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# Corporate Governance *Report*

## Corporate Governance Report 2025

This Corporate Governance Report has been drawn up in accordance with the rules of the Annual Accounts Act and the Swedish Corporate Governance Code ("the Code"). The Corporate Governance Report has been subject to the statutory review by the company's auditor.

Effective and clear corporate governance contributes to the safeguarding of trust among AAK's stakeholder groups and also increases the focus on business benefit and shareholder value in the company. AAK's Board of Directors and Executive Committee endeavor, through a high level of transparency, to make it easy for individual shareholders to understand the company's decision-making process and to clarify where in the organization responsibilities and authorities reside. AAK's corporate governance is based on applicable legislation, the Code, NASDAQ OMX Stockholm's regulatory framework for issuers, generally accepted practice in the stock market, and various internal guidelines. Where AAK has chosen to diverge from the rules in the Code, the reason is provided under each heading in this Corporate Governance Report.

### General

AAK is a Swedish public limited liability company, the shares of which are traded on NASDAQ OMX Stockholm within the Large Cap segment, Consumer Commodities sector. AAK has around 44,260 shareholders. Its business operations are global, with a presence in

more than 100 countries. As of December 31, 2025, the rolling 12 months average number of employees was 4,073. Responsibility for management and control of AAK is divided between the shareholders at the Annual General Meeting, the Board of Directors, its elected committees and the President and Chief Executive Officer (CEO) in accordance with the Swedish Companies Act, other legislation and ordinances, applicable rules for companies traded on a regulated market, the Articles of Association, and the Board's internal control instruments. AAK's goal is to be the obvious first choice for customers when it comes to plant-based oil solutions, and to create the best possible value for the company's various stakeholder groups—in particular customers, suppliers, shareholders, and employees. At the same time, AAK aims to be a good corporate citizen and take long-term responsibility. The aim of corporate governance is to define a clear allocation of responsibility and roles between the owners, the Board of Directors, Executive Committee and various control bodies. In line with this, corporate governance covers the Group's management and control systems.

### Ownership structure

Information about shareholders and shareholdings can be found on pages 11–12.

### Articles of Association

AAK's current Articles of Association were adopted at the Annual General Meeting on

May 7, 2021. The Articles of Association state that the company is to, directly or indirectly through subsidiaries, conduct manufacturing and trading business, in particular within the field of food industry and to pursue other compatible business. The Articles of Association also state the shareholders' rights, the number of Board members and auditors, that the Annual General Meeting shall be held yearly within six months of the end of the financial year, how notification of the Annual General Meeting shall be effected, and that the registered office of the Board of Directors shall be in Malmö, Sweden. The company's financial year is the calendar year. The Annual General Meeting shall be held in Malmö or Karlshamn, Sweden. The Articles of Association contain no restrictions on the number of votes each shareholder may cast at a general meeting. Furthermore, the Articles of Association contain no special provisions on the appointment and removal of members of the Board of Directors and on amendments to the Articles of Association. For the current Articles of Association, please see [www.aak.com](http://www.aak.com).

### Annual General Meeting

The Annual General Meeting of AAK is the highest decision-making body and the forum through which the shareholders exercise their influence over the company. The tasks of the Annual General Meeting are regulated by the Swedish Companies Act and the Articles of Association. The Annual General Meeting makes decisions on a number of

central issues, such as adoption of the income statement and balance sheet, discharge from liability for the Board members and CEO, the dividend to shareholders, and the composition of the Board. Further information about the Annual General Meeting and complete minutes from previous Annual General Meetings and Extraordinary General Meetings are published at [www.aak.com](http://www.aak.com).

### Annual General Meeting 2025

The Annual General Meeting, held on May 8, 2025 was represented by shareholders holding around 75 percent of the share capital and votes in the company. Patrik Andersson was elected Chairman of the Meeting. The Annual General Meeting adopted the income statement and balance sheet, as well as the consolidated income statement and consolidated balance sheet. Patrik Andersson, Märta Schörling Andreen, Nils-Johan Andersson, Fabienne Saadane-Oaks, and Ian Roberts were re-elected as ordinary members of the Board of Directors. Patrik Andersson was elected Chairman of the Board. The employee organizations had appointed Lena Nilsson (PTK-L) and David Alfredsson (IF Metall) as employee representative members of the Board, and Mikael Myhre (IF Metall) and Annica Edvardsson (PTK-L) as deputy members of the Board. The Annual General Meeting authorized the Board to resolve on the issue of new shares by the Company or the acquisition of the Company's own shares.

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### Nomination Committee

The Annual General Meeting decides on the election of the Board, among other items. The task of the Nomination Committee is to make proposals to the Annual General Meeting regarding the election of the Chairman and other members of the Board and of the Chairman of the Meeting, and regarding remuneration issues and related issues. The Nomination Committee considers the company's operations, phase of development and other relevant circumstances when assessing the appropriate composition of the Board.

### Nomination Committee for the Annual General Meeting in 2026

At the Annual General Meeting 2025, Märta Schörling Andreen (Melker Schörling AB), Elisabet Jamal Bergström (SEB Investment Management), Daniel Kristiansson (Alecta), and Björn Henriksson (Nordea Funds) were elected members of the Nomination Committee in respect of the Annual General Meeting 2026. During the year, Carl Mattiasson replaced Björn Henriksson as the representative of Nordea Funds. Märta Schörling Andreen was elected Chairman of the Nomination Committee. The members of the Nomination Committee represent around 45 percent of the votes in AAK. The decision also included the opportunity to change the composition of the Nomination Committee in the event of a change in ownership.

During the year, the Nomination Committee held four minuted meetings. At these meetings, the Chairman reported on the evaluation work, whereupon the Nomination Committee discussed any changes and new recruitments. The Nomination Committee has been contactable by letter with proposals

from shareholders. The members of the Nomination Committee have not received any remuneration from AAK for their work. Shareholders who wish to contact the Nomination Committee can send letters addressed to AAK AB (publ.), Valberedningen, Pulpetgatan 20, SE-215 37 Malmö, Sweden.

### The Board of Directors and its activities

The tasks of the Board are regulated in the Swedish Companies Act and the Articles of Association. In addition to this, the work of the Board is regulated by the working practices adopted by the Board each year. The procedural rules of the Board also regulate the distribution of work and responsibilities between the Board, the Chairman of the Board and the CEO and also include procedures for financial reporting by the CEO to the Board. According to the current working practices, the Board shall meet at least six times each year, including a statutory meeting following election held immediately after the Annual General Meeting. The tasks of the Board shall include setting strategies, business plans, budgets, interim reports and year-end reports for AAK. The Board shall also monitor the work of the CEO, appoint and dismiss the CEO and decide on important changes to

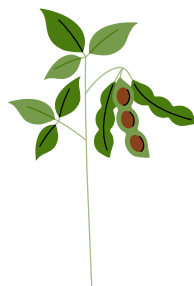
AAK's organization and operation. The most important tasks of the Board are to set the overall goals for the company's operation and to decide on the company's strategy for achieving the goals; to ensure the company has an effective Executive Committee and appropriate remuneration terms; to ensure the transparency and accuracy of the company's external reporting; and that external reporting provides a fair presentation of the company's performance, profitability and financial position and exposure to risk; to monitor the financial reporting, including instructions to the CEO and the establishment of requirements for the content of the financial reporting to be submitted to the Board on a continuous basis; to ensure the company's insider policy and logging procedures are adhered to in accordance with legislation and the guidelines of the Swedish Financial Supervisory Authority; to ensure there are effective systems for follow-up and control of the company's operational and financial position against set goals; to follow up and evaluate the company's development and to recognize and support the work of the CEO in carrying out the required measures; to ensure there is sufficient control of the company's compliance with legislation and other rules applicable to the operation of the company; to ensure the required ethical guidelines are set for the company's behavior; and to propose to the Annual General Meeting any dividend, repurchase of shares, redemption or other proposals falling within the competence of the Annual General Meeting. The Chairman of the Board of Directors is responsible for evaluating the work of the Board. During 2025, the Chairman conducted a board evaluation and interviews with the board members and discussions within the Board. The results of

this work were then presented and discussed on the Board and the Nomination Committee as the basis for assessing the size and composition of the Board. The evaluation focused on Board work in general and on the contributions of individual members, including the Chairman and the CEO. The Board evaluation clearly contributed to the continued development of the work of the Board and the committees.

### Composition of the Board

Under the Articles of Association, AAK's Board shall consist of at least three and at most ten members. The current Board consists of five members elected by the Annual General Meeting. Under Swedish law, employee organizations have a right to be represented on the Board and have appointed two ordinary members and two deputies. Patrik Andersson was appointed Chairman of the Board of Directors. At the statutory Board meeting following the Annual General Meeting, the Board chose to appoint an Audit Committee and a Remuneration Committee.

Nils-Johan Andersson was appointed Chair of the Audit Committee and Patrik Andersson and Märta Schörling Andreen were appointed members. Patrik Andersson was appointed Chairman of the Remuneration Committee, and Märta Schörling Andreen was appointed member. Märta Schörling Andreen, a member of the Board of Directors of Melker Schörling AB, and Nils-Johan Andersson, CEO of Melker Schörling AB, cannot be considered to be independent in relation to AAK's largest minority shareholders in the Company in accordance with the Code. The other three members elected by the Annual General Meeting, Patrik Andersson, Fabienne Saadane-Oaks and Ian Roberts are independent in relation to AAK, the Executive





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### Attendance at Board and Committee meetings in 2025

Member	Board of Directors	Audit Committee	Remuneration Committee
Number of meetings	14	6	3
Patrik Andersson	14	6	3
Märta Schörling Andreen	14	6	3
Nils-Johan Andersson	14	6	
Ian Roberts	14		
Fabienne Saadane-Oaks	14		
David Alfredsson	14		
Lena Nilsson	14		

Information about the members of the Board can be found on page 122.

### Fees to Board members

According to the decision of the Annual General Meeting, the total fees to the Board amounted to SEK 3,870,000, to be allocated between the members as follows: SEK 1,200,000 to the Chairman and SEK 500,000 to each of the other members elected at the Annual General Meeting who are not employed by the Company. The Chairman of the Audit Committee received SEK 260,000 and the members SEK 130,000 each. The Chairman of the Remuneration Committee received SEK 100,000 and the member SEK 50,000. The secretary to the Board of Directors, who is not a member of the Board, received a compensation in 2025 of SEK 600,000. Employee representatives to the Board do not receive any compensation other than for costs in connection with

their participation in Board activities. For further information about remuneration to members of the Board, please see page 154.

### Evaluation of the CEO

The Board continuously evaluates the work and competence of the CEO and the Executive Committee. This is discussed at least once a year without representatives of the Executive Committee being present.

### Guidelines for remuneration of senior executives

The 2025 Annual General Meeting approved the principles for the remuneration of senior executives. The principles for the remuneration of AAK's senior executives are designed to ensure, from an international perspective, that AAK can offer compensation that is competitive and at the prevailing market level to attract and retain qualified people. The total remuneration package paid to senior executives shall consist of fixed basic salary, annual variable salary, long-term incentive program, pension, company car, and severance payment. The fixed salary shall be individually differentiated on the basis of responsibility and performance, and shall be set on market principles and revised annually. In addition to annual salary, senior executives shall also receive a variable salary, which shall have a pre-set ceiling and be based on the outcome in relation to goals set annually. The goals shall be related to the company's performance, how well the ESG targets are met and shall also be able to be linked to individual areas of responsibility. Performance against ESG targets is also a criterion for the Executive Committee's remuneration. The annual variable

portion must not exceed 200 percent of the fixed salary. In addition to the variable salary mentioned, share or share-price related incentive programs may be added as determined from time to time by the Annual General Meeting. The right to a pension for senior executives shall apply from the age of 60 at the earliest. Pension plans for senior executives shall primarily be defined benefit plans. In the event of termination of employment by the Company, the notice period for the CEO shall be twentyfour months and other senior executives shall be between six to twelve months, and they shall be entitled to receive severance pay with a pre-determined ceiling corresponding to twelve months' salary. For termination of employment by the employee, a notice period of six months shall normally apply and no severance pay shall be payable. These guidelines will cover those persons who are in Group management positions during the period of time in which the guidelines apply. The guidelines apply to agreements entered into after a resolution by the Annual General Meeting, and in the event that changes are made to existing agreements after this point in time. The Board will be entitled to diverge from the guidelines if there are particular reasons to do so in an individual case.

### Board committees

Audit and remuneration issues within the Board are handled in committees, whose task it is to prepare issues arising and submit proposals for decisions to the Board. The tasks and working practices of the committees are determined by the Board in written instructions, which constitute part of the Board's working practices.

### Remuneration Committee

In accordance with the Board's working practices, issues of remuneration to the CEO and senior executives shall be prepared by the Remuneration Committee. The Remuneration Committee prepares and presents proposals to the Board relating to remuneration to the CEO and other senior executives. The final task of the Remuneration Committee is to monitor and evaluate the ongoing programs for variable remuneration of the company's Executive Committee, and programs terminated during the year, as well as the application of the guidelines for the remuneration of senior executives and the current remuneration structure and remuneration levels in the Company. During 2025, the members of the Remuneration Committee were Patrik Andersson and Märta Schörling Andreen. The recommendations of the Remuneration Committee to the Board include principles for remuneration, the relationship between fixed and variable salary, conditions for pensions and severance pay, and other benefits payable to the Executive Committee. Remuneration to the CEO of the Group has been decided by the Board on the basis of the recommendations of the Remuneration Committee. Remuneration to other senior executives has been decided by the Chief Executive Officer in consultation with the Remuneration Committee. For further information, see page 153. During 2025, the Remuneration Committee met on three occasions. Current guidelines for remuneration to senior executives can be found in Note 8. The Board's proposal for new guidelines will be put to the Annual General Meeting in 2026 for a decision.



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in a satisfactory manner, the personnel in an organization need to have access to current and relevant information. The final module of the model relates to follow-up of internal management and the design and effectiveness of controls.

### Control environment

AAK's organization is designed to facilitate quick decision-making. Operational decisions are therefore made at business area or subsidiary level, while decisions about strategies, acquisitions and overriding financial issues are taken by the company's Board and Executive Committee. The organization is characterized by clear division of responsibilities and effective and established management and control systems, covering all units within AAK.

The basis for the internal control relating to financial reporting consists of an overall control environment in which the organization, decision-making routes, authorities, and responsibilities have been documented and communicated in management documents, such as AAK's Treasury policy, the manual on financial reporting, and the delegation and authorization rules set by the CEO. AAK's finance function is integrated through a joint consolidation system and joint accounting instructions. The Group's finance function works closely and effectively with the controllers of subsidiaries in relation to year-end financial statements and reporting.

As a supplement to the internal control, under a specific plan, audits of the AAK units are carried out on a three-year rotating basis by the Group's Internal Audit team. AAK's internal audit function is part of the Group's central Finance team. All of AAK's subsidiaries report on a monthly basis. These reports form

the basis for the Group's consolidated financial reporting. Each legal unit has a controller who is responsible for the financial management of each business area, and for ensuring the financial reports are correct, complete and delivered in time for consolidated reporting.

### Risk assessment and risk management

Through its international presence, the AAK Group is exposed to a number of different risks. Risk management within the Group is run in accordance with fixed policies and procedures, which are reviewed annually by AAK's Board. Risks relating to commodities are managed using the Group's raw material purchasing policy. Risks relating to currency, interest and liquidity are mainly governed by AAK's Treasury policy. The Group's credit policy directs the management of credit and contract risks. Effective risk management unites operational business development with the requirements of owners and other stakeholders for improvements in control and long-term value. Risk management aims to minimize risks, but also to ensure that opportunities are utilized in the best possible way. Risk management covers the following areas of risk: strategic risks relating to the market and sector, commercial, operational and financial risks, compliance with external and internal regulatory frameworks, and financial reporting. The main components of risk assessment and management are identification, evaluation, management, reporting, follow-up and control. For further information about AAK's risk management, please see Note 3.

### Control activities

The risks identified relating to financial reporting are handled via the company's

control activities. These control activities aim to prevent, identify and correct errors and discrepancies. Control activities take the form of manual controls, such as reconciliation and stocktaking, automatic controls via the IT systems and general controls of the underlying IT environment. Detailed financial analyses of the result and follow-up against budgets and forecasts, supplement the operation-specific controls and provide overall confirmation of the quality of the reporting.

### Information and communication

To ensure the completeness and accuracy of its financial reporting, the Group has adopted guidelines for information and communication aimed at ensuring relevant and significant exchange of information within business operations, both within each unit and to and from Executive Committee and the Board. Policies, handbooks and working practices relating to the financial process are communicated between management and employees, and are available in electronic format and/or printed format. The Board receives regular feedback on internal control from the Audit Committee. To ensure that external information is correct and complete, AAK has a communication policy adopted by the Board, which states what is to be communicated, by whom and in what way.

### Follow-up

The effectiveness of the process for risk assessment and execution of control activities is followed up continuously. The follow-up covers both formal and informal procedures, which are used by those responsible at each level. The procedures include follow-up of results against budgets and plans, analyses

and key figures. The Board receives monthly reports about the Group's financial position and development. The Company's financial situation is discussed at each Board meeting, and the Executive Committee analyzes the financial reporting at detailed level on a monthly basis.

At Audit Committee meetings, the Committee follows up the financial reporting and receives reports from the auditors about their observations.

### Policy documents

AAK has a number of policies for the operations of the Group and its employees. These include:

#### *Code of conduct*

The Code of conduct for the Group have been drawn up with the aim of clarifying the Group's fundamental approach to ethical issues, both within the Group and externally with regard to customers and suppliers.

#### *Treasury policy*

The Group's finance function works in accordance with instructions adopted by the Board, which provide a framework for how the Group's operations shall be financed, and for how, for example, currency and interest risks are to be handled.

#### *Communication policy*

The Group's communication policy is a document describing the Group's general principles for the publication of information.

#### *Environmental policy*

The Group's environmental policy provides guidelines for environmental work within the Group.