

Oatly's Modern Slavery Statement for January to December 2019

About us

Our mission at Oatly is to make it easy for people to eat better and live healthier lives without recklessly taxing the planet's resources. Our goal is always to produce and deliver oat-based products that have maximum nutritional value and minimal environmental impact.

We are driven by a constant desire to evolve and become better at what we do. We want to work together with co-workers, suppliers and partners for a healthy, sustainable and transparent food chain.

We are committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business.

Organisation structure and supply chains

In 2019 Oatly AB was owned by Industrifonden, the Foundation for Baltic and East European Studies, Verlinvest, China Resources, the company's founders, private individuals and our employees. Our headquarters are located in Malmö and our main production and development center is in Landskrona. We employ over 500 people in offices in Sweden, the United States, United Kingdom, Netherlands, Germany, Finland, Hong Kong and China. The Oatly brand is available in more than 20 countries globally.

In 2019 we sourced the majority of our raw materials from Europe and North America, producing our products at three facilities owned by us and 14 co-packing facilities.

Our Sustainability Team has responsibility for working with our suppliers to identify and reduce the risk of slavery and human trafficking in the supply chain. Since the summer of 2020 we have had a dedicated position with strong experience with supply chain management to help support this work.

Policies in relation to slavery and human trafficking

As part of Oatly's promise to be a good company, we do not tolerate any form of slave labour or human trafficking in any part of our business. This is set out clearly in our Code of Conduct which expresses our ethics as a company. It is based on the principles of the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights, the International Labour Organization's (ILO) eight Fundamental Conventions and the UN's Sustainable Development Goals.

Our approach to these issues is clearly set out in our sustainability report which is available on our website and our intranet, and our Code of Conduct, which is sent to all employees and suppliers, and is also available on our intranet.

Due diligence processes

Employees, partners and suppliers must read and sign our Code of Conduct confirming that they will comply with our standards or demonstrate that their own Code of Conduct has similar standards. In 2019 100% of our suppliers signed this document or provided their own Code of Conduct.

We have sustainability requirements as part of our contracts, and we encourage all of our suppliers to become members of the Supplier Ethical Data Exchange (SEDEX) or to complete our Supplier Sustainability Self-Assessment. Through our membership to SEDEX and some of our suppliers' memberships we share data transparently and can identify risks in our supply chain. This assessment

is based on the following codes: ETI Base Code: 2014 (Ethical Trading Initiative), SA8000:2014 – Social Accountability (SAI – Social Accountability International), ISO 14001:2015 – Environment Management System (International Organization for Standardization), and OHSAS 18001 occupational health and safety management system (Occupational Health & Safety Advisory Services).

For those suppliers who aren't members of SEDEX we ask them to fill out our own Supplier Sustainability Self-Assessment, also based on the codes above, or provide us with their own assessments which disclose similar information. In 2019 98% of suppliers, who were not members of SEDEX, completed this assessment or provided their own assessment. In 2020 we have been reviewing our approach to non-compliance to ensure that we get the information that we need to assess our supply chain.

Risk assessment and management

We have identified that a small percentage of ingredients we use come from high-risk countries, as defined by the Business Social Compliance Initiative (BSCI), where modern slavery may be more likely. In the first instance we try to refrain from purchasing ingredients from these countries but if that is not possible then we try to work with third-party certifications such as UTZ and Organic to reduce the risk of forced labour in our supply chain.

In 2019 alongside SEDEX and our Supplier Sustainability Questionnaire, we have been working further to assess our risks and identify our highest risk suppliers and areas in the business that we should prioritize first. This risk assessment covers a wide range of risks associated with human rights and anti-corruption.

We also have a Whistleblowing system to detect any serious wrongdoings or misconduct within Oatly and encourage reporting of such things. In 2019 we had no reports.

Key performance indicators to measure effectiveness of steps being taken

Currently our key performance indicators consist of the percentage of suppliers who have signed our Code of Conduct and the percentage of suppliers who are members of SEDEX or who have completed our Supplier Sustainability Questionnaire. We know that we have to make these indicators more robust and will be developing our supplier assessments to ensure that they encompass all risks identified in our risk assessment.

Training on modern slavery and trafficking

All our employees are made aware of the Code of Conduct as part of the onboarding process.

In 2019 our Sustainability Team received education on human rights risk analysis and has started the process of mapping these risks in Oatly's own business and supply chain. Additionally, through our membership to SEDEX the team received training about modern slavery and human trafficking.

We expect our co-workers, suppliers and partners to share our view of the importance of openness, transparency, privacy, integrity and trust. For us, trust means acting in an ethical and proper manner that is characterized by a respect for people, nature and the law. A close dialogue with our partners, suppliers and consumers is important to us in order to be able to tackle such issues as modern slavery and human trafficking. We put emphasis on the issue of transparency within the food industry and we continually strive to be one of the most transparent companies in the industry.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and covers the financial year January - December 2019 and was approved by the board of directors on 03/09/2020.

A handwritten signature in black ink, appearing to read 'Toni Petersson', with a stylized flourish at the end.

Toni Petersson

Chief Executive Officer

Oatly AB