AAK Group Code of Conduct

Our commitments are defined in our AAK Group Code of Conduct (the Code). AAK is committed to adhering to, and upholding, the ten UN Global Compact principles, the International Bill of Human Rights, the ILO core conventions and by doing so be guided by the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. Combined with our values (called Better Behaviours), 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 applies to us as a company, and to each and every AAK employee. Amongst others, it covers human and labor rights. All AAK employees must 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/>

Human Rights Policy

In 2024 after conducting a Double Materiality Assessment and human rights risk and impact assessments, we decided to develop a Human Rights policy. The Human Rights Policy outlines AAK's commitment to respect human rights in relation to our activities and the activities of our business relations. We put our commitment to respect human rights into practice in line with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct. Accordingly, we see it as a priority to identify, prevent, mitigate potential and actual adverse human rights impacts and to provide access to remedy in situations where we may have caused or contributed to adverse impacts. We will seek to assist access to remedy in cases where adverse impacts are directly linked to our business. Our commitment includes all internationally recognized human rights included in the International Bill of Human Rights and the International Labour Organization's (ILO) eight fundamental conventions as identified in the ILO Declaration on Fundamental Principles and Rights at Work.

AAK Group Supplier Code of Conduct

AAK requires suppliers, agents and distributors to sign and comply with the requirements stated in our "AAK Group Supplier Code of Conduct", "AAK Group Policy and Code of Conduct for Responsible Sourcing of Plant-based Oils", and "AAK Group Code of Conduct for Agents and Distributors".

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 renamed to AAK Group Policy and Code of Conduct for responsible sourcing of plant-based oils in 2022, stipulating additional requirements for individual raw materials.

The AAK Supplier Code of Conduct is applicable to non-raw material suppliers since 2018.

Our Supplier Code of Conduct and our Code of Conduct for responsible sourcing of plant-based oils stipulate our requirements, amongst others, human rights, child labor, young workers, working hours, remuneration, working environment, freedom of association, forced labor, discrimination, and workplace violence. The Codes are an integral part of the food safety approval system of new suppliers, and compliance with the Codes is a prerequisite for final approval.

These codes can be found here: <https://www.aak.com/sustainability/policies-codes-and-statements/>

Agents and Distributors

In 2014, AAK commenced the global implementation of its Code of Conduct for Agents and Distributors. In 2022, AAK revised and updated this Code. The AAK Code of Conduct for Agents and Distributors is intended to provide guidance to the company's representatives on appropriate conduct in their interactions with stakeholders.

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

Supplier due diligence process

The focus on human rights and working conditions is summarized in our human rights due diligence approach and embedded in our responsible sourcing of raw materials and supplier assessment and approval process. For our human rights due diligence (HRDD) approach, AAK follows the UNGP's Guiding Principles for Business and Human Rights and the OECD's Due Diligence Guidance for Responsible Business Conduct. We work across our value chain looking "within our business", "within our supply chain," and "beyond our supply chain". "Within our business," we are making sure to have all necessary policies, codes, and commitments in place for a strong HRDD approach. This is aligned with Step 1 in the OECD due diligence approach "Embed responsible business conduct." "Within our supply chain" focuses on embedding steps 2–6 of the OECD due diligence approach in our supply chain. Here, we focus on assessing and managing human rights risks and the due diligence procedures of our suppliers, starting with the tier closest to us—our tier 1 suppliers. "Beyond our supply chain" also looks at steps 2–6 but from an industry collaboration perspective. In this pillar, we partner with industry associations, peers, and NGOs to develop tools to assess, prevent, mitigate, track, communicate, remediate human rights risks at industry level. Updating our salient human rights risks and impacts is part of our HRDD approach and falls under Step 2 of the OECD due diligence approach. This further contributes to meeting the EU Taxonomy Minimum Safeguard requirements.

Our suppliers are assessed through questionnaires and supplier scorecards, and we define a supplier engagement program based on the risk and the impact AAK might have from our position in the supply chain. Our target is to have human rights due diligence embedded across all key raw materials by 2025.

In 2024, we invested in an external data provider for social and environmental screening of our non-raw material suppliers. We onboarded 95 priority suppliers predominantly in packaging and transport. From 2025 onwards we will continue to further embed this screening into our non-raw material supplier management.

Sedex

Sedex Members Ethical Trade Audit (SMETA) assesses the company's systems, documentation, and facilities against the UNGPS (United Nations Guiding Principles), the Ethical Trading Initiative (ETI) Base Code as well as local laws. In 2024, 13 of AAK sites were Sedex certified, and we aim for all relevant sites in scope to follow Sedex including regular SMETA audits.

We extended our scope to include raw materials beyond palm in 2024. AAK used the Sedex self-assessment questionnaire for our Tier 1 suppliers across our key raw material supply chains in palm, coconut, rapeseed and soy supply chains globally. We measure percentages of suppliers covered on a volume basis. Sedex is also used as part of our Human Rights due diligence process to assess our suppliers. In 2024, we have continued to develop our work to engage with suppliers on human rights. At year-end 2024, we connected 76 percent of all raw material suppliers in scope by volume to Sedex, and 63 percent answered the Self-Assessment Questionnaire (SAQ). This progress was achieved through team efforts and supplier engagement, including webinars and direct discussions.

Audits

Risk assessment is required to allow us to prioritize our efforts, by identifying those origins where there is any significant risk of non-compliance with the requirements stipulated in our Codes of Conduct and by focusing on higher-risk suppliers, including field-based verification. During 2024, a total of 65 suppliers were audited across all food safety categories: raw materials, packaging, transport etc. The audits continue to focus on suppliers with increased sustainability risks. Any suspected non-conformances identified during supplier visits or audits, or brought to AAK's attention through grievance channels, are duly investigated. The findings are discussed, and a corrective action plan is created together with the supplier in question. The supplier must commit to the plan, and AAK follows up on its implementation. If a supplier does not take the necessary corrective actions, new discussions are held to examine the reasons, and at a higher management level if necessary. If a supplier is not willing to improve their performance, the relationship is either suspended or terminated depending on the specific issue and progress action plan. External audits are conducted by relevant auditing bodies or strategic environmental consultants specialized in specific certification or compliance standards (RSPO¹, Rainforest Alliance, ProTerra, ISCC²).

The AAK whistleblowing service and grievance management procedure

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.

The AAK Grievance Management Procedure (GMP) facilitates the response to and monitoring of complaints arising within AAK's upstream supplier operations. It describes the procedure and actions taken by AAK at each stage. We aim for the process to be easy to follow and transparent so that all relevant parties understand the expectations at each stage. Our public grievance management tracker reflects the latest status of any specific grievance at any given moment. The decision on whether or not to lift suspensions at the end of a grievance management process is a key part of a well-functioning management procedure. At AAK, we have put a grievance management committee in place that reviews the status of our grievances and suspensions every quarter. In 2024, 16 cases were received in AAK Grievance channel, of which 7 are still active.

¹ RSPO - Roundtable on Sustainable Palm Oil

² ISCC - International Sustainability and Carbon Certification

Training

During 2024, AAK continued its comprehensive e-learning program addressing topics like sustainability, responsible sourcing, anti-corruption, and competition law. AAK has Integrated Code of Conduct training into the annual mandatory training program for all AAK employees, further strengthening employee awareness. AAK rolled out child labour and human rights training in 2022 and a new diversity and Inclusion training program in 2024.

For conventional shea suppliers, training is being conducted with a focus on eliminating child labor and anti-corruption requirements. Anti-child labor initiatives remain a key focus in West Africa and AAK continued and strengthened the anti-child labor campaign at yard level and engagement with logistics suppliers.

Final remarks

In 2024, AAK has not encountered incidents of human trafficking, child labor or forced labor in our facilities, at our suppliers, or in our supply chain. We will continue to be vigilant, commit to ongoing monitoring, and proceed to build up awareness, internally and externally. AAK does not accept child labor in any form, and we are committed to ensuring that workers are not exploited through forced or compulsory labor.

This statement was adopted by the Board of Directors in July 2025.

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