



# AAK 2025 Modern Slavery Act Statement

At AAK, we believe that respecting human rights in our everyday activities is fundamental to our purpose, Making Better Happen™, and to our vision of being the first choice for plant-based oil solutions. We recognize that, through our decisions and activities, we have an important role to play in upholding high human rights standards in our engagement with business partners and in the communities affected by our value chain.

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 help ensure that slavery and other human rights abuses do not take place in any part of the company's business or supply chain.

## AAK background

AAK specializes in plant-based oils and fats, the value-adding ingredients in many of the products people love to consume. We make these products better tasting, healthier, and more sustainable. We enhance their sensory experience – by giving the silkier mouthfeel in premium chocolate, the juicier texture in a plant-based burger, and the puffier appearance in a lower-fat pastry. We can also optimize their production by substituting existing ingredients with plant-based equivalents that give better efficiency. AAK's value-adding solutions enable our customers to be successful in a better way.

At the heart of AAK's offer is Customer Co-Development, combining our desire to understand what better means for each customer, with the unique flexibility of our production assets, and a deep knowledge of many products and industries, including Chocolate & Confectionery, Bakery, Dairy, Plant-based Foods, Special Nutrition, Foodservice and Personal Care. Our 4,100 employees support our close collaboration with customers through 25 regional sales offices, 16 dedicated Customer Innovation Centers, and with the support of more than 20 production facilities.

Listed on Nasdaq Stockholm and with our headquarters in Malmö, Sweden, AAK has been Making Better Happen™ for more than 150 years.

AAK's key raw materials are palm oil, palm kernel oil, rapeseed oil, coconut oil, shea kernels, sunflower oil, and soybean oil. These are primarily sourced from Southeast Asia, Latin America, Northern and Central Europe, and West Africa.

AAK has published a Sustainability Report since 2009, documenting its achievements in corporate social responsibility. For 2025, the Company's Sustainability Statement has been prepared in accordance with the Corporate Sustainability Reporting Directive (CSRD) and is included in AAK's Annual Report. The report provides integrated disclosure of AAK's financial and sustainability performance, as well as progress towards its 2030 Aspiration.

The AAK Annual Report 2025 is available here: <https://www.aak.com/news-and-media/press-releases/2026/aak-publishes-annual-report-2025/>

## AAK Group Code of Conduct

The AAK Group Code of Conduct (the Code) is designed to guide all stakeholders in how to interact within AAK and with the company's stakeholders. AAK is committed to adhering to and upholding the ten UN Global Compact principles, the International Bill of Human Rights, and the ILO core conventions. In doing so, AAK is guided by the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. The Code, together with our Better Behaviors, policies, and corporate governance



rules, provides a strong framework for our activities. The Code is approved by the AAK Board of Directors and applies to AAK as a company and to each AAK employee. Among other topics, it covers human and labor rights. All AAK employees must read, understand, and sign the Code.

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

### **AAK Group Human Rights Policy**

In 2024, following the completion of a Double Materiality Assessment (DMA) and human rights risk and impact assessments, AAK developed a Human Rights Policy to outline its commitment to human rights in relation to its own activities and those of its business relationships. The risk and impact assessments form the basis for the priorities identified across different raw materials and countries of origin. 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 prioritize identifying, preventing, and mitigating potential and actual adverse human rights impacts, as well as providing access to remedy in situations where we may have caused or contributed to adverse impacts.

We seek to support access to remedy in cases where adverse impacts are directly linked to our business. Our commitment includes all internationally recognized human rights set out 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. The AAK Group Human Rights Policy is approved by the Board of Directors and is available here: [aak-human-rights-policy-may-2026.pdf](#)

### **AAK Group Supplier Code of Conduct**

AAK requires suppliers, agents, and distributors to sign and comply with the requirements set out in the AAK Group Code of Conduct for Responsible Sourcing of Oils, Fats and Seeds, the AAK Group Code of Conduct for Suppliers of Non-Oil Goods and Services, and the 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 and has since been regularly reviewed and updated. In November 2025, AAK issued an updated AAK Group Code of Conduct for Responsible Sourcing of Oils, Fats and Seeds. The purpose of this Code is to define AAK's business conduct requirements for suppliers of oils, fats, and seeds.

The AAK Supplier Code of Conduct applicable to non-raw material suppliers was introduced in 2018. In June 2025, AAK issued an updated version under the new name AAK Group Code of Conduct for Suppliers of Non-Oil Goods and Services.

The AAK Group Code of Conduct for Responsible Sourcing of Oils, Fats and Seeds and the AAK Group Code of Conduct for Suppliers of Non-Oil Goods and Services (the Codes) define the ethical business conduct, human rights, and environmental requirements that AAK expects its suppliers to comply with. These include requirements related to human rights, child labor, young workers, working hours, remuneration, working environment, freedom of association, forced labor, discrimination, harassment, and workplace violence. The Codes form an integral part of the food safety approval system for new suppliers, and compliance with their requirements is a prerequisite for final approval. Through implementation of the Codes, AAK aims to prevent and mitigate adverse human rights and environmental impacts in its supply chains, foster a sustainable future, and ensure ethical business conduct. The Codes are approved at Executive Committee level in AAK.

## Targets

AAK's target-setting process is informed by multiple inputs to ensure relevance and impact. Results from our DMA, Human Rights Impact Assessments (HRIAs), and grievance data are systematically analyzed to identify key risks and opportunities. These insights guide the development of targets that address environmental and social priorities across our supply chains.

### **Sourcing: 100 percent of suppliers for key raw materials signed or committed to Code of Conduct**

In 2025, suppliers representing 92 percent of the volume of key raw materials had signed or committed to the AAK Code of Conduct, an increase of 21 percent compared with 2024.

### **Procurement: 100 percent of high-risk non-oil goods and service suppliers signed or committed to Code of Conduct**

In 2025, 81 percent of high-risk non-oil suppliers and service providers had signed or committed to the Code of Conduct. This is a new target for 2025.

These codes are available here: <https://www.aak.com/sustainability/policies-codes-and-statements/>

## Agents and Distributors

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

The AAK Group Code of Conduct for Agents and Distributors is available here:

<https://www.aak.com/sustainability/policies-codes-and-statements/>

## Supplier due diligence process

AAK's human rights due diligence approach follows the six steps of the OECD Due Diligence guidelines for Responsible Business Conduct. This means that responsible business conduct is embedded in policies and management systems (step 1), while steps 2–6 are applied throughout our supply chain, with a focus on suppliers' human rights risks and due diligence procedures. All AAK suppliers are required to sign the relevant Code of Conduct. Risk mitigation focuses mainly on using leverage with existing business relationships that are causing or contributing to adverse impacts within the upstream supply base. The aim is to increase suppliers' and farmers' understanding of their current risk exposure and to strengthen due diligence procedures that help prevent adverse impacts in our shared upstream supply chains. The focus is to support suppliers in progressing from signing the relevant Code of Conduct towards full implementation of risk mitigation roadmaps.

In addition to the Sedex SAQ, we rely on third-party certifications that integrate human rights requirements, such as the Roundtable on Sustainable Palm Oil, ProTerra, the Round Table on Responsible Soy, the Sustainable Coconut Partnership assurance system, Rainforest Alliance, ISCC, and FairWild. To maintain these certifications, suppliers are required to conduct regular audits. Beyond compliance, AAK emphasizes supplier engagement through training sessions and webinars that help suppliers understand human rights risks and strengthen their due diligence processes. These initiatives also involve the broader supply chain workforce by helping workers understand grievance mechanisms, ethical standards, and reporting channels. By connecting Sedex Self Assessment data with workforce engagement, we create a feedback loop that supports transparency and continuous improvement. Through these efforts, AAK aims to build a supply chain where responsible business conduct is not only a requirement but a shared commitment to protecting human rights and fostering fair, safe, and inclusive working conditions.



Oversight of upstream suppliers is essential when assessing and managing AAK's impacts. We use supplier assessments, scorecards, quality audits, and third-party certifications as tools to support sustainable practices.

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 also contributes to meeting the EU Taxonomy Minimum Safeguards requirements.

In 2025, a risk segmentation of non-oil suppliers was developed, incorporating corruption risks, human rights risks, and environmental and operational impacts. A total of 437 suppliers were identified as high risk and prioritized for Code of Conduct signature. Of these, 81 percent signed the Code of Conduct in 2025. Further focus on human rights due diligence within non-oil procurement is a key deliverable in Procurement's 2026 strategy.

For Tier 1 suppliers of key raw materials — palm, coconut, rapeseed, soy, and sunflower — we use the Sedex platform and self-assessment questionnaire (SAQ). In 2024, we extended our scope to include raw materials beyond palm. In 2025, we continued to develop our work to engage suppliers on human rights.

### Target

**Sourcing: 100 percent of key raw material volumes covered by Human Rights Due Diligence at Tier 1 level**

In 2025, 87 percent of the volume of key raw material suppliers had been onboarded to Sedex, and 83 percent of key raw material volumes were covered by the Sedex Self-Assessment Questionnaire (SAQ). This represents increases of 11 and 19 percent respectively, compared with 2024. This progress was achieved through team efforts and supplier engagement.

### Sedex

Relevant AAK sites are being audited against Sedex. The Sedex Members Ethical Trade Audit (SMETA) assesses a company's systems, documentation, and facilities against the UN Guiding Principles on Business and Human Rights (UNGPs), the Ethical Trading Initiative (ETI) Base Code, and local laws.

### Industry collaboration

AAK partners with industry associations, peers, and NGOs to develop tools to assess, prevent, mitigate, track, communicate, and remediate human rights risks beyond our immediate supply chain at industry level. One example is the Global Shea Alliance and a consortium consisting of AAK and industry peers, as well as the NGOs Presbyterian Agriculture Services (PAS), Action pour la Promotion des Initiatives Locales (APIL), and Catholic Organization for Relief and Development Aid (Cordaid). Together, these organizations work to address the causes of child labor and reduce the risk of child labor in the shea supply chain through a collective, context-specific approach.

### Responsible labor practices

In Indonesia and Malaysia, AAK is actively working to address labor practices in the palm oil supply chain at landscape level. As a midstream actor, positioned between upstream producers and downstream customers, we collaborate with industry groups and Tier 1 suppliers to influence practices and help implement systemic change.

### 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 enables individuals to report suspicions of misconduct related to legal requirements or material violations of our Code of Conduct, including anonymously. The whistleblowing service is an external platform that supports confidentiality and anonymity and is available to all through our Group Code of Conduct and intranet. We have a Whistleblower Policy that enables employees and stakeholders to safely report concerns or suspected misconduct, with clear provisions protecting individuals who report in good faith from any form of retaliation.

Our Grievance Management Procedure outlines the process for responding to actual or potential negative impacts on value chain workers and other stakeholders. At AAK, we have established a grievance management committee that reviews the status of grievances and suspensions every quarter. The Grievance Committee reviews cases, aligns and agrees on actions and suspensions, and monitors grievance progress with various stakeholders, including the regional grievance taskforce, NGOs, customers, and service providers. If the grievance subject does not cooperate or take sufficient action to address an issue, AAK will suspend the relationship as a last resort.

AAK requires Tier 1 suppliers to establish and maintain grievance mechanisms aligned with the UNGP effectiveness criteria. This is evaluated through supplier engagement, AAK's supplier scorecard, and capacity-building training. AAK determines and supports remedial action through stakeholder consultation. Decisions on whether to lift suspensions at the end of a grievance management process are a key part of a well-functioning management procedure.

During the period 2015–2025, 9 percent of total grievances were related to workers' rights. Supplier engagement and progress on each case are recorded in AAK's grievance tracker. In 2025, seven cases were received through AAK's grievance channel, of which four remain active. The grievance management tracker outlines each action taken for every grievance received and is publicly available here:

<https://www.aak.com/restructure/sustainability/better-sourcing/palm/grievance-tracker/>

### Training

During 2025, AAK continued its comprehensive e-learning program covering topics such as sustainability, responsible sourcing, anti-corruption, and competition law. AAK has integrated Code of Conduct training into the annual mandatory training program for all employees, further strengthening awareness. AAK also rolled out a new Diversity and Inclusion training program in 2024.

### Final remarks

In 2025, AAK did not identify any incidents of human trafficking, child labor, or forced labor in its facilities, among its suppliers, or in its supply chain. We will continue to remain vigilant, maintain ongoing monitoring, and build awareness both internally and externally. AAK does not accept child labor in any form, and we are committed to helping ensure that workers are not exploited through forced or compulsory labor.

This statement was adopted by the Board of Directors in July 2026.