

Sustainability from plant to brand

PAI Report

June 2023

AAK is a multi-oil ingredient house and the leading expert in plant-based oils. Sustainability is at the heart of our purpose, Making Better Happen™. For AAK, sustainability is a journey, not a destination. We always strive to go further, constantly taking new steps to improve and deliver solutions that are more sustainable.

AAK



Purpose

The purpose of this report is to enhance transparency and support the investment community in assessing AAK from a sustainability perspective. In line with SFDR requirements, AAK reports on the PAIs – standardized metrics and refer to a specific list of indicators that allow investors to monitor the adverse impacts of their investments.

Reporting period: 1 Jan 2022 – 31 Dec 2022

Climate and other environment-related indicators

Greenhouse gas emissions

1. GHG emissions

Scope 1 GHG emissions	276,679 tCO ₂ e
Scope 2 GHG emissions	67,256 tCO ₂ e
Scope 3 GHG emissions (2019) FLAG:	5,780,176 tCO ₂ e
Non flag:	2,818,185 tCO ₂ e
Total Scope 3 emissions	8,598,361 tCO ₂ e
Total GHG emissions	8,942,296 tCO ₂ e

2. Carbon footprint

N/A

3. GHG intensity of investee companies

N/A

4. Exposure to companies active in the fossil fuel sector

N/A

5. Share of non-renewable energy consumption and production

74 percent non-renewable energy

6. Energy consumption intensity per high impact climate sector

N/A

Water

8. Emissions to water

N/A

Waste

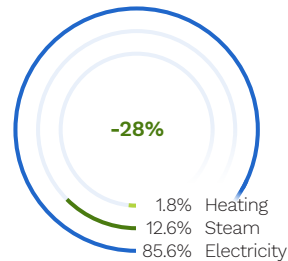
9. Hazardous waste ratio

1,647 tonnes

Scope 2, GHG emissions (market based)

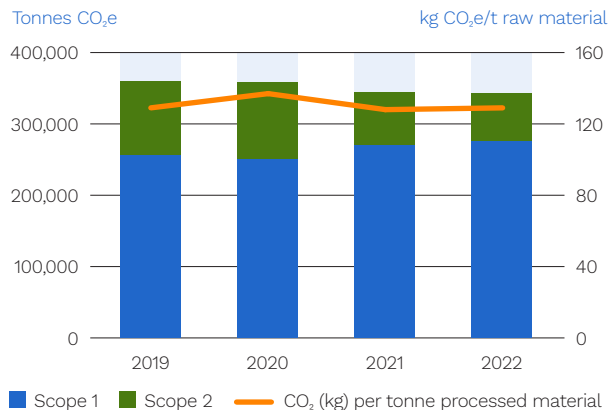
67,256 tonnes CO₂e

%

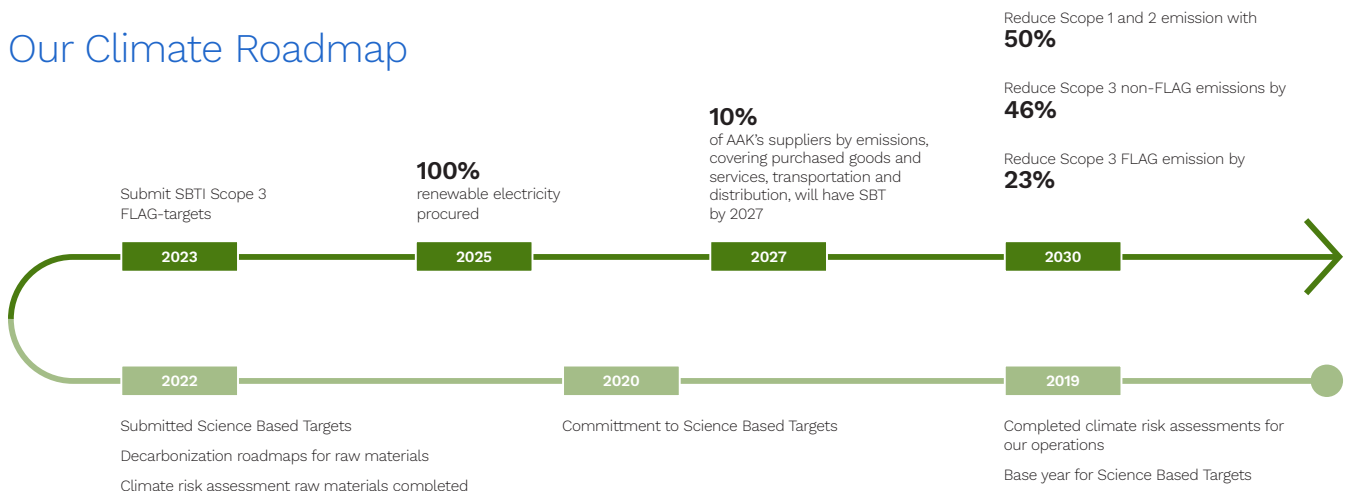


Scope 1 and 2, GHG emissions

Total Scope 1 and 2: 343,935 tonnes CO₂e



Our Climate Roadmap



Social and employee, respect for human rights, anti-corruption and anti-bribery matters

Social and employee matters

10. *Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises*

AAK has a Code of Conduct for Suppliers where UNGC principles and OECD Guidelines are implemented.

Two incidents of child labor were reported in AAK during 2022*.

11. *Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises*

During 2022, a total of 463 suppliers were audited through third party sustainability audits. The audits continued to focus on suppliers with heightened sustainability risks.

On top of this, AAK has a grievance mechanism in place, our whistleblower system.

12. *Unadjusted gender pay gap*

AAK annually performs follow-ups on our Remuneration policy in every country where we operate to make sure that salaries are equal.

13. *Board gender diversity*

60% female

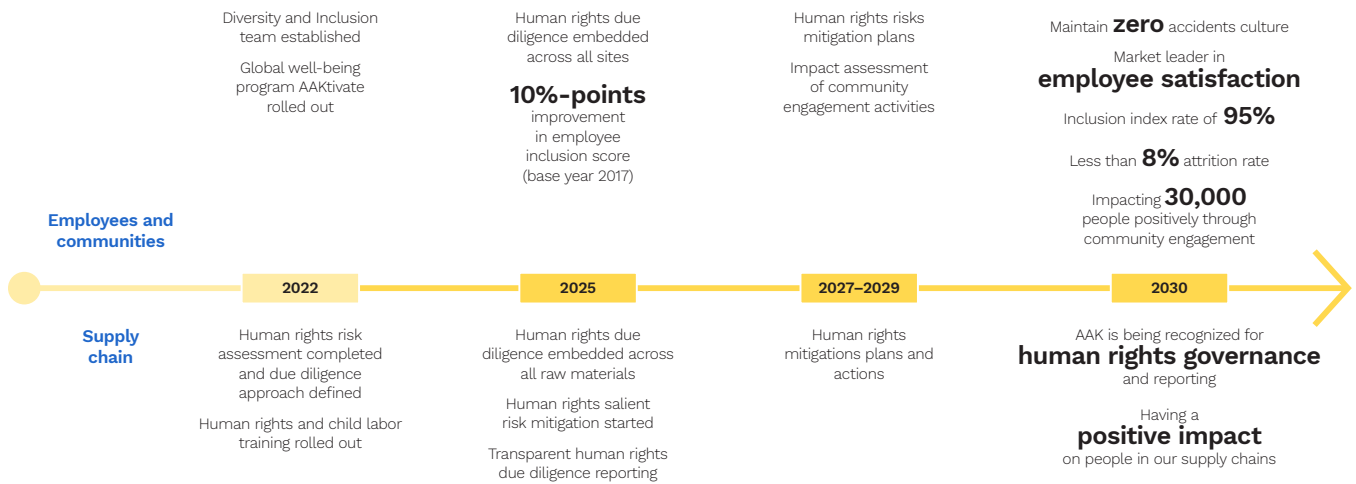
14. *Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)*

N/A



60% of the AAK board members are female

Our People impact Roadmap



If you are curious to know more about Making Better Happen™ from plant to brand, please visit our [Sustainability Report 2022](#).

*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 devised 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. In cases where a supplier is not willing to improve their performance, the relationship is either suspended or terminated depending on the specific issue and progress on human rights action plan.