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AAK implements satellite monitoring globally to support zero deforestation

AAK AB (publ.) has taken a major step forward in delivering on its sustainability commitments by partnering with market-leading sustainability tech companies Earthqualizer and Satelligence that provide high-resolution satellite data. The partnerships allow AAK to monitor its global supply base for palm oil with great accuracy and in real time. This will make it possible to earlier detect signs of deforestation and take immediate action.

“This new innovative monitoring technology is an important part of AAK’s sustainability strategy and by 2025, our goal is that 100 percent of the palm oil that we source should be 100 percent verified deforestation-free”, said Johan Westman, President and CEO, AAK Group. “As co-founders of the RSPO (Roundtable on Sustainable Palm Oil), AAK’s ambition is to play a leading role in transforming the palm oil industry towards sustainability. By investing in these partnerships, we will contribute to the full visibility and verification of deforestation-free supply chains.”

Earthqualizer deploys a widely recognized and credible risk management tool that screens and monitors compliance with NDPE policies (No Deforestation, No Peat, No Exploitation) among palm oil refineries, mills, and plantations. The tool is particularly effective because of its scope which includes the verifying of parent company ownership.

Satelligence helps companies achieve a deforestation-free sourcing and production of palm oil, cocoa, coffee, soy, and other commodities. Building on artificial intelligence, satellite technology, and supply chain data, the company provides daily insights into the global performance of agricultural production and supply chain risks. Satelligence maps and monitors forests, planted palm areas, deforestation, and fire impact.

“With insights from satellite monitoring and compliance data from risk assessments, we are able to more quickly identify risks of deforestation and conversion of peatlands so that we can engage with suppliers to take appropriate actions leading to measurable progress towards our commitments”, said Anne Mette Olesen, Chief Strategy & Sustainability Officer at AAK. “The two systems cover our global supply base for palm, and we are already seeing the benefits of our monitoring activities.”

Aside from committing to deforestation-free and conversion-free palm and soy supply chains by 2025, AAK has recently signed up to set binding targets for CO₂ emissions reductions to be approved by the Science Based Targets initiative (SBTi). Towards the end of 2020, the company also signed the first global Sustainable Coconut Charter, which aims to improve farmer livelihoods, lessen the carbon footprint of coconuts, and boost supply to meet rising global demand.

For more information, please contact:

Anne Mette Olesen
Chief Strategy & Sustainability Officer
Mobile: +46 708 39 93 14
E-mail: annemette.olesen@aak.com

Tim Stephenson
President Global Sourcing & Trading
Mobile: +44 7768 822 031
E-mail: tim.stephenson@aak.com

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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

AAK AB (publ)
Skivaregatan 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



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 3,900 employees support our close collaboration with customers through 25 regional sales offices, 15 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 150 years.