



# Ekman Sustainability Report 2024

*“The goal of sustainable development is to meet the needs of the present without compromising the ability of future generations to meet their needs.”*

This sustainability report provides information about the development, position, and result of Ekman as well as the consequences of doing business regarding our personnel, anti-bribery and corruption, human rights, social responsibility, and environment conservation.

The structure of this year’s sustainability report has evolved to be more aligned with coming reporting requirements and will continue to progress to meet the standards for 2025. A few targets, metrics and KPI’s have been included to demonstrate this progress. Ekman will continue to evolve as new requirements are developed.

Ekman will report on sustainability matters per EU CSRD (‘Corporate Sustainability Reporting Directive’) in 2026, for the year ending 2025.

The UN Global Compact’s “Communication on Progress” (CoP) for 2024 is due in June 2025 and will be published on UNGC’s website.

Ekman is currently not required to report according to the NFRD nor TCFD. In 2026, for the financial year 2025, the company will be required to report according to the EU Taxonomy.

There are other coming directives and regulations, for example CSDDD (‘Corporate Sustainability Due Diligence Directive’), which are being considered and planned for. Other international and national legislations are monitored, for potential reporting requirements.

This report was issued by the Board of Directors of Ekman Invest Holding AB on March 13, 2025, and covers Ekman Invest Holding AB and all its subsidiaries.

“Ekman” shall in this document mean Ekman Invest Holding AB and its subsidiaries; sometimes referred to as the “Ekman Group”.

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This consolidated statement applies to Ekman and all its subsidiaries worldwide, identical to the scope used for the consolidated financial statements.

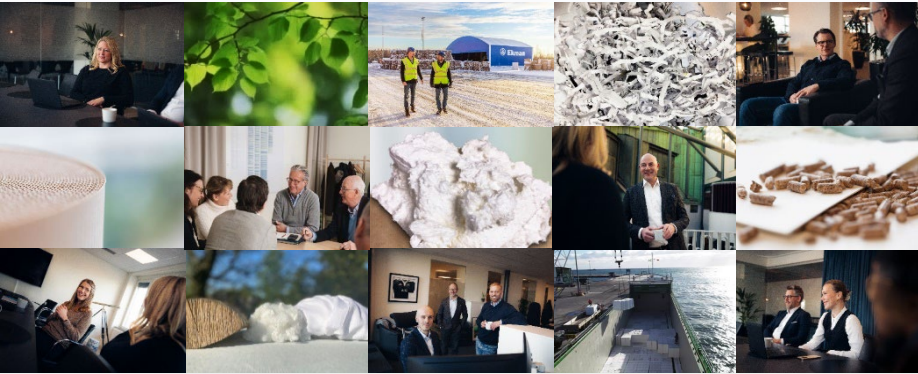
Significant activities and events, headcount per gender and country, and distributions of net sales by geographic market and by product segment is found in the “Ekman Annual Report and Consolidated Financial Statement 2024”.



# General

Sustainability/ESG (Environmental, Social, Governance) is an important focus in business. Organizations around the world and across industries are challenged to define, implement, and report on ESG metrics. Multinational companies must navigate increasingly complex human rights obligations and face increased scrutiny on environmental, social and governance indicators from their key stakeholders.

The continuing shift from voluntary to mandatory requirements coinciding with the expanded enforcement of existing legal frameworks, makes this a top priority.



ESG is already very much a part of the work at Ekman, however sometimes described with other words. For example, the areas 'Personnel', 'Human Rights', 'Anti-Bribery and Corruption', 'Compliance', 'Trade Compliance', 'Social Responsibility', 'Governance' and 'Environment', all fall under either 'E', 'S' or 'G'.

Ekman is not yet subject to the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS) but will be covered in 2026 for the financial year 2025. In preparation, recent years have been dedicated to building a structured approach to ESG, aligning efforts with the requirements of the ESRS. This includes mapping products and value chain; conducting a double materiality assessment to understand the most significant impacts, risks, and opportunities; engaging with stakeholders to integrate different perspectives; and collect data on material sustainability matters.

Ekman, as a trading company, is a commercial business and doesn't produce anything (only very limited production in the form of re-processing of some material).

Ekman doesn't have any large facilities nor warehouses (only a very limited portion of traded goods is passing an inventory controlled by the company), doesn't have a large workforce (currently 324 employees worldwide), nor large offices.

However, there are many customers, suppliers, third parties, and logistics companies in the company's supply chain. It is in the supply chain most material potential negative and positive impact may occur, both when it comes to the environment, human rights, and corruption, and hence where the focus in the current sustainability work is.

### Commitment to sustainability matters

Ekman joined the UN Global Compact in 2021 to show the commitment to conduct business responsibly by aligning strategies and operations to the "Ten Principles of the UN Global Compact".

The commitment has been renewed annually since, and the Ekman ESG Team has since participated in the "UN Global Compact's Accelerator Programs", both for Human Rights and for Climate Ambition.

The purpose of the commitment to protect the people and the planet has become even clearer, with emphasis on the importance of being able to work both reactively (with things beyond the company's control, such as new and changing sanctions and export controls) and at the same time working proactively to be prepared for challenging circumstances and to meet expectations.

The Board and Management of Ekman are committed to support the Ten Principles of the UN Global Compact on human rights, labor, environment, and anti-corruption. In the 'Letter of Commitment' published on UN Global Compact's website, the intent to implement those principles is expressed.

<https://unglobalcompact.org/what-is-gc/participants/149107-Ekman-Co-AB>

**WE SUPPORT**



### Governance of sustainability matters

The Ekman ESG Team handles the day-to-day tasks to learn, research, identify, prepare, and implement new processes and procedures. This is mainly done in various smaller working groups, to integrate the knowledge, processes, and procedures directly into operations.

The Ekman ESG Manager will report to the Ekman ESG Steering Group regularly, to provide updates and progress reports. The Ekman ESG Steering Group consists of the Group's CEO, CIO, CAO, Group Legal Counsel, VP Pulp Sales, and Group Compliance Officer, and is responsible for proposing the goals, targets, timelines, and allocating resources to the Board of Directors .

For specific business transactions involving high-risk trade compliance matters, the Ekman Ethics Committee may also be consulted.

The Ekman Board of Directors has the ultimate responsibility for sustainability matters at Ekman and has the final decision-making power. Two board members are especially dedicated to ESG, which will enhance the Board's involvement in sustainable business going forward. To make sure the knowledge and expertise required is sufficient, external advisors in addition to the ESG Team are consulted.



### Double materiality assessments

As a key step in preparing for CSRD reporting, a Double Materiality Assessment (DMA) was conducted in 2024, in accordance with the ESRS.

To identify material actual or potential impacts, risks, and opportunities (IROs) related to environmental, social, and governance matters to be reported, a double materiality assessment should be carried out.

Double materiality has two dimensions: impact materiality and financial materiality. Impact materiality refers to sustainability matters that the company impacts (inside-out). Financial materiality refers to sustainability matters that affect the company (outside-in). A sustainability matter is considered material for Ekman when it meets the defined criteria for impact materiality, financial materiality, or both.

Guidance available from EFRAG was applied and used to develop a step-by-step process, scoring matrices, and a model for aggregation and prioritization. In 2025, further refinement to the DMA process and methodology will be made.





## Stakeholders

The Ekman stakeholders are mainly the owners, employees, banks, insurance companies, suppliers and customers, authorities, society, and other business partners.

In order to determine materiality, discussions with various stakeholders take place regularly and are included in the reporting to the board.





## Ekman at a glance



Incorporated in  
**1802**

**World  
leading**

sales and marketing  
organization



**~ 4.0**  
million tons/year



Present in  
**> 100**  
countries



Local representatives in  
**~ 40**  
locations



About  
**300**  
employees

## Finding opportunities where others see turmoil

The measure of any trading company is how well it reacts to changes in the market and in the world at large.

As one of the world's oldest trading houses, Ekman is a prime example of the truth in this statement. For centuries, not only have we reacted to the changing conditions of our often-volatile markets, but we have also excelled at finding opportunities and advantages in what others have seen as turmoil.

The global market for forest products represents exactly this kind of situation. Ekman is continuously adapting our organization and resources to match the global situation and the shifting balance of the markets in which we operate.

We take these measures from a position of financial and strategic strength, reacting to certain trends and anticipating others. The result of this continuous process is an efficient, flexible and dedicated organization. However, the more things change, the more some things stay the same. Ekman will always aim to be an indispensable trade partner, empowering global trade flows.

Michael Flynn, CEO



# By your side in every step of the business

Having your best interest in mind, we will be happy to assist you in every aspect of the business by providing a complete range of services for the forest products industry.

## One stop for working capital

200 years of experience in developing financing and risk management structures gives us an advantage in understanding your needs and facilitating business that might otherwise be lost.

## Tailor-made supply chains

The Ekman Logistics Team provides an effective and reliable supply chain based on local knowledge, worldwide coverage and deep competence in all logistical areas.

## Time saving IT services

Our IT Team ensures effective and transparent administrative flows between all parties in an operation with integrated IT solutions, adapted to your needs.

## Safe and smooth business flows

The Sales Coordination Team monitors and coordinates all trade flows and is fully updated on regulations in all markets. Expect the team to anticipate and solve any problem that may arise.

## Your eye in the market

Insight in markets and customers across all continents, down to detail, is the basis for good business. We share market intelligence, often daily, helping you go after opportunities and manage risks.

*“We provide the perfect match  
between buyer and seller.”*



*“We are here to make trading easy and profitable.”*

## Committed to grow businesses

The success of our business partners is a key driver for Ekman. We add value to your business by offering competitive sourcing, strong financial solutions and efficient logistics.

### Customized financial solutions

Whether you represent a multinational company or an entrepreneur just moving into a new venture we have the solutions for you. Our experienced personnel as well as our young talents know what solutions to offer and what hurdles to avoid.

We have the ability to assist from a planning stage of a start-up or to join you in a later stage of a project. Our support is tailor made to suit your requirements, thereby reducing your need for working capital, helping you avoid credit risks, speeding up cash flow as well as reducing investigating costs when entering a new market.

The Ekman Finance Team is looking forward to serving you!

### A tailor-made supply chain

Ekman offers local knowledge, worldwide coverage and deep competence in all logistical areas. Through dialogue with our business partners, we are able to create a cost effective and strong supply chain, tailor-made for every specific operation.

Your dedicated support team monitors all components of the transportation chain, always ready to accommodate your requests together with our trusted partners.

The Ekman Logistics Team is ready to provide you with an effective and reliable supply chain solution!



# Bringing the world to your business

Partners in more than 100 countries have chosen Ekman to make their business easy and more profitable.

Ekman's sales offices in about 40 locations worldwide and an international network of partners and representatives, ensure a strong presence in all producing and consuming areas for the forest industry.

The flexibility of our organization combined with our global presence makes us well positioned to evolve with the changes in our industry and gives our partners considerable leverage in a competitive market-place.



# We strive to be an indispensable and responsible trading partner in sustainable businesses

Our job is to keep you close to the market, going after new opportunities and making the perfect match between buyer and seller.

## Pulp

World's largest independent pulp trader

The Ekman Pulp Division is present in all major geographic areas, providing expertise and an international perspective throughout the supply chain. We supply a complete line of pulp grades to paper mills and identify buyers for their paper products.

We work closely with a targeted number of pulp producers and add value to their organization. We reinvest in core markets on a daily basis and use our extensive global network to add value for our partners while continuously working to establish long-term partnerships with new business partners.

## Paper and Packaging

Meeting an increasing demand on packaging materials

The Ekman Paper and Packaging Division is active globally in a wide spectrum of paper and packaging grades.

Increased demand for both industrial and consumer grade packaging materials has prompted our effort to further develop our packaging grade business. The global change in the printing and writing sector has reduced demand for the related paper grades, while global demand for both industrial and consumer grade packaging materials is growing. Our focus is on growth in sales of packaging grades while maintaining a presence in the printing and writing segment.



## Recovered Materials

Flexibility in a dynamic global business

The Ekman Recovered Materials Division has the knowledge, reputation and market leverage to ship over one million tons per year globally. Our presence on different continents gives trading flexibility in a dynamic global business.

Recovered materials is a major area of growth and a key segment of Ekman's business expansion. A key element of our business strategy is our commitment to capital investment. By assisting our supply partners with equipment upgrades, we add incremental tons to our system and ensure a consistent flow of materials to our customers. Discounted paper and rolls provide a balance between secondary qualities and recovered material grades which enables Ekman to provide a full range of services to our business partners.

## Innovare

### A product facilitator

Ekman Innovare acts as a product facilitator, identifying new products, partnerships, and networks that create value for both our business and our partners.

Created in response to the growing demand for sustainable products and innovations within the forest industry, Innovare focuses on identifying, scaling, and commercializing promising products, innovations, and collaborations with significant growth potential.

In addition, Innovare serves as a strategic resource for each division to assist in further development of their portfolios, optimize current offerings, and explore new opportunities within their existing operations.

## Bioenergy

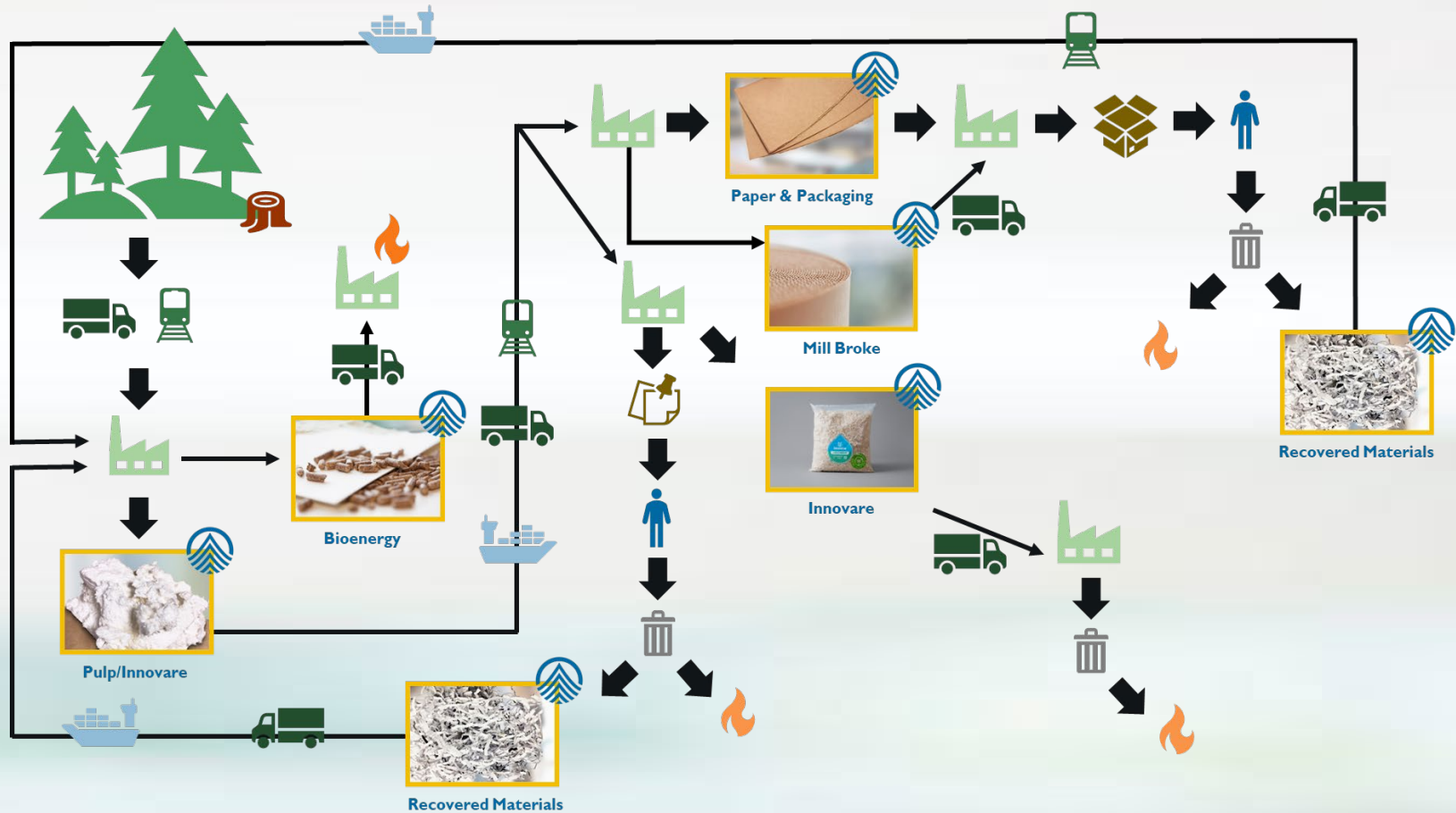
### Extensive market expertise

The Ekman Bioenergy Division has extensive product and market expertise with an in-depth knowledge of both the premium and industrial pellets' markets. Through Ekman's widespread network and excellent service organization, we are constantly striving to ease our business partners' entry into the biomass business.





## Value chains

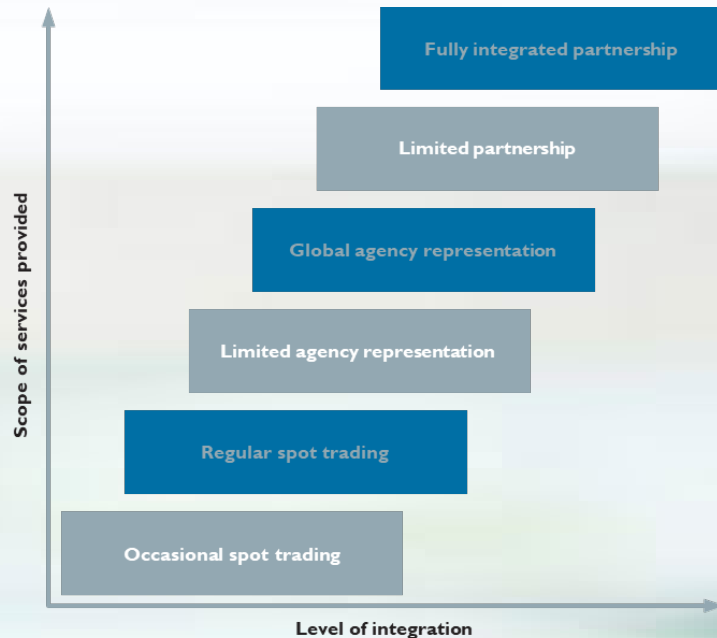


*“We offer tailor-made business solutions.”*

## A partnership adapted to your needs

Our business is built around a partnership strategy where long-term relationships and mutual trust are fundamental. We create mutually beneficial business relationships with suppliers and customers around the globe.

With deep expertise, strong financial solutions, competitive sourcing and highly committed people we provide tailor-made solutions, always adapted to your needs.



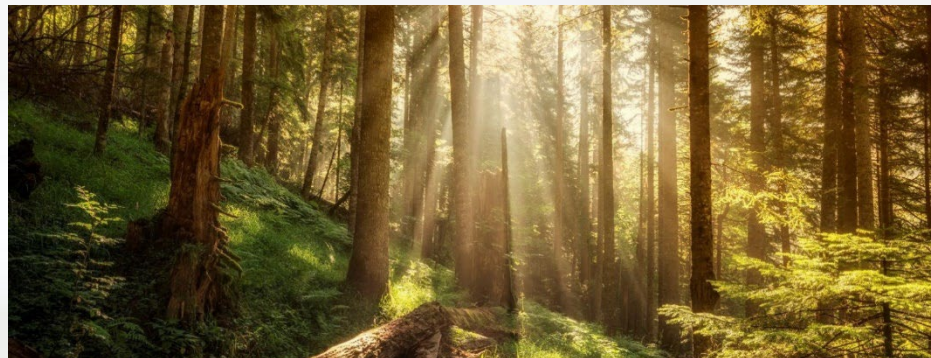
# Environment

## Climate change

During 2024, efforts were focused on identifying and tracking the company's environmental footprint, and systematic collection of data on Scope 1 and 2 greenhouse gas (GHG) emissions commenced.

As Ekman operates a limited number of facilities and offices, emissions in Scope 1 and 2 are low. However, identifying and tracking these emissions are a part of a broader efforts to achieve full GHG reporting.

- **Scope 1**  
This relates to any direct emissions at own (limited) re-processing sites and offices, such as fuel used in vehicles or on-site heating systems.
- **Scope 2**  
This relates to the direct emission from the generation of purchased energy, such as electricity.
- **Scope 3**  
Scope 3 emissions include indirect emissions occurring across Ekman's value chain, such as those linked to transportation. Under the CSRD, the company is required to report on Scope 3 emissions. However, according to ESRS 1 Appendix C, companies with fewer than 750 employees on average during the financial year may omit Scope 3 and total GHG emissions reporting for the first year of reporting according to the directive. As Ekman meets this criterion, use of this phase-in provision will be made, allowing for additional time to further develop the data collection processes before Scope 3 reporting is introduced.





## Biodiversity and ecosystems

There are several sustainability certifications in place to promote a sustainable forest industry and consumer awareness of such certified products is increasing. A healthy environment and sustainable development of the world's resources is fundamental to Ekman's business.

The Ekman Group has the following certifications related to environmental sustainability:

- **FSC®** (Forest Stewardship Council) is an independent, non-profit, international organization promoting responsible forest management worldwide, through its certification system FSC. The chain of custody certification verifies that FSC-certified material has been identified and separated from ineligible and uncertified material as it makes its way along the supply chain from the forest to the market. The material used in the FSC chain of custody can come from a variety of sources. While the overwhelming majority comes from FSC-certified forests, the FSC chain of custody requirements also allows the introduction of reclaimed material that would otherwise go to waste.
- **PEFC** (Program for the Endorsement of Forest Certification) is a leading global alliance of national forest certification systems. As an international non-profit, non-governmental organization, it is dedicated to promoting sustainable forest management through independent third-party certification. Over 28,800 companies worldwide hold PEFC chain of custody certification, ensuring there is a wide variety of PEFC-certified products available on the market.
- **SBP** (Sustainable Biomass Program) is an economically, environmentally, and socially sustainable program for the woody biomass supply chain. It is a unique certification system designed mostly for wood pellets and wood chips used in industrial, large-scale energy production.
- **RCS** (Recycled Claim Standard) is an international, voluntary standard that sets requirements for third-party certification of recycled input and chain of custody. The goal of the certification system is to increase the use of recycled materials. Most of the familiar fibers and raw materials in the fashion and textile industry today come from farming, forests, or fossil fuels.

Chain of custody ensures that claims about the fiber content in a final product, such as "organically grown" or "recycled," are accurate. It's important because raw materials often travel all around the world to be spun, dyed, woven, cut, and sewn. Having the product certified to a third-party content claim standard like RCS, ensures that all necessary measures have been taken, at all different stages, to ensure that the fiber content is constant throughout the process.

- **SFI** (Sustainable Forestry Initiative) is an independent, non-profit organization dedicated to nurturing the future of forests while promoting sustainable forest management across the United States and Canada. It covers a wide range of criteria and indicators that address various aspects of forest management, including conserving biodiversity, safeguarding water quality, community engagement, and ensuring worker safety.

Many of the Ekman entities spread around the world are certified and the company can handle certified products in the above-mentioned programs in all major global markets. Although trading in certified products only represents a part of the company's business today, more certificates and more sites continue to be added.

Assessments show the highest risk for negative impact is in the upstream supply chain, with the initial focus on suppliers in countries/areas with high risks of deforestation and illegal harvesting. Collaborating with suppliers, purchasing certified goods, and being compliant with the EU Timber Regulation (EUTR, current) and EU Deforestation Regulation (EUDR, 2025) have the most potential for a positive impact.

The new EUDR will increase the due diligence required for all imports to and all exports from the EU, so the monitoring of biodiversity risks should advance much by end of 2025.



### Resource use and circular economy

The very nature of Ekman's business is trading in sustainable, recyclable, and renewable resources. In addition to pulp and paper, the company also trades in recycled products and bioenergy - both divisions promoting an enhanced circular economy.

Risk assessments show the highest risk for negative impact is in the downstream supply chain, where products might be sold, used, but not recycled.

In 2024, the newly established Plastics Division made significant strides in preventing plastic waste from reaching landfills. The division has focused on enhancing recycling capabilities and promoting circularity within the industry. As reference, over the past year, approximately 100 million pounds of plastic waste were successfully recycled globally, transforming it into valuable resources and reducing the environmental footprint.

Changing market expectations have prompted our efforts to further develop our business portfolio. The result is **Innovare**, a new business area, responding to the increased demand for sustainable products and innovations in the forest industry.

## Innovare

Innovare is dedicated to advancing the development of Ekman's business portfolio. Created in response to the growing demand for sustainable products and innovations within the forest industry, Innovare focuses on identifying, scaling, and commercializing promising products, innovations, and collaborations with significant growth potential.

Ekman has extensive forest products and market expertise, along with a broad network of stakeholders spanning the entire value chain and Innovare is committed to promoting a more sustainable and profitable business model that centers on renewable resources.

'Challenge the Fabric' (CTF) continues to be one of the bigger projects under the Innovare umbrella. CTF is a cross-industry initiative and unique platform that enables the entire supply chain of man-made cellulosic fibers (MMCF) to come together to share insights and foster connections that drive innovation and efficiency. During 2024, the fourth edition of CTF took place in Milan, advancing its mission to break down silos and foster a cohesive network that strengthens the growth and resilience of the MMCF supply chain and the shift toward more renewable and circular raw materials.

Through Ekman's venture fund, investments in companies developing innovative solutions that may be essential for tackling future sustainability challenges are made. Leveraging the global value chain, Innovare is uniquely equipped to support startup ventures in scaling and commercializing their innovations.

Biosorbe is an example of such an investment and in Ekman's efforts to help commercialize an innovation. Biosorbe has developed a method to hydrophobize cellulosic fibers in industrial scale, creating a sustainable absorbent used for oil spill equipment and water filtration. Through joint efforts, the products are brought to the market and further demonstrating Ekman's commitment to fostering impactful partnerships.





# Social

## Personnel/labor/own workforce

Ekman values a safe and healthy workplace with equal opportunity for employment, development, and advancement for all employees, and considers the employees its most important resource for past, current and future success, and continued growth. This includes physical protection, well-being of people at work, contributions toward a broad social goal of diversity and equal treatment, work security, as well as providing employees with support to enhance personal skills and potential.

Assessments show the highest risk for negative impact on its own workforce is on the wellbeing and physical and mental health of the employees.

By treating the personnel fairly, making them feel secure, creating a sense of belonging, and following ILO's (International Labour Organization) Core Convention guidelines, as well as the UN Guiding Principles on Business and Human Rights, OECD Multinational Guidelines, and other guidelines, this will continue to have a positive impact.

To confirm compliance with labor laws, the company is kept up to date through continued education, and support from external professional expertise. A more skilled workforce enhances the organization's human capital and contributes to employee satisfaction, which correlates strongly with improved performance.

The main risk to the company regarding personnel and labor is loss of key personnel, including not being able to attract, recruit and keep qualified employees. Other risks involve not keeping employees safe and healthy which could result in high employee absenteeism and low morale. This combined with lack of opportunities for development and advancement could lead to a non-motivated and non-skilled workforce. Compliance with labor laws is crucial to prevent an unfair work environment and the risk of monetary loss in forms of fines and penalties. Lack of diversity is also a risk in that this would put Ekman at a disadvantage in the international marketplace.

In order to attract and keep personnel satisfied, a healthy, safe, diverse and equal work environment is defined in the "Ekman Code of Conduct" and "Ekman Human Rights Policy".





### *Health and Safety*

The safety aspects in an Occupational Health and Safety Management Systems (OHSMS) focuses mostly on the safety in hazardous work environments, not in offices, hence Ekman doesn't have a formal system in place. Employee health is promoted in the individual offices, and labor law compliance is according to local laws.

To encourage exercise and good mental health routines, a global friendly exercise competition is held regularly. The purpose is for employees to feel good, get energized, and to strengthen the team-spirit, the 'feeling of belonging' within Ekman.

### *Diversity and inclusion*

Ekman believes that employees from many different cultural, linguistic, and national backgrounds provide the group with valuable knowledge for understanding complex international markets which adds value for the customers. Employees are recruited in the local markets and countries in which Ekman operates.

Diversity at Ekman encompasses differences in employees' ethnicity, nationality, gender, sexual orientation, language, age, religion, socio-economic status, thinking styles, experience, and education. Ekman has chosen not to calculate metrics on diversity at this point, for personal privacy reasons.



### *Worker management*

Ekman employees are encouraged to strive for personal and professional development and both internal and external training is available and encouraged. No formal training program is in place, but there are plans to develop one in the near future.

The planned Training Program consists of a combination of mandatory, encouraged, and voluntary training, and will offer various training options such as live, video, online and via Teams. The program will also encourage management and leadership training globally.

As a member of the UN Global Compact, all Ekman employees have access to the UN Global Compact Academy, offering extensive educational opportunities in the fields of human rights, labor, gender equality, climate change and the environment, governance and anti-corruption, and sustainability development goals.

In 2024, the “Ekman Cross-pollination Program” was initiated. The program aims to encourage collaboration, knowledge sharing and innovation between teams, departments, and offices. It also provides an opportunity for development for the employees and to create pathways within the company, supporting the sense of belonging together.

To encourage improvements and further development, personal annual reviews and follow-up meetings between managers and employees are conducted, to create a safe and encouraging work environment where employees are heard and listened to.

In December 2024, a global, anonymous survey took place, in order to provide management with feedback to identify areas for improvement, enhance engagement, and measure key metrics related to job satisfaction. The average score was 4.18 out of 5, which is a very positive result. The survey also gave valuable feedback, to which the corporate management group will respond with comments and, where applicable, an action plan.

An employee representative is present at all Group Board meetings, to ensure the employees' interests are provided for.

A third-party administered web-based whistleblowing service is in place for anonymous and confidential reporting of non-compliance, and unethical behavior. The service is available both internally and externally and has been in place since 2017. The anonymous service is available in 6 languages.



In a continued effort to support Ekman personnel, and in addition to the Ekman Whistleblowing Service, a dedicated “Employee Support Partner” function was implemented in 2024. The purpose is for all employees to have a go-to person to contact to raise questions, discuss sensitive matters, seek advice, or get help resolving any concerns regarding employment or working conditions, should they occur.



### Human rights/workers in the value chain

The existence of crimes against human rights is a global reality and needs to be considered by anyone doing business on a global basis and especially when dealing with so called “high risk countries”.

Ekman’s business is global and exposed to various risks via business transactions in different countries, cultures, and markets. Ekman is committed to live by the highest ethical standards and expects the same from its partners.

Everybody doing business with Ekman are expected to comply with international anti-corruption and human rights laws and regulation and are asked to sign off on the “Ekman Code of Conduct for Business Partners” (published in English, Chinese, Arabic, Italian, Spanish, French and Finnish, and is found on [ekmangroup.com](http://ekmangroup.com)). Ekman will also sign business partners’ Code of Conducts upon request.

The required compliance with human rights is changing, as new legislation is being implemented in many countries. In addition to the “Modern Slavery Act” in the UK, which has been in place since 2015, there are now modern slavery/human rights legislation in Canada, Australia, Norway, Germany, Hong Kong, Japan, the Netherlands, New Zealand, France, and the US, among others.

Due diligence is a common requirement in all human rights legislations, and Ekman includes this aspect in already existing trade compliance due diligence.

Business transaction mapping shows the highest risks for impacts on salient human rights are in the supply chain. Child labor and forced labor (modern slavery) are determined to be the most salient human rights in the company’s supply chains, and the operating sectors (forest and garment) are considered high-risk.

Other salient human rights that are potentially high-risk are working conditions (health and safety, diversity and equality, non-discrimination and harassment) and the right to freedom of association and collective bargaining.

The work with human rights in the supply chains includes policies, risk assessments, due diligence, internal audits, and whistleblowing service.





### *Management of human rights*

Potential impacts, risks and opportunities are managed by the ESG Manager, in cooperation with the Trade Compliance Team, the Group Legal Counsel, the Human Rights Group, and the ESG Steering Group.

This setup ensures various aspects of work with human rights: compliance, labor law, value chain, business partner management and legal, and has direct access to the Group Management and the Board.

### *“Ekman Human Rights Policy” document*

The “Ekman Human Rights Policy” addresses risks mainly to workers in the value chain and the purpose of the policy is to make Ekman’s commitment to reducing/eliminating adverse impacts, either by causing or contributing to, either directly or indirectly through business partners, transparent to all employees.

The scope of the policy covers all Ekman activities and the whole value chain, with main focus on direct suppliers and direct customers, due to the possibility of leveraging impacts and remedy. Additional focus is on markets with high-risk for adverse impacts on workers in the value chain.

The main human rights addressed are forced labor, modern slavery and trafficking, child labor, and working conditions.

The policy is published on the Ekman intranet and promoted in various training sessions. Human rights and workers in the value chains are also cross-referenced in other Ekman policies.





#### *Affected stakeholders*

Regarding affected stakeholders, the context analysis provides important input to the views and concerns of stakeholders that may be affected by Ekman and Ekman's direct and indirect business relationships, as direct engagement is not possible in all instances.

Here, credible proxies such as reports by non-governmental organizations and scientific articles are consulted to understand sustainability matters important to different stakeholder groups across the value chain and aid in the assessment of severity and/or likelihood.

To have a positive impact on affected stakeholders (workers in the value chain), collaboration with business partners and NGO's is deemed a necessity.

#### *Human Rights training*

Training is an important component to addressing potential human rights risks (including modern slavery and human trafficking risks). Raising awareness of the potential risks, and informing employees of policies and processes, will improve knowledge.

Human rights training is mandatory to all Ekman employees and is offered at least annually. Additional Modern Slavery (UK) training is mandatory to Ekman's UK employees and agents.

### *Guidelines regarding salient human rights in the supply chain*

#### **UN Guiding Principles on Business and Human Rights**

The United Nations endorses the 'Protect, Respect and Remedy Framework' for business and human rights. The Guiding Principles contain three pillars: protect (States), respect (business) and remedy (both).

The Guiding Principles clarify what is expected of business enterprises with regard to human rights and outline the process through which companies can identify their negative human rights impacts and demonstrate that their policies and procedures are adequate to address them.

The Guiding Principles affirm that business enterprises must prevent, mitigate and, where appropriate, remedy human rights abuses that they cause or contribute to. Businesses must seek to prevent or mitigate any adverse impacts related to their operations, products or services, even if these impacts have been carried out by suppliers or business partners.

#### **OECD Multinational Guidelines**

The OECD Guidelines for Multinational Enterprises on Responsible Business Conduct are recommendations jointly addressed by governments to multinational enterprises to enhance the business contribution to sustainable development and address adverse impacts associated with business activities on people, planet, and society.

#### **Modern Slavery Act, UK**

The Modern Slavery Act is a globally leading piece of legislation and sets out measures on how modern slavery and human trafficking should be dealt with in the UK. Whilst not all of the Act is directly relevant for business, section 54 entitled 'Transparency in supply chains' impacts the corporate sector.

Ekman Recycling Limited is a subsidiary to Ekman & Co AB and located in the UK and is required to follow and report on the Modern Slavery Act (separate statement).

### *Trade Compliance and human rights*

The Ekman Trade Compliance Team ensures all business partners are verified and screened for crimes against human rights (as well as for sanctions, bribery and corruption, and crimes against the environment).

In cases where there are high-risk, an escalation structure is in place. The Trade Compliance Team consults the Group Compliance Officer and/or the Group Legal Counsel. For further consultation, external legal advisors and/or the Ekman Ethics Committee may be consulted. If the risk cannot be mitigated at that point, the Board of Directors may be consulted, for a final decision.

‘Business partners’ encompass not only direct customers and suppliers, but also agents/intermediaries, end-users (receivers of goods), other trading companies, other business partners, etc.

Ekman does not participate in any form of forced labor (bonded labor, debt bondage, forced prison labor, modern slavery, servitude, or any form of human trafficking).

Corruption is also a human rights issue. Whichever form it takes, large or small, corruption results in countries not fulfilling their human rights obligations and in people not enjoying their rights.





### Affected communities

Due to size, Ekman does not have a big impact on the local communities in which the company operates, apart from providing job opportunities. As a trading company, Ekman has very limited production and facilities, hence minimal direct impact. However, sourcing activities could have an indirect negative impact on communities where suppliers harvest forests or where their pulp mills are located. For example, local communities that depend on forests for their livelihoods may be affected, and indigenous people may experience cultural erosion.

### Indigenous Peoples

Upcoming legislation (EU Deforestation Regulation, 2025) places special emphasis on the rights of indigenous peoples, which could reduce the negative impact with the respect for indigenous people's rights and human rights overall in local communities.

Imports/exports of goods in the EU need to take into consideration and document the presence of, and consultation and cooperation with, indigenous peoples, in the country or region of harvested forest products.

Indigenous peoples reside on every continent, from the Arctic to the Pacific, via Asia, Africa and the Americas. Indigenous peoples have the collective right to live in freedom, peace, and security as distinct communities, free from acts of genocide or any other forms of violence.

Certification bodies, such as FSC, have also added requirements regarding human rights in the value chains, specifically to include the rights of indigenous peoples. Ekman's policies and processes will be updated to address this group accordingly.

### Other legislation

Other national and international legislation addressing the health risks associated with toxic pollutants from heavy industries like pulp mills may also reduce the negative impact on affected communities.

Risk assessments and research in this field is in progress.

### Grievance mechanisms

The Ekman Whistleblowing function is available externally on the company website and may be used by any party, including members of potentially affected communities. However, there might be restrictions, such as general awareness, language and computer skills and efficiency, to properly report any incidents.

As with other areas where the company only has a potential indirect impact, interaction with potentially affected stakeholders (members of affected communities) is limited and difficult to achieve without collaboration with business partners and NGO's.



# Governance

## Corporate culture and Compliance

Ethics, corporate culture, and values is considered material for all aspects of sustainability work and reporting.

Business misconduct, including bribery and corruption, is the foundation for other sustainability matters, such as crimes against the environment and crimes against human rights and may be considered in correlation with all other SDG's (Sustainable Development Goals). Ethical culture and leadership lead to sustainable and ethical business and a healthy working environment.

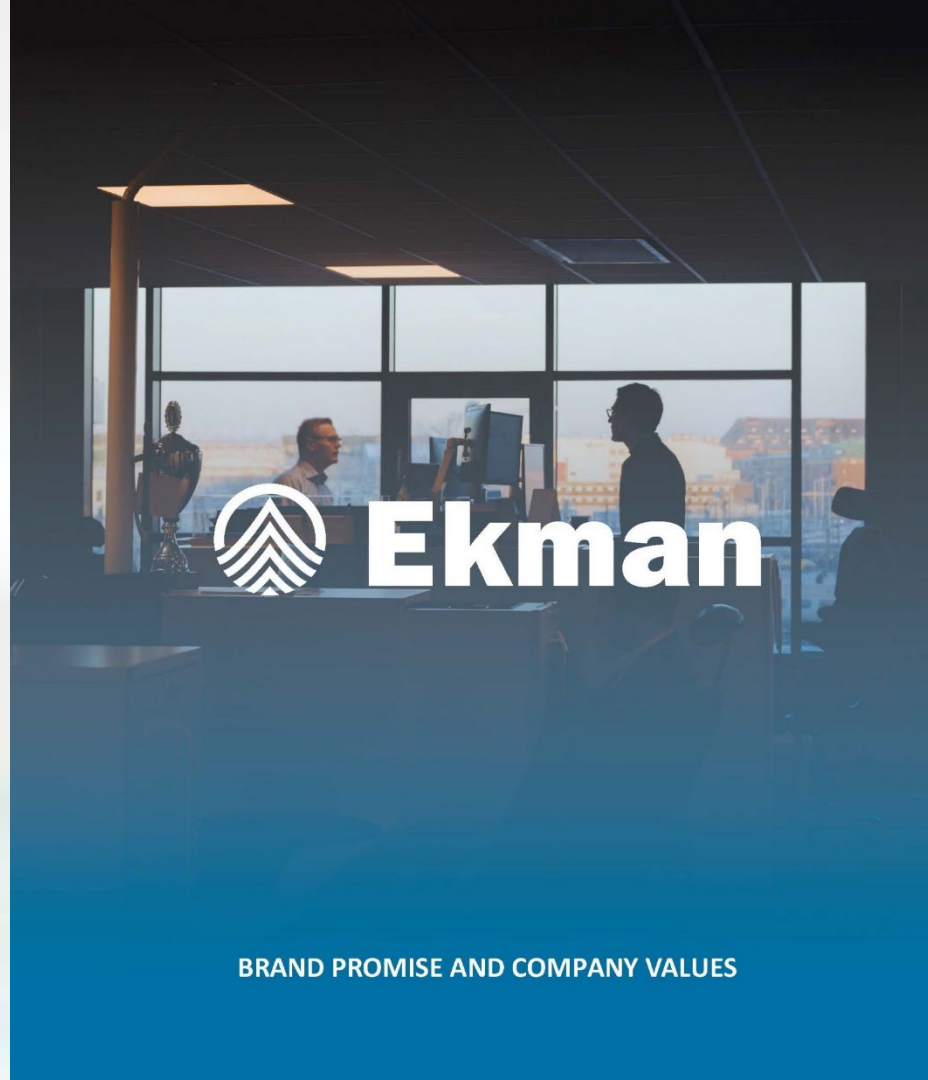
Ekman's business is global and exposed to various risks via business transactions in different countries, cultures, and markets. Ekman is committed to live by the highest ethical standards and expects the same from its partners. The goal is to continue to be a company of integrity to ensure that the values, ethics, statements, commitments, relationships, and transactions are a reality in everyday work.

To deter bribery and corruption and to increase employee awareness of fraud in general as well as promoting ethical behavior, Ekman has a global compliance program in place. The "Ekman Compliance Program" is an internal framework with policies, risk assessments, due diligence, instructions, training, internal audits, investigations, and whistleblowing service.

To give all employees globally an overview of the 'Compliance Program' at Ekman, an Annual Review is distributed, including some specific training, reading of the "Ekman Code of Conduct" and signing off on reading, understanding, and following.

All Ekman internal policies are readily available on the intranet.

With Ekman's brand promise of "Empowering Global Trade", business focus is on offering reliable partnerships and being expert business match makers. For Ekman to deliver on this promise, it is vital to manage responsible, compliant, and ethical business transactions with an eye towards sustainability regarding the environment, people, and society. It means following laws and regulations and treating employees and all people with fairness and respect.



BRAND PROMISE AND COMPANY VALUES

## Governance of business conduct

The Compliance Program is headed by the Ekman Group Compliance Officer, who reports to the CEO, is assisted by the Group Legal Counsel, and has direct access to the Group Board.

Compliance updates, including potential incidents, are provided to the Board quarterly.

The governance structure at Ekman also includes the “Ekman Ethics Committee”, consisting of the CEO, EVP Pulp Division, Senior VP Paper and Packaging Division, Senior VP Recovered Materials Division, VP Innovare, VP Global Logistics, VP Global Financial Services, the Group Compliance Officer, the Trade Compliance Manager, and Group Legal Counsel.

## Whistleblowing service

A third-party administered web-based whistleblowing service is in place for anonymous and confidential reporting of corruption and other fraudulent and unethical behavior. The service is available both internally and externally, has been in place since 2017, and is available in 6 languages.

## Whistleblower protection

The EU Whistleblower Protection Directive provides for and promotes a safe and secure way for employees to speak up about misconduct in their work environment.

Whistleblowing cases			
	2024	2023	2022
Number of substantiated whistleblowing cases	1	1	0
Number of cases submitted to authorities	0	0	0

report.whistleb.com/en/ekmangroup

Ekman

Language  
English (en)

**We want to do what is right**

Our company strives to maintain a transparent business climate and strong business ethics. We value the safety and respect of everyone affected by our business. You have a vital role in our success.

**Our Whistleblowing service**

Our whistleblowing service is an early warning system to reduce risks. It is an important tool to foster high ethical standards and maintaining customer-, supplier-, and other business partners' confidence in us.

The whistleblowing service can be used to alert us about serious risks of wrongdoing affecting people, our organisation, society, or the environment. Your report can include information regarding criminal offences, irregularities and violations or other actions in breach of international, EU or national laws, within a work-related context.

**Primarily we encourage you to contact a manager in our organization.** If you feel you cannot be open with your information, we offer the option of reporting your concern **anonymously**.

You do not need proof of your suspicions, but all messages must be made in good faith (believed to be true).

**Your message will be securely handled**

**How do I submit an anonymous message?**

Your message is submitted easily and securely by following the instructions on the form. After having sent your message you will receive an ID and a password on the screen. **Save these in a secure manner. You will remain anonymous throughout any dialogue.**

Within 7 calendar days, we may post a response or follow-up question for you.

Create message »

Follow up

Thank you for your contribution.

Trade Compliance

Management of business partners

Ekman’s history and reputation for transparency and fairness provide the platform for strong partnerships around the world. Ekman believes openness and trust are key factors, as well as integrity and ethical behavior.

Everybody doing business with Ekman are expected to comply with international anti-corruption and human rights laws and regulation and are asked to sign off on the “Ekman Code of Conduct for Business Partners” (published in English, Chinese, Arabic, Italian, Spanish, French and Finnish, and is found on [ekmangroup.com](http://ekmangroup.com)). Ekman will also sign business partners’ Code of Conducts upon request.

Code of Conduct for Business Partners	
	Total
Number of business partners who have signed the “Ekman Code of Conduct for Business Partners“	562
Number of business partners who have signed the “End-User Certificate“	127

The Ekman Trade Compliance Team ensures all business partners are verified and screened against sanctions, bribery and corruption, crimes against human rights and crimes against the environment.

“Business partners” encompass not only direct customers and suppliers, but also agents/intermediaries, end-users (receivers of goods), other trading companies, other business partners, etc.

Antitrust and competition

To ensure competition in the marketplace, there are Antitrust and Competition laws in place. The laws aim to avoid “coordination of market behavior” and certain activities are therefore forbidden by law. These activities include disclosing to, discussing with, or entering into agreement with competitors. These activities could affect how customers act and could hinder competition.

The antitrust and competition laws prohibit efforts and actions to restrain or limit competition between companies that otherwise would be competing for business in the marketplace.

Prohibited efforts and actions under applicable antitrust and competition laws generally include, but are not limited to, price fixing, bid rigging, market division and any other unlawful information sharing arrangements that unreasonably restrain trade.

It is Ekman's policy to comply with applicable antitrust and competition laws of each country in which Ekman does business, and under no circumstances should anyone at Ekman enter into any agreement (written or oral, expressed, or implied) that could be seen as having the potential to restrict competition.

Sanctions

Management of sanctions is one of the more important tasks for the Trade Compliance Team.

Sanctions are imposed by the UN, US, UK, and other countries for crimes against human rights, mainly Russia and surrounding countries, such as Uzbekistan and Georgia, as well as Syria, Myanmar, China, Iran, and Ethiopia, among others.

In addition, 2024 has been a year of increasing geopolitical tensions and instability. Keeping track of developments has grown to become a significant focus area for the Trade Compliance Team.



### Anti-Fraud, Bribery and Corruption

The existence of corruption is a global reality, and the risk of corruption is therefore something that needs to be considered by anyone doing business on a global basis and especially when dealing with so called "high corruption risk countries". Ekman conducts business in more than 100 countries around the world, many where bribery and corruption risks are present. Negative impacts are difficult to project, especially in understanding the potential severity, as bribery and corruption take place in the unknown. The focus is on prevention of bribery and corruption to take place in the first place, and on detection if it does.

Bribery and corruption in the supply chain could have widespread negative impact on individuals, companies, communities, and countries. Fraud, bribery, and corruption are major global issues, causing damage to societies and individuals worldwide. It undermines democracy and the rule of law, leads to violations of human rights, distorts markets, erodes quality of life, and allows organized crime, terrorism, and other threats to human security.

Bribery and corruption in the supply chain could seriously damage the reputation of Ekman, prevent fair competition, and create an unethical work environment. Breaching international anti-bribery and corruption laws could also result in imprisonment, large fines, not being able to trade in USD, etc.

Risks of bribery and corruption include against Ekman, by Ekman, and in line of doing business on behalf of Ekman.

Risk assessments are based on mapping of countries/markets, business partners, and setups. (Ekman's products are not considered high-risk products per se).



### *Governance of Compliance department*

The Compliance Officer is responsible for keeping compliance policies up to date (including "Code of Conduct", "Anti-fraud, Bribery and Corruption Policy", "Trade Compliance Policy" and "Whistleblowing Policy"), offering training for employees, management, agents, and board members, performing investigations if needed and monitoring of the program.

Escalation in cases where there are high-risk of breaches or business misconduct, an escalation structure is in place. The Trade Compliance Team consults the Group Compliance Officer and/or the Group Legal Counsel. For further consultation, external legal advisors and/or the Ekman Ethics Committee may be consulted. If the risk cannot be mitigated at that point, the Board of Directors may be consulted, for a final decision.

### *Compliance training*

Employee training in anti-bribery and other trade compliance issues is on-going and global. To ensure employee training participation and understanding of training subjects, some tests are mandatory and documented.

#### **2024 business conduct training**

Number of employees who completed 2024 business conduct training	Distributed		%
	Completed		
Whistleblowing	323	292	90
Conflict of interest	308	264	86
Human Rights	331	237	72
Antitrust and competition	97	88	91
Gifts and bribes	331	255	77
Compliance, Ethics, and ESG Introduction and Annual Review	276		



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### Information security

Risks to the Group's data, systems, and networks entail operational disruptions, technical failures, loss of data, confidentiality, availability, and integrity of data, and can be caused by many things, including natural disasters, terrorism, and cyber-attacks (phishing, spoofing, malware, intrusion, etc.)

Cyber security is a prioritized area, with cooperation between the CIO, the CEO, the IT department, and external consultants, as well as cooperation with the Ekman Compliance Team and the Data Protection Group for GDPR. Employees are given guidelines and regular training on how to use IS/IT, in order to protect the data, infrastructure, integrity of the company and the employees themselves.

The data, systems, and networks are protected to prevent incidents from happening, and to minimize potential impacts to the company's value and reputation, trade secrets, employees' personal data, etc. should an incident take place.

The Group's CIO manages information security risks through internal policies, management and board strategy and review, adequate processes, contingency plans, and internal and external reviews of the IT infrastructure.

Information security is an ongoing concern, in an area that evolves continuously and swiftly.



### *Crisis management*

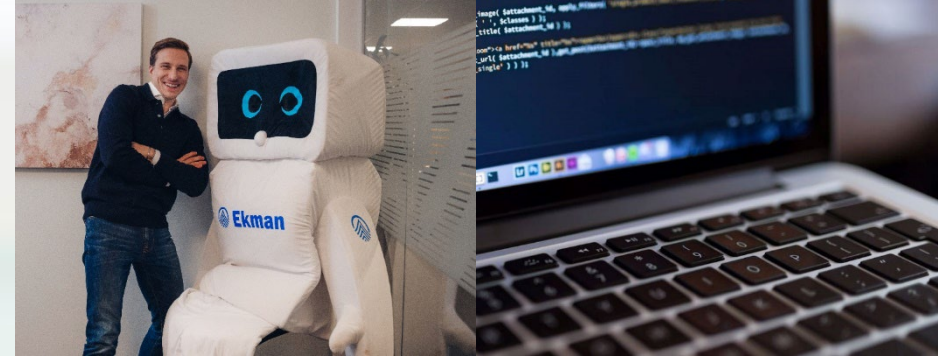
With the current state of the world - wars and terrors, political tension, human suffering, environmental disasters, cyber security threats - Ekman has implemented improved crisis management plans, both on a global level and with local plans for the Ekman offices. The plans outline how to react if a crisis occur, who will take action, and what those roles will be. The goal is to minimize damage, restore business operations as quickly as possible, while always keeping the personnel safe. Taking care of and leading the personnel, even in changing and challenging conditions, is of high priority.

### *Artificial Intelligence*

In the ever-evolving landscape of technology, Artificial Intelligence, AI, has emerged as a powerful tool capable of transforming day-to-day tasks, enhancing productivity, and streamlining workflows. Ekman consider these tools to be used to empower human potential, not to replace people. By adopting a user-friendly approach, it will be possible to use the full potential of AI to enhance the efficiency of our company, simplify tasks, and improve the quality of the daily work.

Even if game changing AI is not what will be reached within Ekman there is a strategic plan to utilize the potential of AI and to create a team to actively find cases where AI can be used to support efficiency.

Ekman has policies in place to ensure that we collect, process, and store data used with AI tools in a correct manner.





### Environment

Climate change  
Biodiversity and ecosystems  
Resource use and circular economy

### Social

Personnel/labor/own workforce  
Human rights/workers in the value chain  
Affected communities

### Governance

Corporate culture  
Whistleblowing service  
Management of business partners/supply chain  
Antitrust and competition  
Trade compliance, anti-fraud, bribery, and corruption  
Information security





**Ekman**

BRINGING THE WORLD TO YOUR BUSINESS

## Auditor's report on the statutory sustainability report

**To the general meeting of the shareholders in Ekman Investment AB, corporate identity number 556712-1602.**

### *Engagement and responsibility*

It is the board of directors who is responsible for the statutory sustainability report for the year 2024 and that it has been prepared in accordance with [the Annual Accounts Act according to the previous version applied before 1 July 2024.

### *The scope of the audit*

Our examination has been conducted in accordance with FAR's standard RevR 12 *The auditor's opinion regarding the statutory sustainability report*. This means that our examination of the statutory sustainability report is substantially different and less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

### *Opinion*

A statutory sustainability report has been prepared.

Gothenburg 2025-03-13

Deloitte AB

*Signature on Swedish Original*

Harald Jagner  
Authorized Public Accountant