

**PROPOSAL OF THE BOARD OF DIRECTORS FOR
IMPLEMENTATION OF A LONG-TERM INCENTIVE PROGRAM
INCLUDING RESOLUTIONS ON (A) ISSUE OF SUBSCRIPTION
WARRANTS AND (B) TRANSFER OF SUBSCRIPTION WARRANTS**

The Board of Directors of AAK AB (publ) proposes that the Annual General Meeting 2025 resolves on a new long-term incentive program for senior executives and certain key employees within the AAK group including resolutions on (A) a directed issue of subscription warrants series 2025/2029 (“**TO 2025/2029**”), subscription warrants series 2026/2030 (“**TO 2026/2030**”), subscription warrants series 2027/2031 (“**TO 2027/2031**”), subscription warrants series 2028/2032 (“**TO 2028/2032**”) and subscription warrants series 2029/2033 (“**TO 2029/2033**”) and (B) approval of transfer of subscription warrants in TO 2025/2029, TO 2026/2030, TO 2027/2031, TO 2028/2032 and TO 2029/2033. The main principles of TO 2025/2029, TO 2026/2030, TO 2027/2031, TO 2028/2032 and TO 2029/2033 are described below.

A. Issue of subscription warrants series TO 2025/2029, TO 2026/2030, TO 2027/2031, TO 2028/2032 and TO 2029/2033

The Board of Directors proposes that the Annual General Meeting resolves:

1. that the company shall issue a maximum of five million (5,000,000) subscription warrants distributed in equal parts in the series TO 2025/2029, TO 2026/2030, TO 2027/2031, TO 2028/2032 and TO 2029/2033 entitling to subscription for new shares in AAK AB by which the share capital may be increased by a total of maximum SEK 8,333,333.33, whereby it is noted that the amount exceeding the quota value shall be transferred to the nonrestricted share premium account;
2. that the issue is made with deviation from the shareholders’ preferential rights and the right to subscribe for all subscription warrants shall be granted to AAK Invest AB, a wholly-owned subsidiary of AAK AB, with the right and obligation for the subsidiary to transfer the subscription warrants to executive management and key employees within the AAK group in accordance with what is stated herein. The subsidiary shall not be entitled to dispose of the subscription warrants in any other way;
3. that the subscription warrants shall be issued free of charge;
4. that subscription for all of the subscription warrants shall be made on 31 August 2025 at the latest, with a right for the Board of Directors to prolong this time limit;
5. that each subscription warrant shall entitle the holder to subscribe for one (1) new share in AAK AB with a quota value of SEK 1.67;
6. that subscription for shares in AAK AB by exercise of the subscription warrants may take place (i) regarding TO 2025/2029 during the period from and including 1 September 2028 up to and including 1 September 2029, (ii) regarding TO 2026/2030 during the period from and including 1 September 2029 up to and including 1 September 2030, (iii) regarding TO 2027/2031 during the period from and including 1 September 2030 up to and including 1 September 2031, (iv) regarding TO 2028/2032 during the period from and including 1 September 2031 up to and

including 1 September 2032 and (v) regarding TO 2029/2033 during the period from and including 1 September 2032 up to and including 1 September 2033;

7. that the subscription price per share shall correspond to 120 percent of the volume weighted average price according to Nasdaq Stockholm's official price list for the share in the company during five trading days preceding the time when the executive management and key employees within the AAK group covered by the subscription warrant programs acquire subscription warrants from AAK Invest AB in each series, however, never less than the share's quota value; in the absence of a settled price for any of the days in question, the quoted bid price for that day shall be included in the calculation. A day with neither a settled price or a quoted bid price shall be excluded from the calculation. The calculated subscription price shall be rounded to the nearest whole cent (Sw. *öretal*), whereby half a cent shall be rounded down;
8. that if acquisition takes place on more than one occasion, the subscription price for each series is determined on the first occasion of transfer;
9. that shares that have been issued by virtue of the subscription warrants, will entitle to dividend for the first time on the first record date for dividend occurring after subscription of shares through exercise of subscription warrants has been executed; and
10. that applicable terms for re-calculation, including recalculation when subscription for shares takes place through the so-called Net Strike formula, and other terms and conditions for the subscription warrants are set forth regarding TO 2025/2029 in the "*Terms and conditions for subscription warrants TO 2025/2029 regarding subscription for shares in AAK AB (publ)*", Appendix A, regarding TO 2026/2030 in the "*Terms and conditions for subscription warrants TO 2026/2030 regarding subscription for shares in AAK AB (publ)*", Appendix B, regarding TO 2027/2031 in the "*Terms and conditions for subscription warrants TO 2027/2031 regarding subscription for shares in AAK AB (publ)*", Appendix C, regarding TO 2028/2032 in the "*Terms and conditions for subscription warrants TO 2028/2032 regarding subscription for shares in AAK AB (publ)*", Appendix D, and regarding TO 2029/2033 in the "*Terms and conditions for subscription warrants TO 2029/2033 regarding subscription for shares in AAK AB (publ)*", Appendix E.

The CEO, or anyone appointed by the CEO, shall be authorised to make such minor changes to the resolution by the general meeting to issue subscription warrants as may be deemed necessary in connection with registration with the Swedish Companies Registration Office (Sw. *Bolagsverket*) and Euroclear Sweden AB.

The reason for the deviation from the shareholders' preferential right are that AAK AB wishes to introduce an incentive program for senior executives and key employees within the group, whereby they will be offered the opportunity to take part in a value increase of the company's share. This is expected to increase the interest in the company's development and to stimulate a continued company loyalty over the forthcoming years. An incentive program is also expected to contribute to the possibilities to recruit and retain competent, motivated and committed employees.

B. Transfer of subscription warrants in series TO 2025/2029, TO 2026/2030, TO 2027/2031, TO 2028/2032 and TO 2029/2033

TO 2025/2029, TO 2026/2030, TO 2027/2031, TO 2028/2032 and TO 2029/2033 shall principally be carried out in accordance with what is stated below.

1. The subscription warrants shall towards payment be transferred by AAK Invest AB to senior executives and key employees within the AAK group, in accordance with the guidelines stated below. AAK Invest AB shall otherwise dispose of the subscription warrants for the fulfilment of the obligations under TO 2025/2029, TO 2026/2030, TO 2027/2031, TO 2028/2032 and TO 2029/2033.
2. Transfer of subscription warrants can, subject to the terms of the warrants programs, take place (i) regarding TO 2025/2029 during 2025, as soon as practically possible after the 2025 Annual General Meeting but no later than 1 September 2025, (ii) regarding TO 2026/2030 during 2026, but no later than 1 September 2026, (iii) regarding TO 2027/2031 during 2027, but no later than 1 September 2027, (iv) regarding TO 2028/2032 during 2028, but no later than 1 September 2028, and (v) regarding TO 2029/2033 during 2029, but no later than 1 September 2029.
3. Transfer in accordance with item B.1 can be made directly to the participants in the program, or, after approval by the Board of Directors, to a legal entity, pension insurance or other vehicle owned or controlled by the respective participant.
4. Transfer in accordance with item B.1 shall be made at a market value at the time of transfer, which shall be determined by an independent valuation institute in accordance with the Black & Scholes valuation method. The valuation model is based on the variables risk-free interest rate, volatility, the term of the subscription warrants, expected share dividends during the term of the subscription warrants, the current share price, and the subscription price for shares when exercising the subscription warrants (strike price). According to a preliminary valuation, the market value of the warrants corresponds to approximately SEK 30.30 per warrant (assuming a share price of SEK 280.20, a subscription price of SEK 336.20 per share, a risk-free interest of 2.31 per cent and a volatility of 22 per cent), calculated in accordance with the Black Scholes formula.
5. The company will by means of a cash bonus subsidize part of the participants' acquisition of warrants in TO 2025/2029, TO 2026/2030, TO 2027/2031, TO 2028/2032 and TO 2029/2033 through payment to the participants of an extra cash bonus that, after individual tax, corresponds to maximum 65 percent of the amount invested by the respective participant up to the offered level in accordance with the guidelines below. Only premiums for warrants up to and including the offered level for each participant in each series in accordance with the guidelines below are subsidized. This bonus will be paid out with one third (1/3) approximately one year after acquisition of subscription warrants under each series, one third (1/3) approximately two (2) years after the acquisition of subscription warrants under each series and one third (1/3) approximately three years after acquisition of subscription warrants under each series, and requires that before each payment the respective participant, with certain exceptions, is still an employee of the AAK group. The Board of Directors may, if deemed necessary in individual cases, resolve on alternative payment schedules or that bonus under certain circumstances will not be paid or may be reclaimed, subject to the limitations which may follow from applicable law.

6. The Board of Directors of AAK AB shall be entitled to decide on the allotment of subscription warrants to approximately 50 senior executives and key employees within the group in accordance with the following guidelines:

Category	Position	Number of subscription warrants per person and series
I	CEO	100,000
II	Member of group management (7 persons)	60,000
III	Directly reporting to the group management (approximately 30 persons)	18,000
IV	Other senior executives and key employees (approximately 10 persons)	6,000

Right to allotment in TO 2025/2029, TO 2026/2030, TO 2027/2031, TO 2028/2032 and TO 2029/2033 requires that the employee, at the time for allotment, holds his or her position or has signed an agreement regarding it and has not, at such time, informed or been informed that the employment is intended to be terminated.

The participants can choose to apply for a lower number of subscription warrants than set out above. If the total number of subscription warrants that the entitled senior executives and key employees wish to acquire exceeds the maximum number of subscription warrants that can be issued, reduction shall be made proportionally to each person's quantity in relation to the guidelines set forth above. There will be no guaranteed allotment. A participant has the right to subscribe for a larger number of warrants than set out in the guidelines above and may be allotted additional warrants corresponding to a maximum of 100 percent of what is set out in the guidelines above if full subscription in the program has not been made. If such oversubscription is made, allotment shall be made to the oversubscribing participants pro rata in relation to the number of subscription warrants that they have been allotted in the first allotment. Any remaining warrants, which have not been allotted in accordance with the above, shall be reserved for future recruitment of persons within the above eligible categories, whereby the above guidelines for allotment shall be applicable.

The reason why any future employees or promoted employees may be granted subscription warrants at such a time that the time between the allotment and the subscription period for shares may be less than three years, is that the Board of Directors deems it important that such employees, for the reasons applicable to TO 2025/2029, TO 2026/2030, TO 2027/2031, TO 2028/2032 and TO 2029/2033 in general, are given the opportunity to take part in a value growth in the company's share already at the beginning of their employment.

Participants in other jurisdictions

For participants in jurisdictions other than Sweden, it is implied that allotment and further transfer, respectively, of the subscription warrants is legally possible and that it, in the Board's opinion, can be carried out with reasonable administrative and financial efforts at their established market value. The Board shall have the right to adjust the terms of TO 2025/2029, TO 2026/2030, TO 2027/2031, TO 2028/2032 and TO 2029/2033 to the extent required in order for allotment of subscription warrants to participants in other jurisdictions, to the extent practically possible, to be carried out under the same conditions imposed by TO 2025/2029, TO 2026/2030, TO 2027/2031, TO 2028/2032 and TO 2029/2033.

Dilution, effect on key ratios and costs

At full subscription of the proposed issue of subscription warrants in TO 2025/2029, TO 2026/2030, TO 2027/2031, TO 2028/2032 and TO 2029/2033, and full exercise of the subscription warrants, the share capital may be increased by a total of maximum SEK 8,333,333.33, which is equivalent to approximately 1.9 percent of the company's present share capital. This corresponds to a total dilution of maximum approximately 1.9 percent in relation to the share capital on a fully diluted basis, calculated as the number of new shares in proportion to the number of existing and new shares.

Earnings per share will, at full subscription of the proposed issue and full exercise of all subscription warrants issued in TO 2025/2029, TO 2026/2030, TO 2027/2031, TO 2028/2032 and TO 2029/2033, be affected as follows (based on the corresponding key ratio in the year-end report for 2024 and a preliminary valuation of the total future capital contribution within the scope of TO 2025/2029, TO 2026/2030, TO 2027/2031, TO 2028/2032 and TO 2029/2033): reduction by SEK 0.26 from SEK 13.62 to SEK 13.36;

The above is subject to re-calculations of the subscription warrants in accordance with the customary terms of re-calculation in the complete terms and conditions.

The warrants programs are expected to have a marginal impact on the company's financial ratios. Therefore, no measures to secure the programs are planned to take place. The total costs associated with the warrants programs, including the directed issue, the subsequent transfer of warrants and the subsidy, assuming full participation, is expected to amount to approximately MSEK 229, which is distributed over the term of the programs of eight (8) years in total. The amount includes estimated costs relating to social security contributions and administrative costs for the program.

Preparation of the proposal

The warrants program has been prepared by the Remuneration Committee and the Board with advice from external experts. The proposal has been resolved upon by the Board. The CEO has not participated in the preparation of the proposal.

Previous incentive programs in AAK

For a description of AAK's other share-related incentive programs, please see the company's Annual Report 2024, note 8. Apart from the programs presented therein, there are no other share-related incentive programs in AAK. If all outstanding subscription warrants in these programs, as well as the subscription warrants proposed to be issued under the proposed subscription warrant programs, are exercised, the total dilution will amount to approximately 3.33 percent of AAK AB's current share capital and votes after full dilution.

Majority requirements

The proposal of the Board of Directors pursuant to the above requires a resolution by the general meeting supported by shareholders representing at least nine-tenths of both the number of votes cast and the shares represented at the general meeting in order to be valid.

Malmö in April 2025
The Board of Directors
AAK AB (publ)