



Press release, February 4, 2022

AAK to invest SEK 500 million in biomass boilers for substantial CO₂ reduction and savings

AAK AB (publ.) will invest SEK 500 million to install biomass boilers at its production plant in Aarhus, Denmark – an initiative that is expected to reduce the plant's CO₂ emissions by approximately 90 percent. The installation will also generate substantial savings as fossil fuel will be replaced by shea meal, a by-product from the plant's shea oil extraction process. The project is expected to be completed by the end of 2023.

The plant in Aarhus has run a small biomass boiler as a pilot over the past five years, in an effort to make its operations more sustainable. As a result of the positive experiences from the pilot, and to further reduce the plant's environmental impact, two new 18 MW boilers will be installed. Combined, the three boilers are expected to cut CO₂ emissions by more than 45,000 tons per year, leading to a 16 percent reduction in the Group's total scope 1 emissions. In addition, with the boilers running on shea meal, the need for fossil fuel will virtually be eliminated. This is expected to generate yearly savings of up to SEK 100 million.

“AAK is fully committed to accelerate its reduction of greenhouse gas emissions, and this initiative will definitely result in true progress. Not least will it strongly contribute to delivering on the science-based targets which we are in the process of setting”, says Johan Westman, President and CEO, AAK Group. “We work hard, together with our suppliers, to ensure a sustainable supply chain when sourcing our various raw materials. This investment shows we are equally committed to limiting the environmental impact of our own operations.”

Beyond a CO₂ reduction and savings, the use of shea meal to fuel the boilers will generate ash, which in turn can be utilized for fertilizing purposes. In essence, all parts of the shea kernels will be used.

AAK's production plant in Aarhus is specialized in the crushing, refining, and fractionation of shea, a unique raw material from West Africa that AAK has been sourcing for more than 60 years. At the plant, AAK produces a large number of products, among them shea stearin – a major component in CBE (cocoa butter equivalents), frequently used in chocolate and confectionery products. AAK also supplies shea-based emollients for cosmetics and personal care products.

For more information, please contact:

Gabriella Grotte
Head of IR and Corporate Communications
Mobile: +46 737 16 80 01
E-mail: gabriella.grotte@aak.com

The information was submitted for publication at 1:30 p.m. CET on February 4, 2022.

About AAK

Everything AAK does is about Making Better Happen™. We specialize in plant-based oils that are the value-adding ingredients in many of the products people love to consume. We make these products better tasting, healthier, and more sustainable. 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 4,000 employees support our close collaboration with customers through 25 regional sales offices, 15 dedicated Customer Innovation Centers, and with the support of more than

AAK AB (publ)
Skrivaregatan 9
SE-215 32 Malmö
Sweden

Phone +46 40 627 83 00
info@aak.com
www.aak.com

Registered office: Malmö
Company no. 556669-2850
SE556669285001



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 AB (publ)
Skrivaregatan 9
SE-215 32 Malmö
Sweden

Phone +46 40 627 83 00
info@aac.com
www.aak.com

Registered office: Malmö
Company no. 556669-2850
SE556669285001