

AAK Group Code of Conduct for Responsible Sourcing of Oils, Fats and Seeds

Introduction and Purpose

At AAK, we believe that integrating sustainability, environmental responsibility, respect for human rights, and business ethics into all our activities is fundamental to our purpose, Making Better Happen™, and to our vision of being the first choice for plant-based oil solutions.

The purpose of AAK's Group Code of Conduct for Responsible Sourcing of Oils, Fats and Seeds (the "Code") is to define AAK's business conduct requirements for these suppliers ('Suppliers').

Responsible sourcing of raw materials is a core component of AAK's business model. The Code is designed to guide our suppliers in how to interact with stakeholders, make the right decisions and remain true to AAK's ethical and business commitments. It defines AAK's fundamental sustainability requirements for suppliers of raw materials and the requirements for their management systems. Through the implementation of this Code, AAK is committed to prevent and mitigate adverse actual and potential human rights and environmental impacts in our supply chains, to foster a sustainable future and ensure ethical business conduct.

This Code outlines the environmental, social, and ethical requirements that AAK expects its suppliers of oils, fats and seeds to comply with. The Code is updated regularly in line with Double Materiality Assessment results and as international, national, or industry standards and legislations evolve.

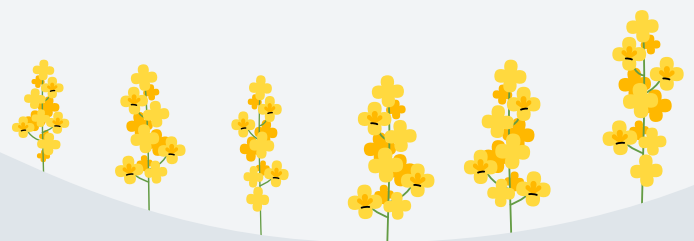
AAK's policies and commitments are outlined in:

- AAK Group Code of Conduct
- AAK Group Anti-Bribery and Corruption Policy
- AAK Environmental Policy
- AAK Group Human Rights Policy
- AAK Group Sanctions Policy
- AAK Group Anti-Money Laundering Policy

These and other supporting AAK codes and policies are available AAK website to inform all stakeholders.

AAK is committed to adhering to and upholding:

- The UN Global Compact principles
- The International Bill of Human Rights
- The 8 ILO core conventions
- The ILO Declaration on Fundamental Principles and Rights at Work
- The UN Guiding Principles on Business and Human Rights
- The OECD Guidelines for Multinational Enterprises (UNGP)
- The UN 17 Sustainable Development Goals
- The Science Based Targets Initiative (SBTi)



"This will lead to progress in the spirit of our purpose:
Making Better Happen™"

Yours faithfully, AAK AB (publ.)
Malmö, November, 2025

Johan Westman, President and CEO

Scope

This Code applies to all AAK sourcing of oils, fats, seeds and related raw materials from direct and indirect suppliers globally (the “suppliers”). This includes, but is not limited to: palm oil, palm kernel oil, shea kernels and shea oil, coconut oil, soy oil, sunflower oil, rapeseed and rapeseed (canola) oil and their derivatives. Suppliers are required to comply with this Code and are encouraged to cascade the requirements to subsequent tiers of the supply chain, all the way to origin.

The scope of this Code has been informed by impact, risk, and opportunity analysis of AAK’s supply base, in line with the Double Materiality Assessment requirements under the EU Corporate Sustainability Reporting Directive (CSRD).

Governance and Implementation

The President of Global Sourcing & Trading and Sustainability is a member of the Executive Committee and leads both Sourcing & Trading and Sustainability. The Director of Sustainability is responsible for driving AAK’s sustainability strategy in line with the company’s purpose and aspirations, and across AAK’s sustainability priorities — climate, biodiversity, people, and governance. AAK works to drive impact across its operating model — from how we source raw materials to how we process them at our global sites and deliver sustainable solutions to customers.

The Sustainability Program Managers drive the implementation of the sustainability strategy for each core raw material. The progress and performance of the implementation is further driven and followed up on by our Sustainable Sourcing Committee which comprises of members of the Global Sourcing & Trading teams across all AAK’s operational regions and the Global Sustainability Team. Time-bound Sustainability Roadmaps have been created, and progress or updates are communicated publicly in our publications (e.g., Annual & Sustainability Reports). Roadmaps are updated regularly to keep up with the regulations and progress of the company. The Code is approved by AAK’s Executive Committee.

Verification Mechanisms and Reporting

AAK expects all suppliers in scope to sign this Code, work toward compliance, and comply with applicable national and international laws and regulations as well as internationally recognized human-rights standards.

It is mandatory for suppliers to sign or provide an equivalent document to this Code prior to any supplier approval process. Suppliers are expected to maintain the documentation necessary to demonstrate actions taken toward compliance with the requirements of this Code. Such documentation shall be made available to AAK upon written request via email, through the Supplier Information Management (SIM) system, or other locally available alternatives, and should be available from the moment of signature. AAK reserves the right to conduct on-site assessments of our suppliers and their supply chains including with external third-party assessors.

AAK expects suppliers to work collaboratively with the company and focus on continuous improvement. Our suppliers must cooperate with AAK in connection with risk and impact assessments, reporting, monitoring, stakeholder engagement, and grievance mechanisms, and must implement steps to mitigate any risks identified.

Should a supplier fail to demonstrate commitment to meeting the requirements of this Code, AAK will, through dialogue and cooperation, seek to resolve the situation or, as a last resort, terminate the relationship.

Regular supplier-engagement programs covering human rights, environmental, and governance topics will be conducted where needed to convey Code compliance expectations. AAK may distribute tools and resources (e.g., guidelines, checklists) to help suppliers demonstrate their commitment to meeting the requirements of the Code.

Any concern or request for clarification should be directed to the relevant local AAK contact.

Reporting of Misconduct

If a supplier, an employee, or any other external stakeholder has a concern or identifies a material violation of laws, legal requirements, or this Code, the matter should be reported to AAK, either personally or anonymously. Anyone who finds it difficult to raise an issue directly should use AAK’s Grievance Management Procedure, which includes a whistleblower service.

The whistleblower service can be used anonymously to report any suspicions of misconduct. The reporting channel is available at <https://report.whistleb.com/en/aak>. Any verified misconduct by a supply chain partner against this Code will be addressed at parent company or group level.

AAK takes all reports of possible misconduct seriously and will investigate each case before deciding whether the Code or the law has been violated. Corrective actions or remediation procedures will be implemented as necessary. Anyone can report without fear of reprisal, and AAK will ensure the necessary confidentiality and anonymity. Any form of retaliation against a stakeholder who raises an issue constitutes a violation of this Code.



Supplier Requirements

1 Ethical Business Conduct

AAK believes in fair competition and is committed to conducting its business in compliance with all applicable competition laws and regulations. AAK has zero tolerance for corruption and money laundering and is committed to working against these practices in all forms. Any evidence of corruption will be addressed immediately. We expect the same commitment from our suppliers and business partners.

1.1 Legal Compliance:

Suppliers shall comply with applicable national and local legal requirements including, but not limited to, laws and regulations concerning anti-bribery and corruption, anti-money laundering and counter-terrorism financing must be complied with and in place. This Code defines the minimum requirements. If local, national, or international laws, regulations, or rules impose stricter obligations on matters covered in this Code, such requirements shall prevail. In situations when international standards conflict with domestic laws, suppliers shall seek ways to honor the spirit of international standards. In addition, where standards differ, AAK expects suppliers to provide the highest level of protection for rights holders.

Suppliers are expected to have a written policy outlining their ethical business conduct principles, including fair competition, anti-bribery and corruption, and sanctions compliance. Processes are in place to ensure the policy is communicated to relevant personnel and business partners. Suppliers maintain adequate systems and due diligence processes to prevent and report any misconduct.

1.2 Fair Competition and Business Dealing:

Suppliers must not engage in any illegal or anti-competitive practices, such as price manipulation and shall comply with all antitrust and competition law provisions.

1.3 Anti-bribery and Corruption:

Suppliers must not engage in or practice any form of corruption, including bribery and extortion.

AAK suppliers shall not, directly or indirectly, offer, promise, give, or demand any remuneration, bribe, anything of value or other undue advantage to obtain or retain business or other improper benefit.

Gifts must never be offered or accepted if the giving or acceptance entails a risk that such gift may be viewed as undue influence on business transactions or conduct by either party.

All actions must always be consistent with applicable local laws and customary business practices.

All kinds of compensation to suppliers and partners shall be based on the verifiable supply of products and/or services only.

Any conflict of interest should be disclosed to AAK and avoided. This includes private activities, financial interests or relations.

1.4 Anti-Money Laundering

All financial transactions with AAK must comply with applicable anti-money laundering laws and regulations and our business partners shall under no circumstances involve AAK or otherwise be complicit in any money-laundering activities.

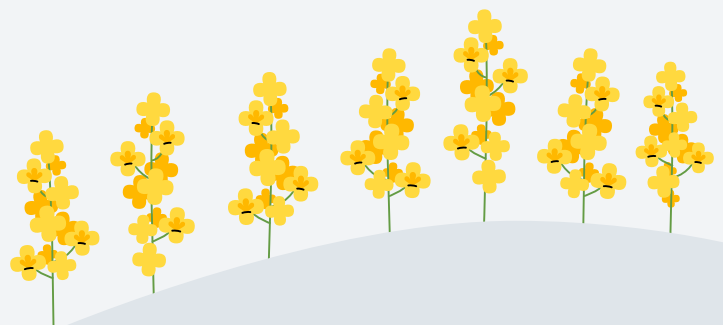
1.5 Responsible Trade and Taxation

Suppliers must comply with all applicable import, export, and tax laws and regulations, including those covering rules of origin, customs classification, customs valuation, export controls, restricted-party screening, embargoes, and sanctions.

1.6 Compliance with International Sanctions

Neither the supplier nor any of its affiliates, officers, or directors may be, or be owned or controlled by, any person or entity that is designated, listed, blocked, or otherwise subject to sanctions or export control restrictions under the laws and regulations of the United Nations, the United States, the European Union, the United Kingdom, or any other applicable jurisdiction (a "Sanctioned Person").

No product entering AAK's supply base may have been directly or indirectly sourced or otherwise originated from, a sanctioned country/area as per AAK's Group Sanctions Policy, entity or any Listed Person.



2 Environment

AAK commitments

AAK is committed to ensuring that its business operates with respect to planetary boundaries of the biosphere integrity and land system change. AAK is committed to supporting actions within and beyond its supply chain that contribute to restoring and protecting forests, peatlands, wetlands, and other natural ecosystems. We expect our suppliers to share this commitment and to operate in a way that protects and restores natural ecosystems.

Suppliers are responsible for protecting the environment in which they operate.

2.1 Climate Change

AAK is committed to reducing its climate impact. As such, we have signed up and received approval of our binding targets under the Science Based Targets initiative (SBTi) for Scope 1, Scope 2 and Scope 3 (supply-chain) emissions and work to reduce emissions in our own operations and the entire value chain.

AAK's approved Non-FLAG Targets:

- AAK commits to reduce absolute Scope 3 non- FLAG GHG emissions from purchased goods and services, and upstream transportation and distribution 46.2 percent by 2030 from a 2019 base year.
- AAK further commits that 10.3 percent of its suppliers by emission, covering purchased goods and services, transportation and distribution, will have science-based targets by 2027.

AAK's approved FLAG Targets:

- AAK commits to reduce absolute Scope 3 FLAG GHG emissions by 33.3 percent by 2030 from a 2019 base year.

Suppliers shall work towards climate change mitigation and adaptation.

Suppliers shall work to reduce emissions in own operations and supply chain.

Suppliers shall work to minimize rate of energy usage, including the use of fossil fuels and maximize natural resource efficiency.

2.2 Pollution

Suppliers work to minimize and prevent pollution of air, water, and soil across their operations and value chains, in line with local legislation and applicable targets.

Suppliers must ensure the correct use and application of agrochemicals to eliminate or minimize any potential harm to the environment or human health.

Only agrochemicals that are legally approved for use within the relevant country shall be used, unless use is further limited in specific agreement and specified with AAK.

Suppliers are expected to actively avoid incidents and emergencies related to the use of agrochemicals, SoCs, and SVHCs, and shall control and limit any resulting impacts on the environment and surrounding communities.

2.3 Biodiversity and Ecosystems

All oils, fats and seeds supplied to AAK must comply with the deforestation- and conversion-free requirements with all relevant applicable laws, regulations relating to land-use rights and environmental protection, forest-related regulations, including forest management and biodiversity conservation and in accordance with AAK's commitments¹⁾:

- The cut-off dates after which deforestation or conversion is non-compliant with this Code are 22nd July 2008 for soy from the Brazilian Amazon biome³⁾.
- 31st December 2015 for palm oil and palm kernel oil, and for all other raw materials and regions a cut-off date aligned with the EU deforestation due diligence legislation.

Degradation of the ecological integrity or functioning of forests, other natural ecosystems including peatlands and wetlands, or agroforestry systems is prevented and mitigated. This includes primary forests, protected areas (e.g., IUCN protected categories I-IV, UNESCO World Heritage Sites), High Conservation Value (HCV) lands in and around the operational area of the supplier and its value chain, high carbon stock forests (HCS), wetlands, savannas, and peatlands regardless of depth, and riparian buffers adjacent to aquatic ecosystems (except where it complies with applicable laws)²⁾.

A no-burning policy for land clearing and preparation must be in place and implemented.

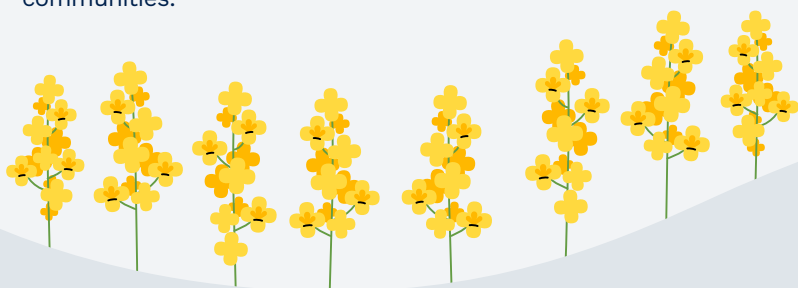
Unsustainable agricultural practices that result in land degradation, desertification, soil sealing, or negative impacts on adjacent ecosystems, soil, and water quality must be prevented and mitigated.

Suppliers promote and maintain ecological buffer zones around bodies of water and between production areas and HCV areas.

Suppliers work to prevent and mitigate negative impacts on wildlife, including rare, threatened, and endangered species, as well as habitat loss. This includes taking precautions to prevent the introduction of any potentially invasive alien species.

2.4 Permits

Suppliers must obtain and maintain all required permits, licenses, and registrations required for ongoing business operations in their respective country and industry.



3 Social

AAK commitments

AAK regularly conducts and updates social and environmental risk and impact assessments across its upstream supply base. The results of these assessments and relevant legislative developments form the basis for the supplier requirements and collaboration listed below.

AAK requires all direct and indirect suppliers to comply with applicable laws and regulations and with internationally recognized human-rights principles, as protected under the UN Global Compact principles, 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. In doing so, suppliers are guided by the UN Guiding Principles on Business and Human Rights, United Nations Convention on the Right of Persons with Disabilities, and the OECD Due Diligence Guidance for Responsible Business Conduct.

3.1 Human Rights

The requirements for suppliers regarding Human Rights are as follows:

Forced labor, including bonded labor, slavery, human trafficking, or the retention of personal documents, is not accepted.

- Child labor is not accepted. Children must be free from physical, sexual, and emotional abuse or exploitation that could harm their health or development:
- The minimum age of employment must not be lower than the age for completion of compulsory schooling and in any case not less than 15 years (14 years where permitted under local law).
- Children aged 13 or over (or aged 12 or over in countries that have set the minimum age of employment at 14) can perform only light work where this is permitted by local law.

Freedom of association and the right to collective bargaining are respected, including social dialogue and alternative forms of worker representation under national and international law.

All workers are treated with respect and without discrimination based on race, color, religion or belief, ethnic or social origin, genetic features, political opinion, nationality, membership of a national minority, language, age, property, birth, physical ability or disability, gender identity, sexual orientation, marital status, trade-union participation, HIV status, pregnancy, or any other status.

Employees are protected from physical, verbal, sexual, or psychological harassment, abuse, or threats in the workplace.

Workers are provided with a safe and healthy workplace environment, including protective equipment appropriate to the risks of the work performed. Procedures are in place to identify and reduce risks and to prevent accidents and injuries. Workers have access to potable water and adequate sanitation.

Working hours, rest time, overtime, and leave comply with local and international standards. Overtime is voluntary and paid according to the higher of the applicable national or international standard.

Wages and benefits for a standard working week meet at least the legal or industry minimum standard or the requirements of any collective-bargaining agreement, whichever is higher. Workers are paid on time, regularly, and in full.

The privacy of all workers is respected, and personal data are handled in line with applicable data-protection laws, used only for legitimate business purposes, and kept secure.

When housing is provided, workers enjoy adequate hygiene standards, sufficient space per occupant, gender-appropriate privacy, and freedom of movement without restriction.

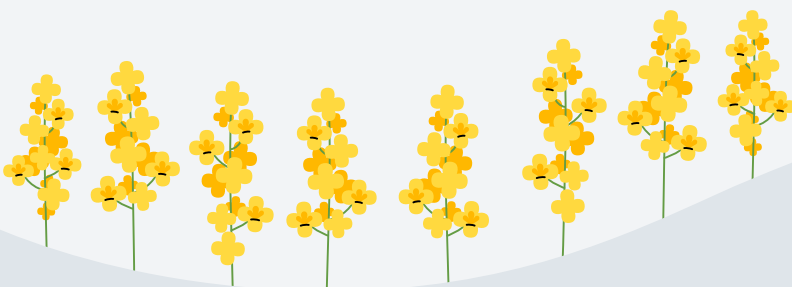
3.2 Grievance Mechanism, Human Rights Defenders and Whistleblowers

If a supplier, an employee, or another external stakeholder to AAK has a concern or becomes aware of a material violation of laws, legal requirements, or this Code, they should refer to the 'Reporting of Misconduct' section of this Code.

Suppliers are expected to have a transparent and fair grievance mechanism in place to ensure that concerns can be raised and addressed responsibly.

Suppliers ensure that the confidentiality of any complainant is respected unless the individual gives explicit consent to disclose their identity.

Suppliers do not accept abuse, threats, intimidation, or reprisals against anyone who raises a grievance, participates in an investigation, or reports misconduct.. This includes workers and their representatives, Indigenous Peoples and Local Communities (IPLC), and human-rights defenders.



3.3 Mitigation and Remediation

AAK follows the “cause, contribute to, and directly connected to” approach for human-rights risk mitigation and remediation throughout its supply chains, as outlined in the UN Guiding Principles on Business and Human Rights.

Suppliers are expected to maintain an approach aligned with the “cause, contribute to, and directly connected to” framework of the UN Guiding Principles on Business and Human Rights.

3.4 Affected Communities

The rights of Indigenous Peoples and Local Communities are respected in accordance with the United Nations Declaration on the Rights of Indigenous Peoples. This includes, among others, the rights to property, culture, self-determination, self-governance, a healthy environment, non-discrimination, and meaningful participation in decisions that affect them.

Formal and customary rights to land, resources, and territories traditionally owned, occupied, used, or administered by Indigenous Peoples and Local Communities are recognized and respected.

Free, Prior and Informed Consent (FPIC) is obtained for all new or expanded developments, acquisitions, or operations that may affect the rights, land, resources, territories, livelihoods, or food security of Indigenous Peoples and Local Communities. Regular engagement with stakeholders ensures effective participation in FPIC processes.

3.5 Smallholder Inclusion and Support

Smallholders play a key role in the production of raw materials and fats but often face barriers to meeting NDPE requirements, such as limited resources, training, and awareness.

Plant-based oil production contributes to resilient incomes and livelihoods for smallholder farmers and their families through capacity building on best-management practices.

Suppliers work with smallholders to meet the commitments of this Code through guidance, capacity building, and incentives. Where AAK does not have a direct commercial relationship with smallholder producers, such actions are implemented together with supply chain partners.

Confirmation of compliance

“We have read and understood this Code and confirm our compliance with it. We will support AAK with the necessary documentation to demonstrate compliance.”

Date:	Group name/ parent company:	Relevant for subsidiary companies:	Name and function of authorized company representative:	Stamp and signature:

Footnotes and References

- ¹⁾ This commitment is based on the Accountability Framework (Afi) definitions of deforestation and conversion, natural forest and natural ecosystems.
- ²⁾ <https://www.hcvnetwork.org/hcv-approach>
- ³⁾ This is the cutoff date used by Soy Moratorium that just covers Brazilian Amazon.

