



Annual Report 2024

Making  
*Better*  
happen™





AAK is an **ingredient house** that works with plant-based oils and fats. *Innovation is our strength.*

We understand the unique properties of different oils and fats and how precise combinations of these ingredients can create tailored sensory characteristics that enhance the consumer experience.

Our 16 dedicated innovation centers around the globe use top-quality oil and fat solutions to enable affordable, sustainable, nutritious, and convenient plant-based innovations with the desired functionality.





We develop and **improve** speciality solutions that *add value* to our customers' products.

Shifting consumer trends, taste preferences, and evolving product characteristics are key insights when innovating sustainable and cost-efficient solutions, impacting industries and markets around the world.

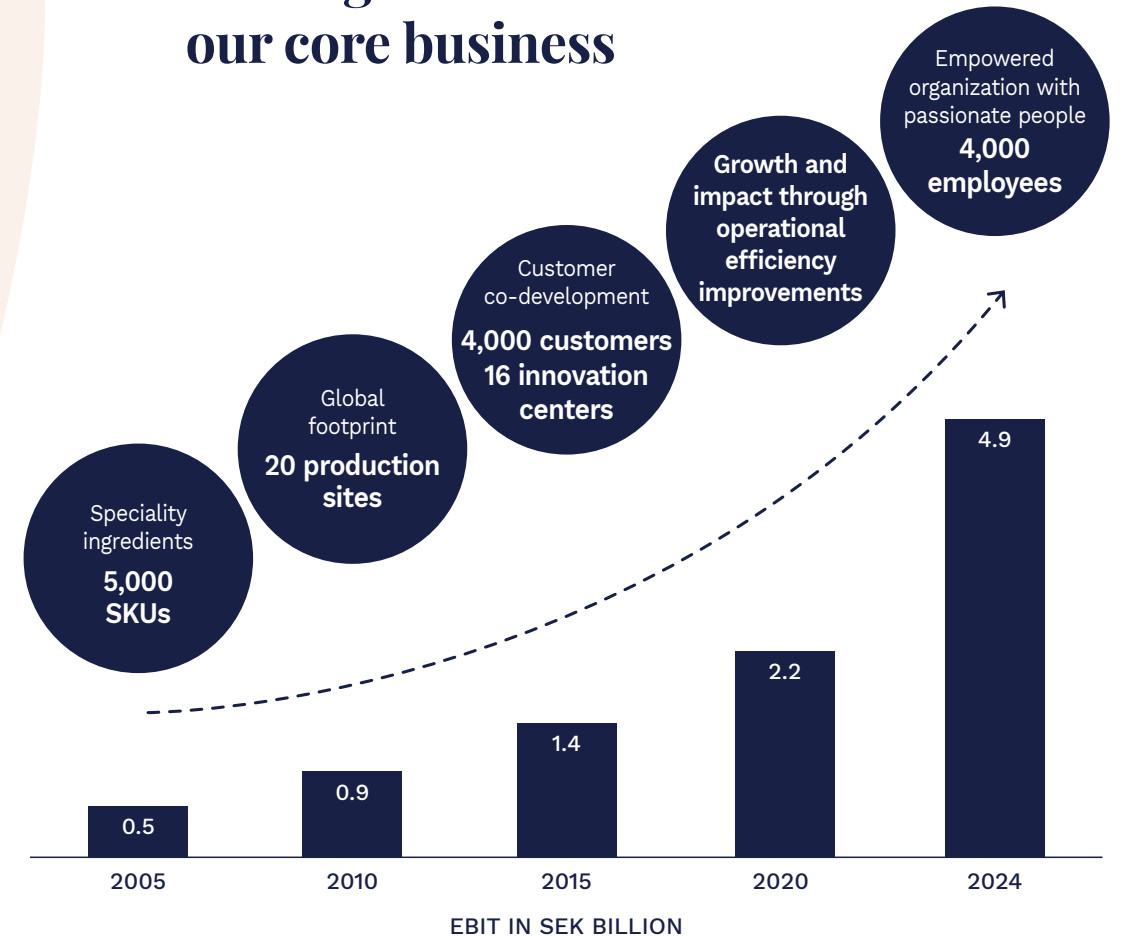
Whether it's achieving the smooth, velvety texture of premium chocolate, enhancing the juiciness and mouthfeel of plant-based burgers, or perfecting the sticky, glossy finish of a barbecue sauce, the right fat blend is essential to delivering the desired product experience.

# This is why we have delivered *double-digit profit growth*.

As experts in plant-based oils and fats and with a strong position in the speciality segment, AAK aspires to outgrow the broader edible oils and fats market, growing around 3 percent per year.

AAK's profitability, measured as operating profit per kilo, has grown significantly. Among the drivers are our innovative speciality solutions, product application and ingredients expertise, closeness to our customers as well as productivity improvements and better portfolio and price management.

## Driving value in our core business



- **AAK has a strong track record of delivering on our strategy, growing with an 13 percent EBIT CAGR (Compound Annual Growth Rate) since 2005.**
- **AAK's financial target: A year-on-year operating profit growth, averaging 10 percent over time.**



A future  
**business  
opportunity**  
in creating  
a *sustainable  
impact*.

We see a business opportunity to create a lasting, positive impact on sustainability. Plant-based oils and fats have the potential to play a key role in markets beyond food, to accelerate the transition from fossil-based ingredients to sustainably sourced alternatives with improved functionality.

Imagine if the estimated 2.5 million tonnes of fossil-based oils, such as paraffin, used annually to produce candles were replaced with sustainable alternatives. We believe we can replace a significant portion of this market, helping to drive both innovation and environmental progress.

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# Everything we do is about Making Better Happen™

We have been Making Better Happen™ for more than 150 years

Net sales

**45,052**  
SEK million

Operating profit

**4,896**  
SEK million

No of employees

**≈ 4,000**



- 20 Production plants<sup>1)</sup>
- 25 Sales offices
- 16 Customer innovation centers

<sup>1)</sup> The Hillside facility in NJ, US, was divested on December 31, 2024.



## About AAK

AAK specializes in plant-based oils and fats, the value-adding ingredients in many products people love to consume. We make these products better tasting, more nutritious, cost-efficient, and sustainable. We are listed on Nasdaq Stockholm, with headquarters in Malmö, Sweden.

At the heart of AAK's offer is customer co-development, combining our desire to understand what Making Better Happen™ means for each customer with the unique flexibility of our production assets and deep knowledge of products and industries we co-develop with.

- We are **passionate** about Making Better Happen™
- We are **agile** by intent
- We are **accountable** for our actions
- We are **collaborative** by choice

**We co-develop with our customers for:** better performance, better health, better experience, better planet and better futures in:

Chocolate & Confectionery Fats	Bakery	Dairy
Plant-based & New food solutions	Special Nutrition & Health	Foodservice
Personal Care	Technical Products	Feed
Natural Emulsifiers	Fish Feed	

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“As experts in speciality oils and fats solutions, we are equipped to tackle global challenges and meet the growing demand for alternatives to animal and fossil-based products in many industries and markets.

Johan Westman, President and CEO

Message from the CEO:

## Raising our *2030 aspiration*

Our strategic execution has delivered strong results and has enabled us to raise the bar of our aspiration. While we will continue to deliver and develop, we now aspire to reach SEK 3+ per kilogram by 2030, and grow volumes faster than the underlying market. Beyond 2030, we look to discover new opportunities to drive sustainable growth and further expand our business. Our efforts to build a more aligned organization and earn recognition for our positive impact are also advancing. This achievement underscores our employees' dedication and the relevance of our diversified portfolio of plant-based and fossil-free ingredients to create long-term value for Making Better Happen™.

### Equipped to meet growing demands

In 2024 we continued our speciality journey, resulting in improved profitability. We have actively worked to improve our operations with global optimization programs, and adjusted our product mix balancing value and volume.

The pace of materializing our strategic initiatives has exceeded our expectations, primarily driven by the passion and accountability ingrained within our decentralized organization.

We increased our efforts to gain recognition for our positive impact during the year,

through greater dialogue with customers, investors, media, and key opinion leaders. We are entering new arenas and are invited into dialogues about the global shift toward sustainability and health, where plant-based oils and fats can further accelerate the transition from animal and fossil-based ingredients to plant-based alternatives.

### Our employees are the driving force behind our continued growth

AAK consists of highly engaged and talented people with a passion for living our purpose of Making Better Happen™. While our strategic



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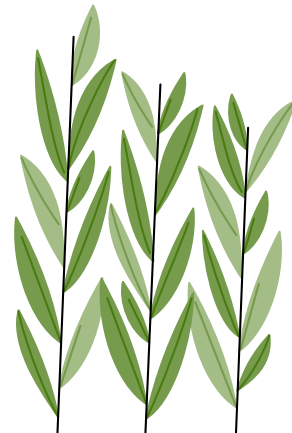
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initiatives are undeniably significant, a robust, interdependent and purpose-driven culture amplifies our collective impact.

During the year, we have built an increasingly aligned organization on top of our decentralized structure to become more resilient and agile. This empowers us to continue a more assertive transformation into the future where we keep attracting and retaining strong candidates.

**Sustainability remains a continuous commitment**

Sustainability is firmly anchored in our organization. Our long-term initiatives concentrate on areas for significant impact: climate, biodiversity, and people. In 2024, we made quantifiable and validated progress toward our key priorities and commitments, reducing our environmental impact while supporting our stakeholders in their shift to greener practices.



A key commitment is to replace fossil-based solutions with plant-based alternatives to meet the growing consumer demand for eco-friendly products. We aim to significantly expand our addressable market, positioning ourselves as leaders in sustainable growth and forward-looking solutions.

**Prudently optimistic about the future**

Building on the strong performance of previous years, we are well-positioned to seize growth opportunities. A key driver in achieving our raised 2030 aspiration, including higher profitability, will be our ongoing commitment to alignment and optimization.

Until 2030 we will increase our focus on developing innovative speciality ingredients that address emerging consumer needs, enhance customer outcomes, and establish leadership in health and high-purity solutions. We will also continue to penetrate new geographical markets.

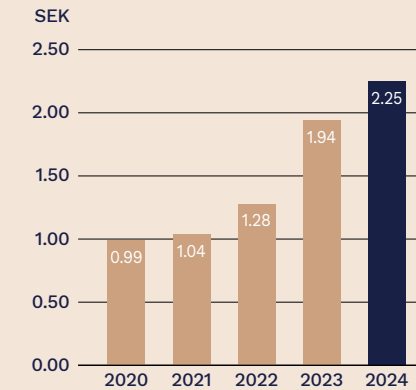
With this strong position, dedicated people, and solid sustainability commitments, we are in an attractive position to continue creating value for our stakeholders. I feel prudently optimistic about our future.

**Johan Westman**, President and CEO

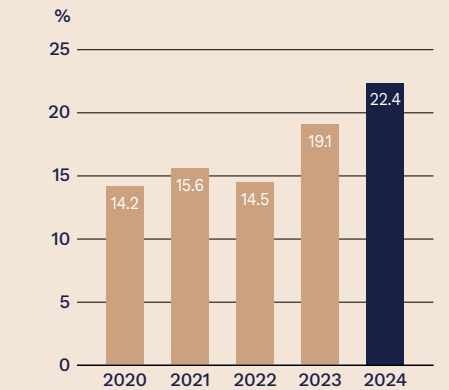
Proven track record of **generating value**

Driving margin, capital efficiency and sustainability

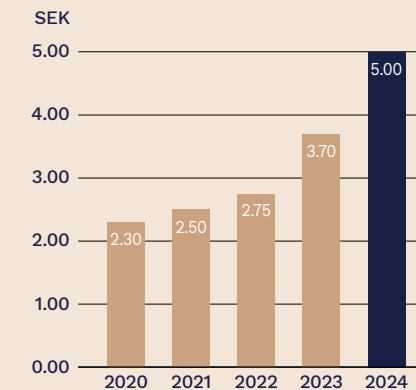
Operating profit per kilo<sup>1)</sup>



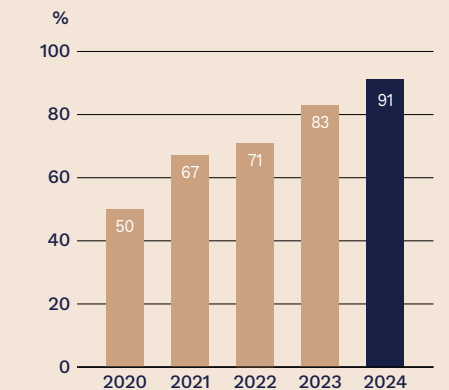
Return on Capital Employed (ROCE)



Dividend per share



Verified deforestation-free palm



<sup>1)</sup> Excluding items affecting comparability (IAC)

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## Operational key figures

(SEK million unless otherwise stated)	2020	2021	2022	2023	2024
Volumes, '000 MT	2,195	2,312	2,259	2,123	<b>2,173</b>
Net sales	27,934	35,452	50,425	46,028	<b>45,052</b>
Operating profit	2,167	2,089	2,538	4,116	<b>4,896</b>
Operating profit per kilo, SEK	0.99	0.90	1.12	1.94	<b>2.25</b>
Cash flow from operating activities	2,023	508	-73	5,314	<b>2,352</b>
Earnings per share, SEK	6.16	5.59	6.84	11.35	<b>13.62</b>
Equity per share, SEK	38.00	45.58	57.93	65.95	<b>77.39</b>
Dividend per share, SEK	2.30	2.50	2.75	3.70	<b>5.00<sup>1)</sup></b>
Return on Capital Employed (R12M), %	14.2	15.6	14.5	19.1	<b>22.4</b>

<sup>1)</sup> In accordance with the Board of Directors' proposal

For financial definitions, please see page 120.

## Updated 2030 Aspiration

Value	Growth	Impact
Achieve SEK 3+ per kilo profitability, through strategic investments in our speciality journey.	Achieve volume growth that outpaces the growth rate of the underlying market <sup>1)</sup> .	Be increasingly recognized for our positive impact for our stakeholders.



<sup>1)</sup> Excluding acquisitions and divestments.

## Key events 2024



### Optimizing the Foodservice business

We have invested for future growth. As part of this shift, the Hillside plant in NJ, US, was divested on December 31. In Europe we will replace the Dalby site in Sweden with a new facility, and we are modernizing our Hastings Foodservice site in the UK.



### Raising our 2030 aspiration

At our Capital Markets Day in Karlshamn, Sweden, we announced an ambitious update to our 2030 Aspiration. We remain committed to delivering and developing, with a goal to achieve profitability of SEK 3+ per kilo by 2030, grow volumes faster than the market, and be recognized for our positive impact.



### Investing in innovation

We opened a new innovation center in Antwerp, Belgium, where we co-develop bakery products and host bakery academies. We also opened a new laboratory for biotechnology in Lund, Sweden.



### Winner at Food Ingredients Europe

We won the Sustainability Innovation Award with our Kolo Nafaso direct sourcing Shea Program in West Africa and for lower emissions in the Shea supply chain.

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# The *big* picture

Our vision is to be the first choice  
for plant-based oil ingredients



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# AAK—A Multi-oil *Ingredient House*

We offer a diversified mix of plant-based oils and fats, underpinned by our extensive expertise and innovation-driven approach to meet the evolving needs of our customers. With decades of experience, we continuously enhance our co-development processes, integrating cutting-edge technologies to ensure we remain at the forefront of the oils and fats industry.

### Fat—an essential ingredient

Fat plays a critical role in the human diet, providing essential nutrients and contributing to overall health. As global food demand continues to rise to meet the needs of a growing population, fat remains a vital food

ingredient. Nutrition experts recommend that around 30 percent of daily calorie intake should come from fats, with an emphasis on balancing saturated and unsaturated fats, the latter being considered the healthier option.

Beyond their nutritional and sensory contributions, plant-based oils and fats play an increasingly important role in replacing fossil-based ingredients across industries. As part of our commitment to sustainability, we focus on providing alternative, plant-based oils and fats that help reduce the reliance on fossil-based ingredients for non-food applications, contributing to a lower carbon footprint and more sustainable product development.

Whether replacing animal fats or fossil-based alternatives, plant-based oils offer a renewable, biodegradable option that aligns with the growing demand for environmentally conscious ingredients. By offering a sustainable alternative, we help our customers meet their sustainability goals while still delivering high-quality, functional fats that maintain product performance.

We understand the unique properties of oils and fats and how these ingredients can create sensory experiences that enhance product quality.

### Optimizing texture, taste, and mouthfeel with plant-based oils and fats

We understand the unique properties of different oils and fats and how precise combinations of these ingredients can create tailored sensory experiences that enhance product quality. Whether it's achieving the smooth, velvety texture of premium chocolate, enhancing the juiciness and mouthfeel of plant-based burgers, or perfecting the sticky, glossy finish of a barbecue sauce, the right fat blend is essential to delivering the desired product characteristics.

By carefully selecting and combining various vegetable oils and fats, we can optimize texture, taste, and mouthfeel for a wide range of applications. Our deep knowledge of fat functionality allows us to fine-tune properties such as melting point, viscosity, stability, and emulsification, ensuring our plant-based solutions meet the specific requirements of food products—and even non-food applications—that benefit from sustainable, plant-derived fats.



Based on customer requirements

# A broad mix of *plant-based* oils and fats



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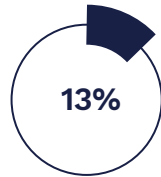
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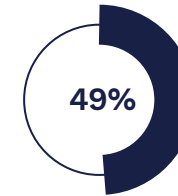
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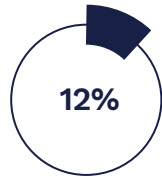
**Rapeseed oil/ Canola oil**  
Northern and Central Europe, Canada, United States, Australia, and China



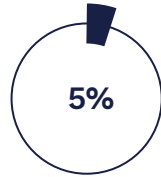
**Palm oil**  
Asia, Mexico, Central and South America



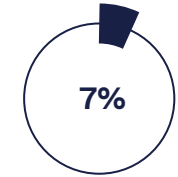
**Palm kernel oil**  
Asia, Mexico, Central and South America



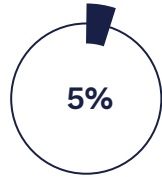
**Shea kernels**  
Western Africa



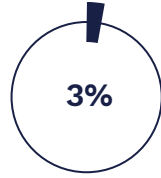
**Coconut oil**  
The Philippines, India, and Mexico



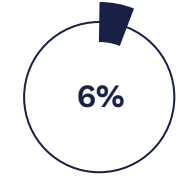
**Soybean oil**  
United States, South America, and Asia



**Sunflower oil**  
United States, Europe, and Argentina



**Other oils**  
Corn, Avocado, Mango, Grape, Sesame, Sal, Illipe, and Safflower, among others



● Share of volumes in tonnes 2024

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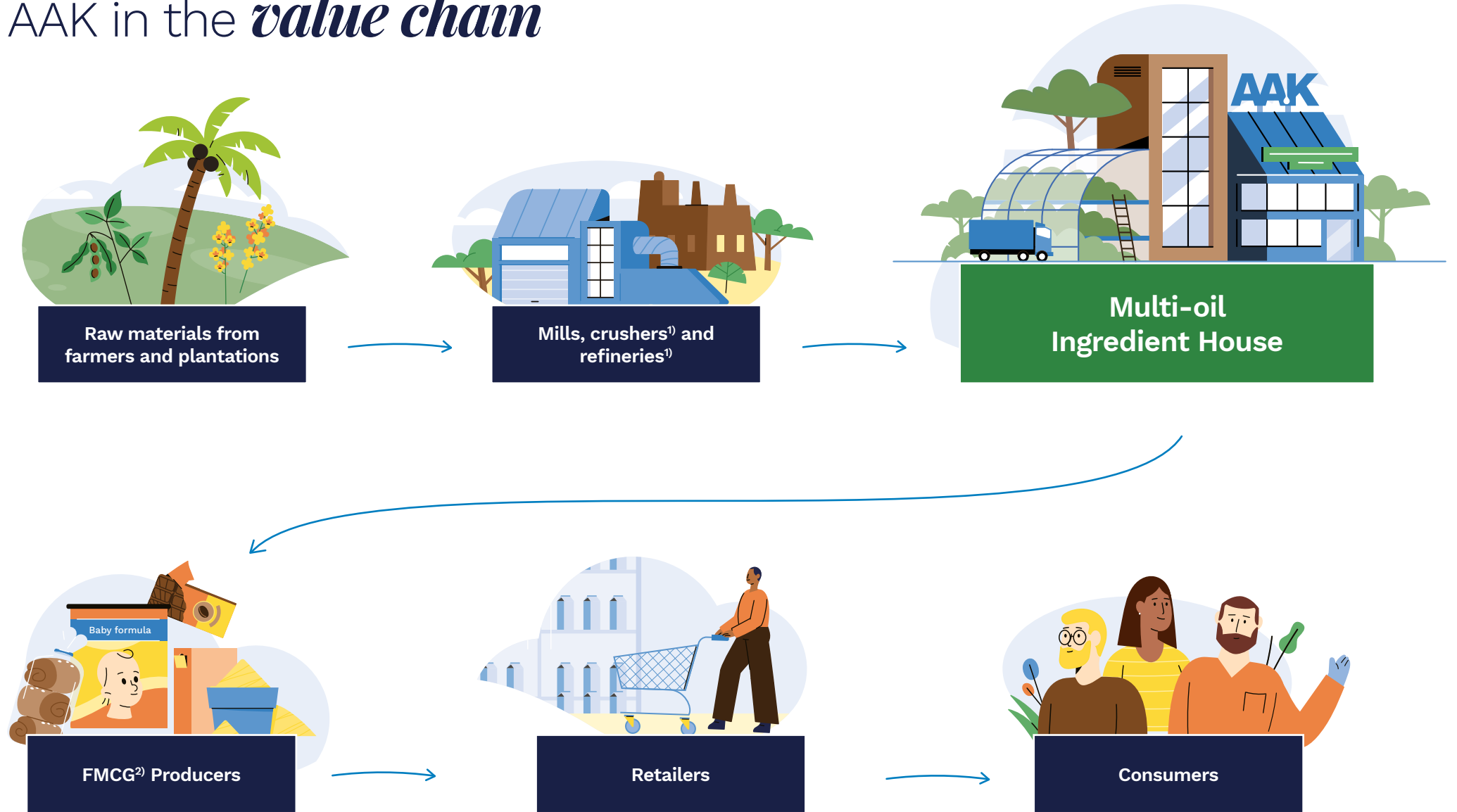
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# AAK in the *value chain*



<sup>1)</sup> Crushing and refining performed by AAK for selected raw materials. We mainly buy from 3rd party refineries.

<sup>2)</sup> Fast Moving Consumer Goods.

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# Sustainability from *plant to brand*

Sustainability is at the heart of our purpose, Making Better Happen™. Our commitment extends across the value chain, from promoting sustainable farming practices to delivering solutions that earn and deserve the trust of today's conscious consumers.

### Transition to a plant-based future

The transition to plant-based solutions is of great importance for a sustainable future. At AAK, we are a part of this transformation and collaborate with customers to address global challenges and to help them deliver on their sustainability promises. AAK's plant-based ingredients are an enabler of the global transition to a fossil-free future. Our solutions replace fossil-based ingredients in a range of non-food products within both the Personal Care and Technical Products segments.

### Feeding a growing population sustainably

As the global population grows, so does the demand for food, presenting a significant challenge to produce food sustainably without harming the environment or compromising on availability, affordability, or taste. AAK occupies a central role in facilitating the shift toward sustainable food systems by providing plant-based solutions that enhance the taste and texture of food and extend its shelf life.

### Together with our customers

In recent years, we have seen a strong increase in demand for sustainable and traceable ingredients. We work closely with our customers to develop the best ingredient solution that combines sustainability credentials with great taste and functionality. Examples are for solutions with lower CO<sub>2</sub> impact, such as plant-based high purity solutions to replace animal-based fats, or solutions for innovating great tasting and nutritious plant-based alternatives to meat and dairy.

### Increased impact through collaboration

We strongly believe that collaboration is the best way to deliver on our Making Better Happen™ purpose and scale our impact. One of the achievements we are proud of is co-founding the Roundtable on Sustainable Palm Oil (RSPO) more than 20 years ago. The RSPO is a partnership for making palm oil more sustainable.

*AAK's plant-based ingredients are an enabler of the global transition to a fossil-free future.*



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“ We aim to scale our impact beyond our own operations and supply chain and to drive positive change at a global level.



Caroline Westerik-Sikking, Sustainability Director

### AAK’s House of Sustainability



#### Prioritizing climate, biodiversity and people

Our sustainability strategy concentrates on areas that offer us the best chance to drive industry-wide change and achieve sustainable, scalable results. Our priorities are firmly anchored in roadmaps and action plans across our supply chain and operations. Our approach to sustainability is integrated at every level, starting with our own operations and employees.

Some of the oils that we source are derived from crops that are produced in biodiverse regions, where poverty and political instability are real challenges. We are committed to improving the lives and livelihoods of these communities and work actively to mitigate environmental and human rights risks associated with sourcing in these regions. We believe it is crucial to face challenges head-on and work toward driving change in line with our purpose: Making Better Happen™.



#### Meeting the UN Sustainable Development Goals

The UN Sustainable Development Goals (SDG) provide the global community with a roadmap to tackle global challenges. Our efforts to help achieve the SDGs focus on three global challenges, where we as a company can make the largest contribution:

- We aim to reduce our environmental footprint and minimize the climate impact of our operations and supply chains.
- We develop new plant-based solutions to replace animal-based and fossil ingredients, and we co-develop new solutions for plant-based foods.
- We contribute to social progress by supporting poverty reduction and empowering women within our supply chain.

In these priorities, we partner and engage actively in multi-stakeholder collaborations with customers, suppliers’ industry organizations, NGOs, academic institutions, and local communities. We aim to scale our impact beyond our own operations and supply chain and to drive positive change at a global level.



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## Our *priorities*

Our sustainability efforts focus on three key areas—climate, biodiversity and people—where we believe we can deliver the most substantial impact, driving transformation across the industry and achieving enduring, scalable outcomes.

### Climate impact mitigation

As part of our commitment to sustainability, we have set climate targets that encompass both our sourcing practices and operational activities. We are actively reducing emissions, transitioning to renewable energy, and investing in initiatives to lower our carbon footprint. Our emission reduction

targets have been approved by the Science Based Targets initiative (SBTi), reaffirming our dedication to addressing global climate change. Notably, we are among the first companies that have secured approval for the Forest, Land and Agriculture (FLAG) targets, aligned with the Paris Agreement.

### Committed to deforestation-free supply chains

We are committed to achieving 100 percent traceability to plantations for palm by 2025, and ensuring that our palm and soy supply chains are verified as free from deforestation and land conversion. As of 2024, our global palm traceability stands at 97 percent, with 91 percent confirmed deforestation-free.

Collaboration is key in achieving deforestation- and conversion-free supply chains. By creating industry-aligned tools and working with suppliers and smallholders, we tackle shared environmental challenges and integrate biodiversity strategies to protect forests.

Traceability and transparent grievance management are central to our approach. These efforts provide clear insights into potential risks and ensure all reported

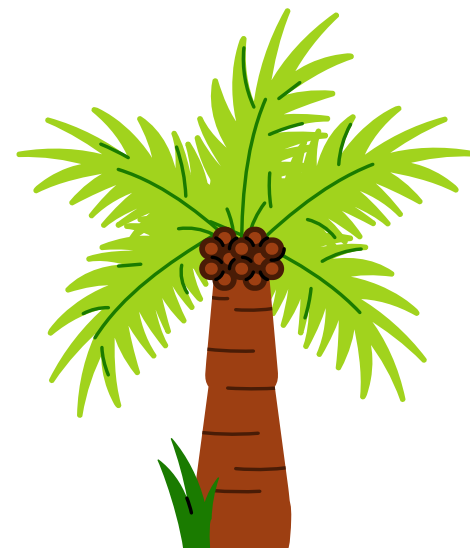
Our global *palm traceability* stands at **97%**, with **91% confirmed deforestation-free.**

issues are addressed through a publicly available process, reinforcing transparency and accountability while meeting our commitments.

### Advancing wellbeing and human rights

Making Better Happen™ starts with our own operations and team, ensuring that our commitment is reflected in everything we do. At AAK, we prioritize human rights and employee wellbeing to create a safe, inclusive workplace. In 2024, our culture transformation initiative further strengthened team spirit, encouraged innovation through diverse perspectives, and reinforced our position as a great place to work.

In our supply chains, we focus on human rights, ethical sourcing, health and safety, and improving livelihoods. Respecting and embedding human rights across our business is central to our approach. One example is our Kolo Nafaso program in West Africa, which supports women in the shea supply chain with prefinancing, training and resources. This initiative empowers them to invest sustainably and improve their livelihoods year-round.



# 2024 progress on *key sustainability* targets

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Priority	Target	Data 2024 (2023)	Status
	50% revenue contributing to SDGs by 2025	37% (37)	●
<b>Climate impact mitigation</b>			
	50% reduction in absolute Scope 1 and Scope 2 GHG emissions by 2030 from a 2019 base year <sup>1)</sup>	17.9% (9.3) <sup>2)</sup>	●
	33.3% reduction in absolute Scope 3 FLAG GHG emissions by 2030 from a 2019 base year <sup>1)</sup>	28.4% (31.1)	●
	46.2% reduction in absolute Scope 3 non-FLAG GHG emissions by 2030 from a 2019 base year <sup>1)</sup>	7.4% (11.5)	●
	10.3% of our suppliers by emissions covering purchased goods and services, transportation and distribution will have SBTi by 2027 <sup>3)</sup>	9.2%	●
	Source 100% renewable electricity for our operations by 2025	61.6% (64.4)	●
<b>Protecting forests and ecosystems</b>			
	100% verified deforestation-free (VDF) palm	Verified deforestation-free palm: 91% (83)	●
	100% verified deforestation- and conversion-free (VDFC) soy supply chains by 2025	Verified deforestation- and conversion-free soy: 28% (25)	●
	100% traceability to plantation (TTP) for palm	TTP for palm 97% (93)	●
	Certified sustainable palm uptake, shared responsibility 2% increase year on year	RSPO uptake: 39% (39)	●
	150,000 shea trees planted by 2025 (2019 base year)	Total shea trees planted: 158,458 (144,833)	●
<b>Advancing wellbeing and human rights</b>			
	Maintain a zero accidents culture	Lost time injury frequency rate: 0.42 (0.46)	●
	By 2030 we aim to have an inclusion index rate of 95%	87% (87) <sup>4)</sup> inclusion rate	●
	By 2030 we aim to have an attrition rate lower than 8%	13.8% (17.2) attrition rate	●
	Human rights due diligence embedded across all key raw materials by 2025	76% <sup>5)</sup> of Tier 1 key raw material suppliers connected to AAK on the Sedex platform	●
	Work to improve livelihoods within the supply chain with focus on smallholders and women	249,807 (241,188) women enrolled in the Kolo Nafaso program	●

● On track      ● Ongoing      ● Need for acceleration

<sup>1)</sup> SBTi approved.  
<sup>2)</sup> The data for 2023 has been revised due to a calculation error in Scope 2 emissions.  
<sup>3)</sup> SBTi approved. Data from 2023.  
<sup>4)</sup> Inclusion rate measured in 2023. No new data for 2024.  
<sup>5)</sup> Extended scope since 2023, now including palm, coconut, soy and, rapeseed and sunflower suppliers by volumes.

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# Our *strategy*

Our strategy is about shaping our future



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“ Innovation is a journey we take together—with our partners, our customers, and our incredible team. We’re shaping a future that empowers people, enhances experiences, and creates a healthier planet for the future.

**Niall Sands, President Commercial Development and Innovation**



## Driving value in *our core business*

Our business model and strategy are designed to maximize value creation. Our strength lies in developing new solutions that offer competitive advantages to customers and, at the same time, contribute to a sustainable global society.

In a world increasingly shaped by global challenges with rapid technological advancements, pressing environmental concerns, geopolitical uncertainties, and resource limitations, the need for innovative solutions has never been more urgent. Yet, within these complexities lie significant opportunities for collaboration and growth, paving the way for a sustainable future.

At the heart of our success is a deep commitment to innovation, customer-centricity and co-creation. We remain agile in responding to the ever-evolving demands of our customers. For over 150 years, we have honed our expertise in developing high-quality plant-based solutions that drive value across diverse industries, helping our partners thrive in a dynamic, fast-changing world.

### **Together with our customers for**

- **Better performance**  
We help drive better performance by reducing resource use, simplifying processes, and enhancing efficiency across the value chain. This includes extending shelf life to cut food waste, improving throughput, conserving resources, and boosting product functionality and performance with effective and optimized processing.
- **Better health**  
We support in developing products that promote better health, focusing on both physical and mental wellbeing. This includes creating nutrient-enriched formulas,

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solutions for gut and brain health, and options for managing Inflammation, stress and aging. We also work on innovations for skin health, weight management, and products that closely mimic the composition of mothers' milk.

- Better experience**

We enable you to elevate the consumer experience with products that delight the senses. Our solutions help you create memorable flavors, appealing textures—whether creamy or crunchy—and visuals that attract consumers, making each Interaction enjoyable and satisfying.
- Better planet**

We help you put sustainability first. Our solutions focus on responsible sourcing to support biodiversity and social impact while minimizing chemicals, water, and energy in processing. Through responsible innovation, we are creating solutions that reduce environmental impact and enhance biodegradability, supporting your overall sustainability goals.
- Better futures**

We help you shape a better future by advancing emerging technologies that unlock new possibilities. From biotechnologies and precision fermentation to AI-driven flavor creation and 3D food printing, our Innovations support sustainable, scalable solutions—bringing pioneering Ideas to life for a more sustainable tomorrow.

# Our Co-Development model



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# Cultivating *passionate* people that *drives growth*

We believe that our employees are the driving force behind our continued growth. Together, we foster an interdependent culture of empowered, passionate individuals, working collaboratively to deliver value, drive sustainable growth, shape the future of our industry, and support the communities we serve.

### Unlocking the potential by enhancing our culture

We develop our culture to foster a workplace that is built on trust, openness and collaboration. A key is to continuously challenge the status quo and engage in healthy, constructive conversations that drive innovation and enhance decision-making. By prioritizing transparent communication and inclusive dialogue, we nurture a culture where diverse perspectives can thrive, innovation flourish, and meaningful change is embraced. These developments have laid the foundation for a

more resilient, adaptive and agile organization, equipped to tackle complex challenges and seize opportunities with confidence and purpose.

### Diversity and inclusion

Our geographically and culturally diverse team is a reflection of the communities in which we operate and the customers we serve. Our footprint and workforce with varied backgrounds and perspectives enable us to connect and collaborate seamlessly across borders while leveraging the unique strengths of our local and regional presence. We are committed to holding ourselves and our business partners to the highest standards for diversity, equity and inclusion. We expect our leaders to actively listen to diverse perspectives, champion fairness and equity in the workplace, and support new and different approaches. By fostering open-mindedness and a deep appreciation for cultural



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perspectives, we create an environment where everyone can thrive and contribute to our shared success.

**Learning and personal growth**

We recognize that learning and personal growth are fundamental to our collective success. We believe that a culture of continuous learning empowers our people to reach their full potential and ensures that we remain agile and competitive. Several steps have been initiated to support this at several levels of our organization. Also, we offer development programs, including leadership training, talent and succession planning and mentorship initiatives, to help employees build essential skills and prepare for future opportunities. To foster broadened perspectives and more collaboration, we have also encouraged cross-functional projects and global assignments.

**Future way of working**

We have started to strengthen our foundations for the future way of working, recognizing



that adapting to the evolving nature of work is critical to sustaining our growth. As global market demands shift, consumer preferences evolve, and technology continues to transform how we operate, ensuring we have the right skills, capabilities and talent is essential to maintaining our leadership position and driving innovation. To prepare for this, we invest in workforce planning strategies to identify the skills and capabilities needed to meet these challenges. Whether it is building expertise in sustainable sourcing practices, enhancing operational proficiency, or equipping teams with digital and data-driven tools for precision decision-making, we will ensure that our people have the competencies required to lead in the years ahead.

**Commitment to safety and sustainability**

Safety is a fundamental value that guides our operations. We are dedicated to maintaining the highest standards across our facilities, ensuring that our employees, partners and customers are protected every step of the way. From stringent safety protocols and continuous training programs to the adoption of innovative technologies, we work tirelessly to create a secure environment where excellence can thrive. Equally, sustainability is a cornerstone of our vision for the future. We are committed to reducing our environmental footprint, promoting sustainable sourcing, and advancing responsible practices across the value chain. By investing in renewable energy, reducing waste, and championing sustainable agricultural practices, we strive to minimize our impact on the planet while supporting the communities in which we operate.



“ We develop our culture by strengthening our internal networks and relationships to foster a workplace built on trust, openness and collaboration.



Allan Hider, Global Director, People & Organizational Performance

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# Well-positioned *for long-term growth*

Following the strong performance over the last three years, we have reached our profitability aspiration to double our profitability per kg ahead of schedule.

In light of this achievement and our belief that there are opportunities for further improvement, we are raising our 2030 profitability aspiration from around SEK 2 per kilogram to SEK 3+ per kilogram. Furthermore, we aspire to grow our volumes faster than the underlying market while reinforcing our recognition for delivering a positive impact. Our aspiration sets a clear direction for continuing to grow operating profit on average by 10 percent per year.

Our strong performance has been driven by the execution of strategic actions in our decentralized organization combined with increasing alignment and optimization, and these actions are expected to continue to deliver results. We will maintain our shift to higher-margin products and driving improved profitability. Our approach to co-develop value-adding ingredients with our customers enables us to extract value from speciality solutions and continue to move away from traditional low-value products. Together with our customer-centric and flexible service model, we leverage our 16 global innovation centers to develop innovative and tailored solutions with functionality that enable

our customers to win in their categories. Additionally, we aim to continue to increase efficiency across our production sites. From 2024 to 2030, we will increase our focus on developing innovative speciality ingredients that address emerging consumer needs, enhance customer outcomes, and accelerate our health and sustainability solutions. A key commitment is to replace fossil-based solutions with plant-based alternatives to meet the growing consumer demand for environmentally-friendly products. We will also continue to expand into new geographical markets with our high-speciality ingredients.

AAK has a strong balance sheet and a proven track record of successful acquisitions, and M&A remains an important tool to continue executing our strategy. Key priorities include strengthening our position in selected geographical markets and segments, and enhancing our technology and capabilities to support our portfolio strategy. To support our focus to further optimize our business, we decided during 2024 to divest our Foodservice facility Hillside in NJ, US.

“ Our strategic initiatives have delivered strong results over time and enabled us to raise the bar of our aspiration.



Tomas Bergendahl, Chief Financial Officer

### Updated 2030 Aspiration

Value	Growth	Impact
Achieve SEK 3+ per kilo profitability, through strategic investments in our speciality journey.	Acheive volume growth that outpaces the growth rate of the underlying market <sup>1)</sup> .	Be increasingly recognized for our positive impact for our stakeholders.

<sup>1)</sup> Excluding acquisitions and divestments.



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# Our portfolio strategy *focus on higher value*

Our portfolio strategy targets and prioritizes higher-value market opportunities. Acknowledging the market dynamics, we have defined four portfolio roles: “Invest in continued growth”, “Bet for the future”, “Optimize for value creation”, and “Maintain and cultivate”. During the year, our “Invest” and “Optimize” portfolios have performed very well, driven by Chocolate & Confectionery Fats, Bakery, Dairy, and Foodservice. In our yearly strategy review our portfolio strategy provides the right focus on the market, why we have been able to accelerate the execution of our strategic actions within the portfolio areas.

**Invest in continued growth**  
Chocolate & Confectionery Fats and Special Nutrition & Health are two market segments where we have a strong global position. The increased usage of cocoa butter alternatives and the increasingly health-focused and aging population also present interesting long-term growth opportunities. Our strategy is to further strengthen our capabilities to continue to grow these segments, which will contribute to increasing the overall higher-value mix in our portfolio.

**Optimize for value creation**  
Bakery, Dairy, and Foodservice are markets that are relatively large and fragmented, often driven by regional and local players with

many sub-segments and regional pockets of high-value application opportunities where we have a strong position. The need to feed a growing global population in an affordable way, and transition to a more sustainable and plant-based food system, creates strong long-term growth opportunities for us. The strategy is to capture and grow the higher-value sub-segments effectively in these markets, and to work with co-development, innovation and portfolio optimization to extract value from speciality solutions.

**Bet for the future**  
We are well positioned in speciality oils and fats solutions for Plant-based Foods, Personal Care, and Technical Products, with the growing demand for more sustainable alternatives to animal-based fat in the food industry and the demand for alternatives to fossil-based solutions in consumer products and industrial solutions. Our strategy is based on the capabilities required to capture future growth and value.

**Maintain and cultivate**  
In Feed and Fish Feed, we serve the market with value adding properties such as rumen-protected and coating fat solutions for more efficient production. Meanwhile, in Natural Emulsifiers, we continue to develop our value propositions and capabilities.



The strategy is to maintain these portfolios regionally and continue to grow organically until we see a larger global opportunity maturing.

As a Multi-oil Ingredient House, we are well-positioned to meet the underlying market

trends. Along with speciality oil capabilities, a well-anchored strategy, a comprehensive product portfolio, and an agile organization, we stand strong and see continued growth opportunities ahead. We are committed to Making Better Happen™.

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# Our *business*

Our business is designed to create value for our stakeholders



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We provide solutions designed to add real value to your business, no matter your demands or requirements. Our tailor-made products are developed specifically to meet your unique needs.

Read more



## Our *business* areas

### Food Ingredients

Our largest business area. It primarily offers solutions to the bakery, dairy, foodservice and special nutrition industries, as well as the market for plant-based foods and new food solutions. In addition, our fish feed offering is included here.



Bakery



Dairy



Foodservice



Special Nutrition & Health



Plant-based & New food solutions



Fish Feed

### Chocolate & Confectionery Fats

Primarily offers functional cocoa butter equivalents for chocolate, cocoa butter alternatives, and speciality fats for confectionery applications. Also serves our customers in the personal care industry and the industry for natural emulsifiers.



Chocolate & Confectionery Fats



Personal Care



Natural Emulsifiers

### Technical Products & Feed

Make use of side streams and replace fossil-based alternatives for various applications, including plant-based candle waxes, animal feed and proteins and fats for various non-food applications.

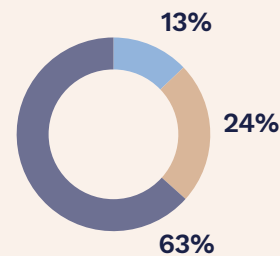


Technical Products

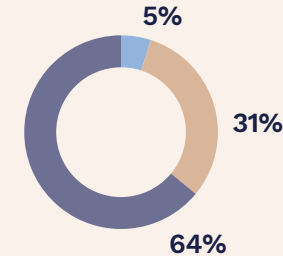


Feed

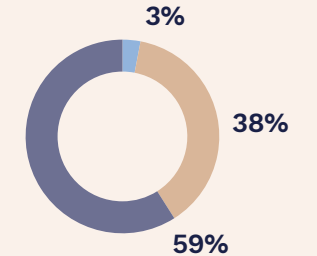
Volumes



Net sales



Operating profit



● Food Ingredients ● Chocolate & Confectionery Fats ● Technical Products & Feed

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# Food Ingredients

Within Food Ingredients, we achieved slight volume growth, which, combined with a strong increase in operating profit per kilo, resulted in a 15 percent increase in operating profit compared with last year.

## Invest in continued growth



Chocolate & Confectionery Fats



Special Nutrition & Health

## Optimize for value creation



Bakery



Dairy



Foodservice

## Bet for the future



Plant-based & New food solutions



Technical Products



Personal Care

## Maintain and cultivate



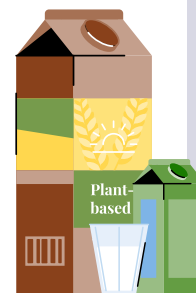
Natural Emulsifiers



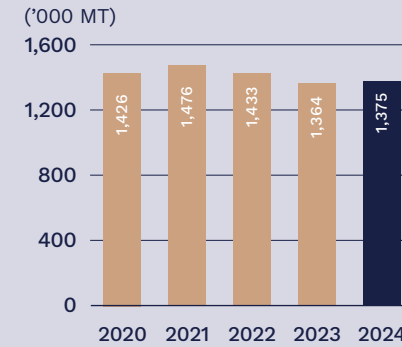
Fish Feed



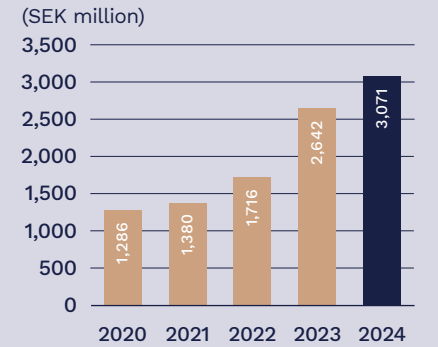
Feed



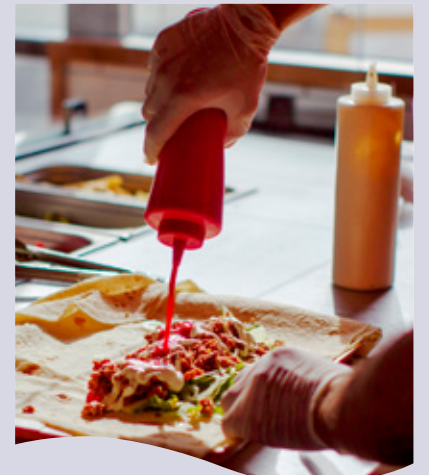
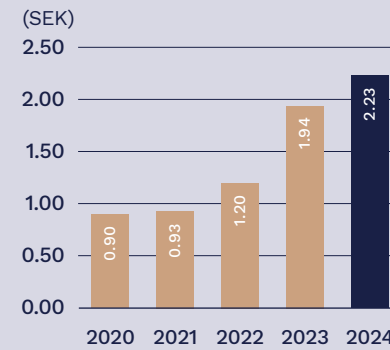
**Volume** (63% of Group total)



**Operating profit<sup>1)</sup>** (59% of Group total)



**Operating profit per kilo<sup>1)</sup>**



<sup>1)</sup> Excluding items affecting comparability (IAC)

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# Bakery, Dairy and Plant-based & New food solutions

We partner with our customers to create exceptional food experiences.

From artisanal bakery to local brands and global leaders, we co-develop solutions, supporting our customers to achieve their goals and build a better future.

### Market and trends

The Plant-based Foods industry is navigating a complex landscape shaped by technological advancements, changing consumer



preferences, regional market variations, and regulatory challenges.

A range of factors affect consumers' decisions to adopt a plant-based lifestyle. Flexitarians, who limit their consumption of animal products for health and sustainability reasons, are driving this change. However, one of the main barriers to adopting plant-based foods has been issues related to taste texture affordability.

An ever-lasting trend within Bakery is that consumers in all parts of the world like to dunk biscuits in their drinks, expecting them to stay firm through functional capabilities. Oils and fats can greatly influence these qualities. The AAK oil and fat solutions, together with our co-development approach, offer our customers a unique opportunity to meet consumers' dunking expectations.

Dairy consumption among younger consumers, especially in Europe, is influenced by environmental concerns. While dairy products have traditionally been associated with natural health benefits, most consumers are now looking for products that offer good value and nutritional advantages. Dairy analogs primarily replace milk fat and are mainly driven by affordability, functionality and production efficiency. In South America, these products are also recognized within the "better-for-me" category, particularly since regulations require that saturated fat content above certain limits must be clearly labeled on the packaging.

### Strategy and initiatives

Our portfolio aligns with industry trends and evolving consumer behavior by

emphasizing responsible sourcing, processing and innovation. We focus on opportunities where our solutions can enhance the overall consumer experience. It can be through superior mouthfeel and texture such as creaminess and juiciness, taste, aroma, or visual appeal. It can also be with improved production processes, including food waste reduction and enhanced efficiencies in resources and logistics, or by offering functional blends that promote better health through nutrient completeness, purity and safety.

What drives our strategic portfolio development forward is the continuous broadening of our speciality solutions and technology partnerships. By exploring new technologies, these partnerships yield positive results overcoming hurdles in for example flavor and mouthfeel characteristics in the plant-based cheese industry.

Another example is reflected in our recently patented tailor-made solution used in the HME (High Moisture Extrusion) process, having the potential to not only bring improved juiciness to products such as plant-based meat but also provide improved efficiency resulting in lower cost goods.

We see strong synergies and opportunities for snacking across the bakery and chocolate segment. We call this our "ChocoBakery" solutions. AAK guides customers in choosing the right plant-based oils and fats solutions to create the perfect consumer experience with outstanding indulgence while balancing costs. These are two parameters to carefully consider, not only from a bakery perspective but also from a chocolate perspective where AAK's cocoa butter alternatives offer great opportunities.



Growing awareness and concern about the environmental impact of food are significant drivers of purchasing plant-based foods.

Ronald van der Knaap, Head of Dairy & Plant-based Food



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“ We are optimizing our Foodservice business to focus on Europe, and have made investments to improve our operational efficiency to position AAK for future growth.

Vivienne Carney, Director Foodservice



## Foodservice

Our Foodservice organization serves Foodservice operators, wholesalers and retailers with a comprehensive line of high-quality, value-added solutions covering a wide range of applications including frying oils, butter alternatives, speciality oils, sauces, dressings and mayonnaises.



### Market and trends

The Foodservice market is constantly evolving incorporating food trends. This offers opportunities for menu innovations that focus on classics reimagined and menus to transport consumers to other cultures. Health and sustainability in production and materials, including packaging, remain important trends for our development.

While inflationary pressures have eased in 2024 and this economic climate in our markets is affecting consumer visits in restaurants and eateries. Inflation continues to slow down, and consumer confidence is expected to improve. There are market opportunities open in indirect retail in the areas of take-out and home-delivery meal kits, trends that continue to be significant after the pandemic.

### Strategy and initiatives

In response to rising costs and squeezed household budgets affecting the eating-out market, in 2024 we have expanded our product portfolio into new categories such as home delivery meal kits, single-serve

pouches, ingredients for ready-to-eat meals in the retail sector, and ready-to-use cooking sauces within Foodservice. To further support these innovations, we have developed new packaging formats to support the trend of convenience packaging, while continuing our development of packaging solutions that contain less plastic and more recyclable materials.

At the same time, we continue to recognize our co-development solutions are crucial to new business in the retail market and leading restaurant brands. We continue to invest in driving key strategic initiatives around product bundling, value-adding customer co-development, and market-leading brands to drive efficiency and market growth. We have seen growth in our core brands Prep®, Lion® and Rapsona®.

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## Special Nutrition & Health

AAK provides tailor-made speciality lipids solutions for early life nutrition, lifestyle nutrition, and medical nutrition.

### Market and trends

2024 was again a challenging year for the global infant nutrition market due to low birth rates in China. In Medical Nutrition there is a positive market development due to the increasing number of elderly, and increased attention to the benefits of nutrition in the healthcare sector. The key players are actively pushing innovations to the market.

Domestic producers of infant formula in China are holding on to their high market shares, and this continues to impact the export business of European and Australia/New Zealand-based manufacturers. Customers have announced consolidation of their infant formula manufacturing footprint in Europe due to declining export volumes to China over the last few years.

There is a strong desire among infant formula manufacturers to mimic mother’s milk and lipids are therefore becoming increasingly acknowledged for their nutritional importance. It is our vision to offer ingredients that can support our customers on that journey



The legislative requirements related to contaminants are becoming increasingly demanding, requiring extra focus and investments within our sourcing and operations activities. This has been a key growth driver—particularly in the US where we are strongly positioned to support our customers looking for high-purity oils.

### Strategy and initiatives

With our co-development approach, our solutions are customer-specific with sustainably sourced multi-oil blends. Our product portfolio for this also includes

single oils and high-value speciality oils, such as algae-based DHA, ARA, OPO (INFAT), egg phospholipids, and lecithin.

From our specialized GMP (Good Manufacturing Practises) factory in Sweden, we supply GMP-approved oils for parenteral nutrition, and from our facility in India we offer a range of lipid excipients for pharmaceutical use. We strive to continuously add relevant, high-value components to extend the product range and enable the pursuit of new growth opportunities. We are expecting new concepts from our pipeline to be launched during the next few years. Among other things, we have invested in research in the space of short-chain fatty acids where we have received external funding for clinical studies and published promising study results.

In a highly competitive infant nutrition market with stagnant growth, we expect that innovative, sustainable solutions and reduced costs will be the differentiators needed to optimize and succeed. Our focus is to grow within the broader nutrition market through innovative solutions and increased presence in selected regions.



We aim to retain our market leadership in infant nutrition and increase our presence in lifestyle nutrition, medical nutrition, and pharmaceutical applications.

Job van Rozendaal, Head of Special Nutrition



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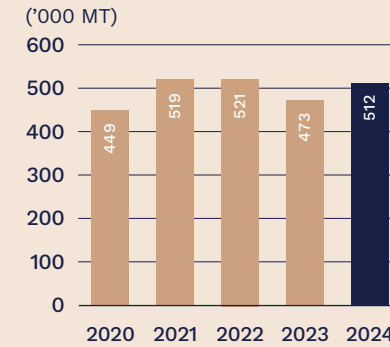
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# Chocolate & Confectionery Fats

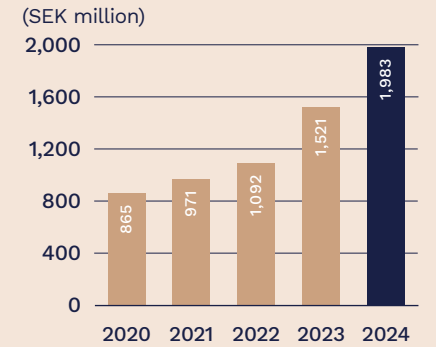
Chocolate & Confectionery Fats achieved volume growth of 8 percent in 2024 compared with the previous year. Additionally, profitability, measured as operating profit per kilogram, increased from SEK 3.22 to SEK 3.87, resulting in a 30 percent growth in absolute operating profit.



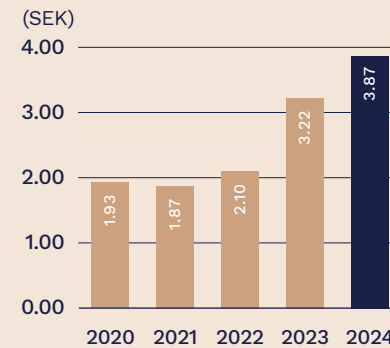
**Volume** (24% of Group total)



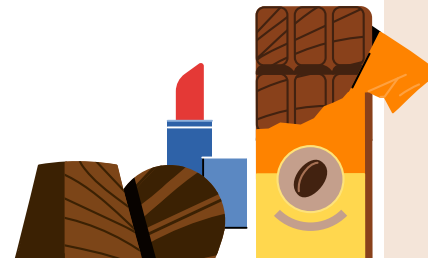
**Operating profit<sup>1)</sup>** (38% of Group total)



**Operating profit per kilo<sup>1)</sup>**



<sup>1)</sup> Excluding items affecting comparability (IAC)





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## Chocolate & Confectionery Fats



In the rapidly changing environment of the Chocolate & Confectionery Fats business, the ambition is to stay relevant. Our innovative plant-based oil and fat solutions combined with our technical expertise and model for co-development help our customers stay competitive, ahead of shifting consumer trends.

### Market and trends

Consumers remain committed to snacking, with a strong emphasis on indulgence and a growing awareness of how their choices affect health and the environment. We have dedicated our efforts to delivering plant-based chocolate alternatives that provide the right functionality to ensure chocolate and confectionery lovers enjoy their favorite treats.

With continued consumer demand for affordable premium chocolate, despite the increased raw material prices, Our wide range of alternatives for cocoa butter has proven to be a good choice as a key ingredient in chocolate, not least for providing the demanded functionality. This has led to higher penetration of our solutions across the marketplace.

Also, new exciting consumer experiences have arisen in the snacking segment with our “ChocoBakery” applications, where we combined support both chocolate and bakery customers.

Ethical sourcing and doing better remains highly relevant for our customers and consumers. The AAK Kolo Nafaso shea sourcing program is a great example of our commitment to continuous improvements.

### Strategy and initiatives

Consumers eat chocolate for pleasure and enjoyment. Therefore, the perception of great taste is the most important reason to buy a bar of chocolate. AAK strives to further improve our position as an innovative, reliable and trusted value creator for the customers we serve, and ensure that the products consumed contain our functional, sustainable multi-oil solutions.

An opportunity we see is to offer a higher degree of fillings in chocolate products, to improve functionality and make it more affordable.



“ Our customers seek affordable indulgence solutions for their consumers, that meet demands for superior experiences and enhanced performance for a more sustainable future.



Christiaan Middelhoven, Head of Chocolate & Confectionery Fats and Bakery

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## Personal Care

AAK serves all beauty producers, from local niche start-ups to global brand leaders. Drawing on our deep understanding of lipid chemistry and our advanced technological expertise, we offer a portfolio of sustainably sourced, high-performance plant-based emollients. Delivering optimized functionality and sensory appeal, our range is perfectly positioned to support the beauty industry's transition to a greener future.

Primarily designed for skin care applications, our plant-based emollients offer a sustainable alternative to synthetic, animal-derived, or fossil-based raw materials. Renowned for their beneficial properties in face and body products, they are also increasingly used in a variety of other applications, including sun care, hair care, color cosmetics, deodorants, wet wipes, and diaper coatings where they help protect sensitive baby skin.

### Market and trends

In 2024, the beauty and personal care market remained buoyant, with a strong focus on holistic approaches that emphasize the connection between mental wellbeing and skin health. The rise of the "skinification" trend has blurred traditional beauty boundaries, incorporating skincare principles and routines into other categories, particularly in hair care. Sustainability emerged as a key priority, driven by



evolving consumer demands, regulatory pressures, and corporate social responsibility goals, including environmental impact throughout the product lifecycle.

Amid the growing impacts of climate change, consumers are increasingly prioritizing transparency in the origins, sourcing and manufacturing processes of their beauty products. At the same time, they seek products that deliver proven efficacy, appealing sensory experiences, and overall value, giving rise to the new "cleanical" trend, characterized by beauty solutions that are both environmentally conscious and scientifically validated.

Against this backdrop, we developed LIPEX® SheaLuxe TR™, a shea-based emollient ester delivering a sensory profile and performance comparable to non-biodegradable silicones.

Launched at in-cosmetics Global in April 2024, this ingredient has already gained significant industry recognition, earning a silver medal in the UK Pure Beauty Awards' Best New Ingredient category and winning the French Cosmébio Most Innovative Ingredient prize. These accolades highlight its versatility, proven efficacy, and ability to align with leading beauty trends.

### Strategy and initiatives

We will continue to proactively address the challenges and opportunities of the green transition, new sustainability legislation, and the growing industry demand for traceable, certified supply chains and scientifically backed plant-based solutions.

In October 2024, we were honored to receive a Sustainable Beauty Award for the third consecutive year, winning the Sustainability Pioneer category in recognition of AAK's leadership in combating climate change. The award highlights AAK's commitment to renewable energy initiatives and significant reductions in our carbon footprint across sourcing and operations.

Through collaboration and the development of sustainable, innovative solutions, we aim to drive meaningful progress and deliver on our mission to Make Better Happen™ in beauty.



To help drive meaningful progress in beauty, we will stay committed and continue supporting the industry's green transition.

Minna Dam, Head of Personal Care



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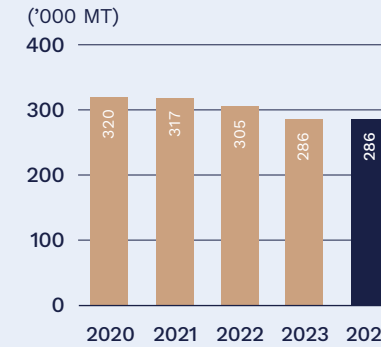
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# Technical Products & Feed

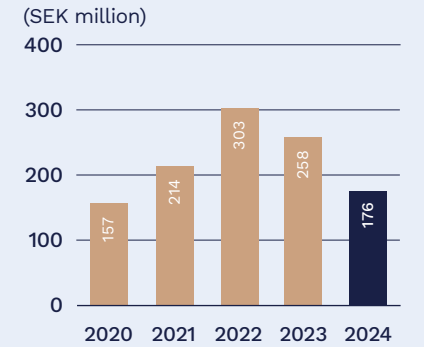
Volumes in Technical Products & Feed remained flat compared with the previous year, partly due to the negative production stoppage in Feed during the second quarter. Operating profit for the year totaled SEK 176 million, a decline of SEK 82 million compared with 2023.



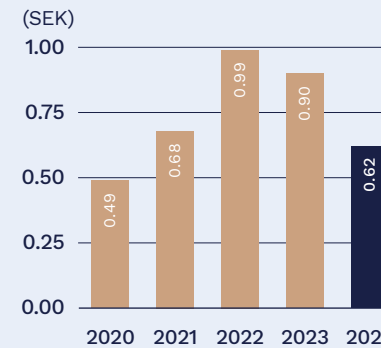
**Volume** (13% of Group total)



**Operating profit<sup>1)</sup>** (3% of Group total)



**Operating profit per kilo<sup>1)</sup>**



<sup>1)</sup> Excluding items affecting comparability (IAC)



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“ We see a big future opportunity to replace fossil-based oils, such as paraffin, with sustainable alternatives, to help drive both innovation and environmental progress.



Anders Holmqvist, Director Technical Products &amp; Feed

## Technical Products

### Market and trends

After several years of strong growth, the market for candles has contracted in Europe and the US, negatively impacting our sales in these regions. However, in both AMEA and Latin America, our efforts to boost sales have begun to show positive results, albeit from a low base.

The trend toward using more natural waxes in the candle industry, replacing fossil-based paraffin, remains strong, and we continue to work closely with our customers to help them transition from fossil to natural waxes.

We faced challenges in our Industrial fatty acids business this year. Weak demand from the European construction and automotive sectors led to reduced orders from customers in the rubber and plastic industries. However, in the fourth quarter, we saw a recovery in demand for industrial fatty acids and products supplied to the candle industry, giving us renewed optimism for 2025.

### Strategy and initiatives

One of the main challenges in 2024 was preparing for the European Deforestation Regulation (EUDR), which required significant focus and resources. However, we



are now well-prepared for the regulations, which will come into effect in December 2025.

Our focus on candle waxes remains strong as we move into 2025, with plans to enhance our WaxWorks labs and production capabilities. This year, we also invested in a new production line for candle waxes in pastille-form, which are highly valued by distributors and customers needing smaller quantities. This line is expected to begin generating sales in the second quarter of 2025.

We also see growth potential in the use of paraffin in natural materials, with firelighters being a notable example, where demand is on the rise.

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## Feed

**Market and trends**

The feed market remained stable throughout 2024. High milk prices increased demand for rumen-protected fats, which are used to boost milk yield and fat production. The anticipation of the EUDR directive also made non-GMO soybean meal more expensive, resulting in higher demand for our ExPro®, a soybean meal replacer in cattle feed rations. Despite these favorable market conditions, we did not meet our volume targets in the first half of the year due to an extended production standstill in Karlshamn, Sweden.

Looking ahead to 2025, we expect demand for concentrated, high-quality feed products—rich in protein and energy—to continue. This trend is driven by the consolidation of farms into fewer, larger operations that are increasingly producing their own feed.

**Strategy and initiatives**

As the EUDR regulation approaches, we are evaluating our entire palm-based feed fat supply chain for the animal nutrition segment, with a focus on 2026 and beyond.

With the EUDR regulation in mind, ExPro® is more relevant than ever, and we are focused on optimizing our production capacity to support growth in 2025.



The shift toward more energy-intensive feed rations aligns with our goal to expand our feed fat business, offering EUDR-compliant palm-based solutions as well as non-palm alternatives.

Anders Holmqvist, Director Technical Products & Feed

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# Risk & Risk *Management*

AAK is actively managing risks, fully committed to Making Better Happen™.



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# Risks & Risk *management*

As a leading supplier of plant-based ingredients for food, chocolate & confectionery and technical products, we are well positioned to manage risks and deliver value—something we have proven in recent, volatile years. Although we expect continued inflationary pressure and a demanding macro-economic environment, we see no reason to adjust our view on the strong favorable underlying long-term trends in our markets. Thus, we remain prudently optimistic about the future and are fully committed to Making Better Happen™.

AAK's operations are constantly exposed to risks, threats, and external factors that can impact the company. With a proactive approach to business intelligence, we aim to anticipate changes in factors affecting operations. AAK continuously adjusts plans and policies to counteract potential adverse effects. Active risk management, like hedging raw material prices and currencies, reduces some of our risks.

## Raw materials

Harvests are weather dependent. While a year of poor harvests drive up prices, a year of successful crops reduces them. Most of our raw materials are traded on the global markets and purchased in foreign currencies. This exposes us to significant currency and raw material price risks. We have an active risk management strategy in which we hedge sales

contracts for currency and raw material price exposure. This practice safeguards margins against price and currency risk on agreed sales contracts. Since many raw materials are produced far away from our production plants and markets, transport costs are an important factor. AAK must consider the potential impact on margins from the growing demand for environmentally acceptable transportation and volatility in logistics cost.

## The processing industry

AAK is part of the processing industry. We achieve improvements in results through organic volume growth and increasing sales of speciality ingredients with higher margins. Capacity expansion aimed at increasing total volumes to meet growing demand has a relatively long planning horizon, and we must analyze potential growth in a timely

manner. We also have the possibility to balance production in our plants to enable specific products to be closer to their markets and accommodate variations in supply and demand. Key speciality products are produced at dedicated plants, where production equipment problems can have significant impact.

## Changes in the competitive environment

The speciality ingredient sector in which AAK operates is undergoing structural change. As a sector that has existed for more than 150 years and has a fundamental dependence on natural products, the sector is experiencing strong demand for more innovation, including the demand for sustainable, ethical production where producers accept responsibility for the environmental impact of their operations. A strong balance sheet has laid the financial foundation for future acquisitions. There is intense competition in the industry. Several global competitors deliver large volumes of commodity products with limited margins. Our response is to focus more on speciality products with better margins and higher value. These products include confectionery and personal care products, as well as value-adding ingredients for the bakery, dairy, and infant nutrition industries.

## Political instability

Operating globally always carries risks, but it can also be a stabilizing factor. Although AAK largely operates in mature markets in the US and Europe, some of the company's growth is generated in developing markets, vulnerable to political instability that can impact currencies and exchange rates. We operate in Eastern Europe, the Middle East, Asia, Africa, and Latin America, where instability may arise. As a well-established operator in these areas, AAK

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has extensive experience in handling such issues. In addition, we operate with a well-established risk management strategy.

Global operations also involve risks such as trade barriers, inflation, environmental and health-related legislation, and changes in national or regional legislation, e.g., the introduction of protective tariffs and taxes, which may prevent us from operating in a free market.

#### **Trade sanctions and export controls**

AAK is committed to conducting business by applicable trade sanctions and export control regulations which we believe are important tools in the international community's drive to, among other things, improve human rights. Accordingly, AAK will not tolerate any violation of trade sanctions, export controls, or related regulations by its employees. We are actively working to ensure that we will not engage, directly or indirectly, in any business, dealing, or transaction prohibited by applicable trade sanctions or export control regulations.

#### **Compliance**

AAK conducts business globally with customers, suppliers, and other stakeholders, including countries in emerging markets. We are therefore exposed to risks related to corruption and bribery. AAK has zero tolerance for corruption and bribery and all employees are required to follow laws, regulations, and AAK policies for Code of Conduct, competition law, sanctions, anti-money laundering and anti-corruption. To strengthen awareness in the organization, AAK provides e-learning training in competition law and anti-corruption. Misconduct and violation of laws, regulations, and policies can be reported in an anonymous whistleblower system.

#### **Health trends**

We are well positioned to adapt our product range to the latest health trends because we work with all types of plant-based oils and can reformulate our products to meet customer needs. In addition, AAK focuses strongly on co-development with our customers. This practice limits the risks involved in commercializing new products. However, regulatory measures also pose a risk. Therefore, the fact that AAK proactively implements sustainability measures to anticipate legislation is increasingly important.

#### **Risks related to climate change**

In previous years, AAK has assessed climate related risks and opportunities connected to our own operations. The financial risk related to climate change was evaluated low to medium, depending on developments such as local actions taken by governments and countries themselves. The identification and assessment of how climate-related risks and opportunities have a financial impact related to the key raw materials is covered in the Task Force on Climate-related Financial Disclosure requirements. In 2024, as part of preparation to meet the reporting requirements of the Corporate Sustainability Reporting Directive (CSRD), AAK conducted a Double Materiality Assessment, identifying climate change as one of the material topics.

Overall, palm, coconut and soy are crops likely to be more impacted by climate change than shea, rapeseed and sunflower. Flooding and drought as well as temperature increases will likely impact our palm and soy supply chains, especially in Latin America. India will be the origin potentially most heavily impacted across supply chains, especially by flooding and drought. Coconut will be

impacted by tropical cyclones and flooding as well as droughts. In 2025, we will undertake a climate change risk assessment with a specific focus on raw materials.

These climate risk insights are important for our teams to take into consideration for future sourcing strategies.

#### **Building the foundation for climate resilience**

AAK has set science-based targets in line with a maximum increase in temperature of 1.5°C.

As a part of our submission to SBTi, we have assessed AAK's GHG emissions. This shows that 95 percent of our GHG emissions come from our supply chain. About 64 percent of this is related to Forestry, Land and Agriculture (FLAG) and the remaining part comes from the production process in mills and refineries that we source from.

In December 2023, our Scope 1, 2 and 3 targets according to the FLAG standard for validation were approved. We have started to collect primary data and developed the roadmaps to achieve our 2030 targets.

#### **Risks related to biodiversity**

In 2023, AAK assessed the physical biodiversity risks AAK's supply chains are potentially exposed to or contributing to globally. The risk assessment was conducted using the WWF Biodiversity risk Filter tool at country level and included a broad range of physical and reputational biodiversity risk indicators. As part of the preparation to meet the reporting requirements of the Corporate Sustainability Reporting Directive (CSRD) in 2024 AAK conducted a Double Materiality Assessment, identifying biodiversity as one of the material topics.





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While this analysis already offers great insights into a comprehensive list of biodiversity risk indicators, AAK will need to specify the analysis in the future to move from general country level assessments to more sourcing region and raw material specific analysis.

Overall medium to high biodiversity risks across all sourcing countries have been identified with regional differences of hotspots. One focus area of global relevance is soil health, with the majority of sourcing countries experiencing high to very high risk for soil health impacting yields and long-term raw material availability. Another high-risk indicator is overall tree loss, with hotspots in South Latin America, West Africa, Europe and Southeast Asia. In 2025 this analysis will be updated and deepened.

#### Risks related to human rights

In alignment with the United Nations Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises AAK has identified the key human rights risks and salient issues for AAK's value chain for 2024<sup>1)</sup>. This assessment is replacing the risk tables published in the 2023 report. By focusing on the most severe and probable risks, our salient human rights risk and impact assessment provides a foundation for prioritizing AAK's efforts to mitigate human rights impacts. Vulnerable groups, including women, children, migrant workers, and indigenous communities are in focus. The most severe and prioritised human rights issues are linked to high-risk commodities such as coconut, shea, and palm oil, as well as sourcing challenges in countries like Mexico, India, and Indonesia, and in the West Africa region,

where governance and enforcement gaps are prevalent. Read more about AAK's salient human rights risks on our website. Continuous efforts, though not limited to, include adopting responsible sourcing methods that emphasize respecting human rights across all stakeholder groups, with particular attention to improving working conditions and ensuring health and safety standards are met. AAK also strives to improve livelihoods within its sourcing supply chain, with a specific focus on empowering smallholders and women, recognizing their critical roles in sustainable production systems.

#### Disruptions to critical IT systems

AAK uses modern IT infrastructure and technology to support its business. As disruptions to critical IT systems could have a severe impact on the business, this risk needs to be analyzed and mitigated to prevent possible issues and minimize impact. This work is conducted by Group IT together with our local entities. Our critical IT systems are audited annually, focusing on security, internal processes, and compliance. AAK values cyber security highly, and to minimize external threats, we continuously invest in technology that is operated by qualified staff. The Group IT security policy is implemented at all AAK units together with a global IT infrastructure.

#### Changes in external factors

Raw material prices, transport costs, energy, interest, and exchange rates all affect business operations. We seek to mitigate that risk through employees who are experienced in reacting quickly to changes in external factors and adapting operations, products, and services to customer needs.

<sup>1)</sup> The scope of the assessment includes AAK's own Operations and raw materials value chain



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# Financial *information*

AAK's performance  
and financial position



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# Directors' Report

## For the financial year January 1–December 31, 2024

The Board of Directors and the President and Chief Executive Officer (CEO) of AAK AB (publ.), corporate identity number 556669-2850, with its registered office in Malmö, hereby present the Financial Statements and Consolidated Financial Statements for the financial year January 1–December 31, 2024.

### Performance and financial position

The year 2024 saw continued progress and the company exceeded its financial target of growing operating profit by around 10 percent on average over time. We also achieved our long-term aspiration of doubling operating profit per kilo ahead of schedule—a milestone originally set for 2030. Achieving a strong 19 percent growth in operating profit, on top of a 43 percent growth in 2023. The increase was driven by strong operating profit per kilo in Food Ingredients and Chocolate & Confectionery Feed, while Technical Products & Fats declined, demonstrating our solid foundation as a diverse Multi-oil Ingredient House.

- Volumes amounted to 2,173,000 MT (2,123,000), an increase by 2 percent compared to last year. Volume growth was mainly driven by Chocolate & Confectionery Fats growth, slightly supported by Food Ingredients, while volumes in Technical Products & Feed was flat vs last year.
- Net sales decreased by SEK 976 million to SEK 45,052 million (46,028), a decrease by

2 percent. This decline was primarily due to price adjustments resulting from lower raw material prices, though it was offset by higher volumes and a favorable product mix driven by a continued focus on specialty solutions. Additionally, currency translation had a negative impact of SEK 1,107 million.

- Operating profit, reached SEK 4,896 million (4,116), an increase by 19 percent compared to 2023. The currency translation impact was negative SEK 186 million. The growth in operating profit was achieved mainly due to our global optimization programs, including production process optimization, procurement coordination, and portfolio & price management. Profitability was also somewhat supported by continued favorable market conditions in Chocolate & Confectionery Fats. Food Ingredients reported an increase of 16 percent and Chocolate & Confectionery Fats reported an improvement of 30 percent, while Technical Products & Feed decreased by 32 percent.
- Operating profit per kilo reached SEK 2.25 (1.94), an improvement by 16 percent. At fixed foreign exchange rates operating profit per kilo increased by 21 percent.
- The Group's profit after financial items amounted to SEK 4,660 million (3,824). Net financial items amounted to negative SEK 236 million (negative 292), a decrease of SEK 56 million. The financial cost decreased



As we conclude 2024, I want to thank our employees for their dedication to AAK and for Making Better Happen™. Your commitment to creating value for our customers and building an aligned organization within our decentralized structure remains the driver of our success.

Johan Westman, President and CEO

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due to reduced debt level and by lower interest rates, partly offset by reporting in hyperinflationary economies (IAS 29).

- The equity-to-asset ratio was 59 percent as of December 31, 2024 (56). Consolidated net debt as of December 31, 2024, was SEK 1,696 million (2,425). On December 31, 2024, the Group had total committed credit facilities of approximately SEK 6,765 million (7,085).
- Operating cash flow including changes in working capital amounted to SEK 2,352 million (5,314). Cash flow from working capital amounted to negative SEK 2,813 million (positive 1,573). The negative cash flow impact from changes in working capital was primarily driven by increases in inventory and accounts receivable, while accounts payable had a minor positive effect. Cash outflow from investment activities amounted to SEK 598 million (1,203), of which SEK 0 million (89) stemmed from acquisitions of operations. Capital expenditure was mostly spent on maintenance investments, productivity improvements, and capacity increases. Cash flow from the divestment of the North American Foodservice site amounted to SEK 646 million.

- Calculated on a rolling 12 months basis, Return on Capital Employed (ROCE) was 22.4 percent (19.1).
- Earnings per share was SEK 13.62 (11.35), an increase of 20 percent. Reported tax cost corresponds to an average tax rate of 24 percent (23).
- The proposed dividend for financial year 2024 is SEK 5.00 per share. For further information, please see page 50.

The Company's largest business area, Food Ingredients, reported an operating profit of SEK 3,071 million (2,642), an increase of 16 percent. The operating profit per kilo increased by 15 percent to SEK 2.23.

Chocolate & Confectionery Fats reported an improvement in operating profit of 30 percent, to SEK 1,983 million (1,521). The operating profit per kilo increased by 20 percent to SEK 3.87.

Operating profit for Technical Products & Feed, decreased by 32 percent to SEK 176 million (258) and operating profit per kilo decreased by 31 percent to SEK 0.62. The decrease was primarily driven by a production challenge encountered during the restart process following our annual maintenance stop.

### Operations and significant events Business areas

The company's business areas are Food Ingredients, Chocolate & Confectionery Fats, and Technical Products & Feed. Group-wide functions are included in the Group Functions segment.

Food Ingredients maintains its strong regional positions, primarily in Europe, USA, and North Latin America, but is gradually strengthening its positions in other regions.

Chocolate & Confectionery Fats has world-leading positions, and these will gradually be expanded in an increasingly global arena.

Technical Products & Feed has a strong local position in Northern Europe and will continue to focus its growth efforts in these geographic areas through its close links to the Karlshamn factory in Sweden, bringing significant synergy effects.

### Divestments

During the fourth quarter 2024, AAK announced an agreement to divest its Foodservice facility located in Hillside, NJ, USA. The transaction was finalized as planned on December 31, resulting in a one-time positive cash flow impact of SEK 646 million in the fourth quarter of 2024. The divestment has no material effect on the company's profit and loss statement. In 2024, the Hillside facility represented about 5 percent of AAK's total volumes and approximately 1 percent of its operating profit. As a result, the divestment will increase the group's operating profit per kilo by approximately 4 percent.

### Financial target

AAK's financial target is to grow operating profit by on average of ten percent year-over-year.

### Financial aspiration

On November 26, 2024, AAK hosted a Capital Markets Day in Karlshamn, Sweden, where we announced an ambitious update to our 2030 Aspiration. We remain committed to delivering and developing, with an aspiration to achieve profitability of SEK 3+ per kilo by 2030 and grow volumes faster than the market while reinforcing our recognition for delivering a positive impact. Looking beyond 2030, we aim to discover new opportunities for sustainable growth and business expansion.

### Dividend policy

The objective of the Board of Directors, taking into account the development of Group earnings, its financial position, and future development opportunities, is to propose annual dividends equivalent to 30–50 percent of the profit for the year, after tax, for the Group.

### Concluding remarks by the CEO

As we conclude 2024 and enter 2025, I want to take this opportunity to thank our employees for their dedication to AAK and for Making Better Happen™. Your commitment to creating value for our customers and building an aligned organization within our decentralized structure remains the driver of our success.

I also extend my gratitude to our customers and partners for your trust and collaboration. By working together, we drive



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innovation to deliver sustainable, nutritious, and affordable foods, along with other solutions. We look forward to accelerating this journey in the years to come.

Reflecting on 2024, we made strong progress and exceeded our financial target of growing operating profit by around 10 percent on average over time. We also achieved our long-term aspiration of doubling operating profit per kilo ahead of schedule—a milestone originally set for 2030

In addition to strong financial performance, we continued to deliver on our sustainability commitments in 2024. One example of our commitment to climate action was the installation of two bio-boilers at our Aarhus site in Denmark. When fully operational, the bioboilers are expected to save approximately 50,000 MT of CO<sub>2</sub> annually, equivalent to around a 15 percent reduction compared to the group's 2023 Scope 1 and Scope 2 emissions. Building on these achievements, we approach 2025 with a focus on continued progress. We are prudently optimistic about the year ahead and remain dedicated to Making Better Happen™.

#### Nomination Committee

AAK's Nomination Committee for the 2025 Annual General Meeting consists of:

- Märta Schörling Andreen (Chair), Melker Schörling AB
- Henrik Didner, Didner & Gerge Fonder
- Daniel Kristiansson, Alecta
- Elisabet Jamal Bergström, SEB Investment Management

#### Share capital and shareholder structure

The total number of shares in AAK as of December 31, 2024, was 259,559,202. There is one class of shares in AAK, and each share entitles the holder to one vote. There are no limits as regards to how many votes each shareholder may cast at an Annual General Meeting. Nor are there any limitations regarding the transfer of the shares resulting from provisions in law or in the Articles of Association.

Of the Company's shareholders, only Melker Schörling AB has a shareholding which represents at least one tenth of the number of votes of all shares in AAK. Melker Schörling AB's shareholding as of December 31, 2024, amounted to 30.35 percent of the shares and votes.

AAK is not aware of any agreement between direct shareholders of AAK that would involve limitations in the right to transfer shares. The shareholder structure is further described on page 51.

#### Articles of Association

The Articles of Association stipulate that Board members shall be appointed by the Annual General Meeting of AAK. The Articles of Association contain no provisions regarding dismissal of Board members or regarding amendment of the Articles of Association.

#### Important agreements affected by change in control resulting from official take-over bid

The Group's long-term financing agreement contains stipulations that, in certain cases,



I also extend my gratitude to our customers and partners for your trust and collaboration. By working together, we drive innovation to deliver sustainable, nutritious, and affordable foods, along with other solutions. We look forward to accelerating this journey in the years to come.

Johan Westman, President and CEO

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give the lender the right to request advance payment if control of AAK changes substantially. Such a substantial change in control can occur as a result of an official take-over bid.

AAK's assessment is that it has been necessary to accept these stipulations in order to obtain financing on terms which are otherwise acceptable.

### Guidelines for remuneration of senior executives

Guidelines for the remuneration of the CEO and other senior executives were adopted by the 2024 Annual General Meeting. No deviations from these guidelines have been made. The Board of Directors of AAK proposes that the 2025 Annual General Meeting resolve the same guidelines for remuneration of senior executives in 2025 as in 2024. The present guidelines are contained in Note 8, Remuneration of the Board of Directors and Senior Executives.

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.

### Product development

The Group's product development is described in further detail on pages 27–37.

### Environment

The environmental impact from our plants includes emissions of odorous substances, solvents, smoke and gases into the atmosphere, as well as discharging fats, oxygen-consuming material, and nutrients into the water, and also creating organic waste and noise. We continually review our impact on all levels to further improve the environmental performance at AAK. We operate all our plants with appropriate official permits in all countries in which we are present.

### People

The recruitment of skilled and competent people is an important component in maintaining competitiveness for the AAK Group. The Group therefore has continuous active programs for people development and succession planning.

### Risk management and sensitivity analysis

All business operations involve risks—a controlled approach to risk-taking is a prerequisite for maintaining good profitability. Risks may depend on events in the operating environment and may affect a certain sector or market. A risk may also be purely company-specific or country-specific. At AAK, effective risk management is a continual process which is conducted within

the framework of operational management and forms a natural part of the day-to-day monitoring of operations.

For more detailed information, please refer to the section Risks and risk management on pages 39–41 and to Note 3, Financial Risk Management.

### External risks

The AAK Group is exposed to the fierce competition which characterizes the industry related to fluctuations in raw material prices and exchange rates, which affect tied-up capital.

### Operational risks

The raw materials used in AAK's operations are agricultural products, and availability may therefore vary due to climatic and other external factors.

### Financial risks

The Group's management of financial risks is described in Note 3, Financial Risk Management.

### Corporate Governance Report

The Corporate Governance Report on pages 107–112 is part of the Directors' Report. For information on the composition and work, etc., of the Board of Directors, see the Corporate Governance Report on pages 108–110.

### Sustainability Report

Under Chapter 6, Section 11, of the Swedish Annual Accounts Act, AAK has decided to prepare its Sustainability Report separately

from the Annual Report. The Sustainability Report was submitted to the auditor with the Annual Report.

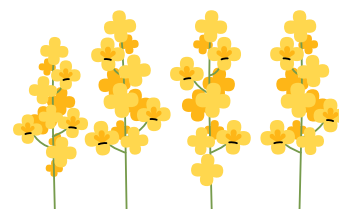
### Parent

The Parent company is the holding company of the AAK Group, and its activities consist mainly of joint Group functions connected to the development and management of the Group. The Parent employs people with skills and competencies to execute Group-wide accounting and internal control, financing, investor relations, corporate communication and brand, HR, M&A, IT and product development. The Parent is also responsible for the Group's strategy and risk management and provides legal and tax related services to Group companies.

The Parent's invoicing in 2024 amounted to SEK 420 million (413). The profit after financial items amounted to SEK 409 million (negative 83). Interest-bearing liabilities minus cash and cash equivalents and interest-bearing assets totaled SEK 4,693 million (4,443). Investments in intangible and tangible assets amounted to SEK 45 million (23). The average number of employees at December 31, 2024 was 58 (45).

### Background to and motivation of the proposed appropriation of profits

The Board of Directors has proposed that the 2025 Annual General Meeting approves an appropriation of profits under which the shareholders will receive a dividend of SEK 5.00 per share. The proposed dividend therefore totals SEK 1,298 million. The long-term objective for the dividend is to



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correspond to 30–50 percent of consolidated profits after tax, while always considering AAK's long-term financing requirements. The Parent company (Company) has no financial instruments valued under Chap. 4, Section 14 a, of the Swedish Annual Accounts Act (1995:1554). The Board of Directors hereby makes the following statement regarding the proposed dividend, in accordance with Chap. 18, Section 4, of the Swedish Companies Act (2005:551).

Retained profits from the previous year total SEK 4,555 million and the result for the 2024 financial year is SEK 410 million (3,536 for the Group). Provided that the 2024 Annual General Meeting approves the Board's proposed appropriation of profits, a total of SEK 3,667 million will be carried forward. The Company's restricted equity will be fully covered after distribution of the dividend. In the Board's judgement, the Company and the Group will retain sufficient equity after distribution of the proposed dividend in relation to the nature, scope and risks associated with its business operations. In making this assessment, the board has taken into account the historical development of the Company and the Group, budgeted performance and the economic situation. In the view of the board, the Company and the Group are in a position and have the capacity, in both the short and long terms, to meet all their obligations.

The proposed dividend represents a total of 24 percent of the Company's equity and 6 percent of the Group's equity attributable to the Parent's shareholders. After payment

of the dividend, the equity/assets ratio of the Company and the Group will be 46 percent and 57 percent, respectively. The Board of Directors judges that the Company is in a good position to meet future business risks as well as withstand possible losses. Distribution of the dividend will not negatively affect the ability of the Company and the Group to make further investments as planned by the Board of Directors. The proposed dividend distribution will have a temporary negative effect on the Company's liquidity. However, the Company and Group have sufficient access to both short- and long-term credit that can be obtained at short notice.

The Board of Directors therefore considers that the Company and the Group are prepared for likely changes to liquidity, as well as unforeseen events. In addition, the Board of Directors has considered other known circumstances that may materially affect the financial position of the Company and the Group. No circumstance has arisen that makes the proposed dividend distribution appear unjustifiable. It is proposed that the record date for the dividend to be on May 12, 2025, and it is estimated that the dividend will be received by the shareholders after May 15, 2025.

### Proposed appropriation of profits

SEK

The Board of Directors proposes that the disposable profit brought forward	4,554,919,213
and profit/loss for the year	410,135,827
<b>Total</b>	<b>4,965,055,040</b>
be appropriated as follows:	
To be distributed to shareholders, a dividend of SEK 5.00 per share	1,297,796,010
To be carried forward	3,667,259,030
<b>Total</b>	<b>4,965,055,040</b>

The Group's and the Parent's income statements and balance sheets will be presented to the Annual General Meeting on May 8, 2025 for adoption.

The Directors' report comprise of pages 43–47.

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# Board of Directors



## Patrik Andersson

Chairman of the Board, Chairman of the Remuneration Committee and member of the Audit Committee

**Year elected:** 2019  
(Chairman since 2023)

**Born:** 1963

**Nationality:** Swedish

**Other board positions:**

Chairman of Midsona AB, Sesol AB and Cary Group AB. Board member of Ecolan AB.

**Experience:** President and CEO of Loomis, President of Orkla Foods Sweden, CEO and President of Rieber & Son, President of Wasabröd globally within Barilla Group, and various senior positions at Unilever Group.

**Qualifications:** MSc Economics and Business Administration—International Business

**Independent:** Yes

**Holdings<sup>1)</sup>:** 3,710 shares



## Märta Schörling Andreen

Board member, Chairman of the Nomination Committee, member of the Audit Committee and member of the Remuneration Committee

**Year elected:** 2013

**Born:** 1984

**Nationality:** Swedish

**Other board positions:** Board member of Melker Schörling AB, HEXPOL AB, Hexagon AB and Absolent Group AB.

**Experience:** Board member of Melker Schörling AB, HEXPOL AB, Hexagon AB, and Absolent Group AB.

**Qualifications:** MSc Economics and Business Administration

**Independent:** No. Connection to the company's major shareholders through her assignment on behalf of AAK's main owner Melker Schörling AB.

**Holdings<sup>1)</sup>:** 78,774,412 shares (through Melker Schörling AB)



## Nils-Johan Andersson

Board member and Chairman of the Audit Committee

**Year elected:** 2023

**Born:** 1962

**Nationality:** Swedish

**Other board positions:**

Board member of Hexpol AB, Absolent Group AB and Greenbridge, member of the investment committee of Spira Invest.

**Experience:** CEO of Melker Schörling AB, CFO at MSX International, CFO at Bravida, CFO and Head of business area Ventilation at Lindab and various finance positions within Boliden and Munksjö.

**Qualifications:** MSc Economics and Business Administration

**Independent:** Independent of the company and its management, but connection to the major shareholder company, Melker Schörling AB.

**Holdings<sup>1)</sup>:** 1,600 shares



## Fabienne Saadane-Oaks

Board member

**Year elected:** 2023

**Born:** 1958

**Nationality:** French

**Other board positions:**

Non-executive director of Fermentalg, Roal Oy and Fytexia Group and member of the Comité Sully.

**Experience:** CEO of ABF Ingredients, a division of Associated British Foods, various management positions within Dupont, Danisco, Rhodia, SKW/Degussa Group and Sanofi Bio-Industries.

**Qualifications:** MSc Mechanical Engineering, ENSTA and MBA, ESSEC.

**Independent:** Yes

**Holdings<sup>1)</sup>:** None



## Ian Roberts

Board member

**Year elected:** 2023

**Born:** 1970

**Nationality:** British

**Other board positions:**

Chairman of Restor, President and co-founder of MassChallenge Switzerland, Board member of MassChallenge Global.

**Experience:** CTO of Bühler, various management positions within Nestlé.

**Qualifications:** PhD in Process Engineering, MSc Chemical Engineering and BEng Biochemical Engineering.

**Independent:** Yes

**Holdings<sup>1)</sup>:** None

Board members appointed by the employees

Auditor — KPMG AB



## David Alfredsson

Employee representative

**Year elected:** 2022

Appointed by: IF Metall

**Born:** 1994

**Nationality:** Swedish

Position: Chief safety representative

**Experience:** Various labor union positions in AAK and in the regional labor union

**Qualifications:** Upper secondary school

**Holdings<sup>1)</sup>:** None



## Lena Nilsson

Employee representative

**Year elected:** 2018

Appointed by: PTK-L

**Born:** 1960

**Nationality:** Swedish

Position: Chairman of local trade union and Marketing Coordinator

**Experience:** Chief safety representative, Work environment representative

**Qualifications:** Upper secondary school

**Holdings<sup>1)</sup>:** None



## Jonas Nihlberg

Authorized Public Accountant and Partner since 2015

**The Company's Auditor since:** 2021

**Born:** 1973

**Nationality:** Swedish

<sup>1)</sup> Holdings as of December 31, 2024.



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# Executive Committee



## Johan Westman

President and CEO

**Employed:** 2018

**Born:** 1973

**Nationality:** Swedish

**Other board positions:**

Chairman of the Board of Absolent Group AB (publ.) and Board member of Thule Group AB (publ.)

**Experience:** Senior Vice President Europe and Managing Director of the BlankLight division at Shiloh Industries, Inc., President and CEO of FinnvedenBulten AB (publ.), President of Finnveden Metal Structures AB, and management consulting with Arthur D. Little.

**Qualifications:** MSc Industrial Engineering and Management

**Holdings<sup>1)</sup>:** 54,000 shares and 500,000 stock options (Warrants program 2022/2027)



## Tomas Bergendahl

Chief Financial Officer, Vice President AAK AB

**Employed:** 2021

**Born:** 1974

**Nationality:** Swedish

**Other board positions:** Board member of Midsona AB

**Qualifications:** MSc Business Administration

**Holdings<sup>1)</sup>:** 500,000 stock options (Warrants program 2022/2027)



## Sten Estrup

President AAK AMEA, Global People, Vice President AAK AB

**Employed:** 2020

**Born:** 1968

**Nationality:** Danish

**Qualifications:** MBA, MSc Dairy Science & Technology, EMCCC (Executive Master in Consulting and Coaching for Change), Diploma in HRM

**Holdings<sup>1)</sup>:** 500,000 stock options (Warrants program 2022/2027)



## Susanne Jaspers

President AAK Europe & Strategic Accounts, Vice President AAK AB

**Employed:** 2022

**Born:** 1973

**Nationality:** German

**Qualifications:** Diplom Betriebswirt (MBA), BSc International Business Administration

**Holdings<sup>1)</sup>:** 1,500 shares and 125,000 stock options (Warrants program 2022/2027)



## Octavio Díaz de León

President AAK Americas, Vice President AAK AB

**Employed:** 2007

**Born:** 1967

**Nationality:** Mexican

**Qualifications:** MBA, BSc Mechanical & Electrical Engineering

**Holdings<sup>1)</sup>:** 240,000 shares and 300,000 stock options (Warrants program 2022/2027)



## Tim Stephenson

President Global Sourcing & Trading and Sustainability, Vice President AAK AB

**Employed:** 1995

**Born:** 1961

**Nationality:** British

**Qualifications:** MA (Oxon) Mathematics, FCA

**Holdings<sup>1)</sup>:** 250,000 stock options (Warrants program 2022/2027)



## David Smith

President Global Operations, Vice President AAK AB

**Employed:** 2001

**Born:** 1960

**Nationality:** British

**Qualifications:** MBA, Graduate Diploma in Business Management

**Holdings<sup>1)</sup>:** 300,000 stock options (Warrants program 2022/2027)



## Niall Sands

President Commercial Development and Innovation, Vice President AAK AB

**Employed:** 2018

**Born:** 1979

**Nationality:** Irish

**Qualifications:** MSc Operations Management, BSc Computer Studies

**Holdings<sup>1)</sup>:** None

<sup>1)</sup> Holdings as of December 31, 2024.

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# The *AAK* Share

AAK's shares have been traded on NASDAQ OMX Stockholm, Nordic List, since October 2, 2005. As from January 2, 2014, AAK shares are traded in the Large Cap segment in the Consumer Commodities sector. The ticker is AAK, and the ISIN code is SE0011337708.

### Turnover and price trend

During 2024, 82.5 million (66.6) shares were traded at a total value of SEK 23,669 million (13,327), which corresponds to a turnover rate of 32 percent (26). The average trade per trading day was 328,811 (265,472) shares or SEK 94 million (53). At year-end, the share price was SEK 315.60 (224.80) and AAK's market value was SEK 81,917 million (58,349). The highest closing price during the year was SEK 340.00 (October 15) and the lowest closing price was SEK 223.00 (January 5).

### Share capital

As of December 31, 2024, the share capital of AAK was SEK 432,598,670 (432,598,670). The number of shares was 259,559,202 (259,559,202). The quota value per share was SEK 1.67. Each share entitles the holder to one vote. All shares have equal rights to participate in the profits and assets of the company.

### Ownership

There were 28,719 (21,664) shareholders as of December 31, 2024. There are shareholders in more than 40 countries, and the total ownership outside of Sweden amounted to 30 percent (31) at year-end. The ten largest

individual shareholders accounted for 56 percent (55) of the share capital on the same date. As of December 31, 2024, members of AAK's Group Executive Management owned a total of 295,500 (295,500) shares in AAK.

### Planned dividend policy

The Board of Directors has adopted a dividend policy, under which it aims to propose annual dividends equivalent to 30–50 percent of the Group's profit after tax for the year, taking into account the development of the Group's earnings, financial position and future development opportunities.

### Ordinary dividend

For the 2024 financial year, the Board of Directors proposes a dividend of SEK 5.00 (3.70) per share, a total of approximately SEK 1,300 million (960), which represents 37 percent (33) of the Group's profit for the year.

### AAK's Investor Relations work

AAK strives to ensure its share is valued on the basis of relevant, accurate and up-to-date information. Reaching this objective requires a strategy that underscores the importance of continuous financial dialogue, the reliable distribution of information, and ongoing interaction with stakeholders in the financial market.

Contact with the financial markets takes place via presentations in conjunction with quarterly reports and meetings with analysts, investors and journalists at capital market

days, as well as during roadshows, conferences and seminars.

Anyone interested can obtain presentation material and listen to audio recordings from quarterly presentations at [www.aak.com](http://www.aak.com).

### Analysts

ABG Sundal Collier—Benjamin Wahlstedt  
Bank of America—Matthew Yates  
Barclays—Alex Sloane  
Berenberg—Samantha Darbyshire  
Carnegie—Victor Hansen  
Danske Bank—Oskar Lindström  
DNB Bank—Simen Aas  
Exane BNP Paribas—Joan Lim  
Handelsbanken—Erik Cederberg  
Kepler Cheuvreux—Erik Sandstedt  
Nordea—Nicklas Skogman  
SEB—Johan Fred  
UBS—Priyanka Patel

### Shareholder contacts

Carl Ahlgren, Head of Investor Relations,  
Communication & Brand  
Telephone: +46 706 810 734  
Email: [carl.ahlgren@aak.com](mailto:carl.ahlgren@aak.com)



It is important to ensure that AAK's share is valued on the basis of relevant, accurate and up-to-date information.

Carl Ahlgren, Head of Investor Relations,  
Communication & Brand



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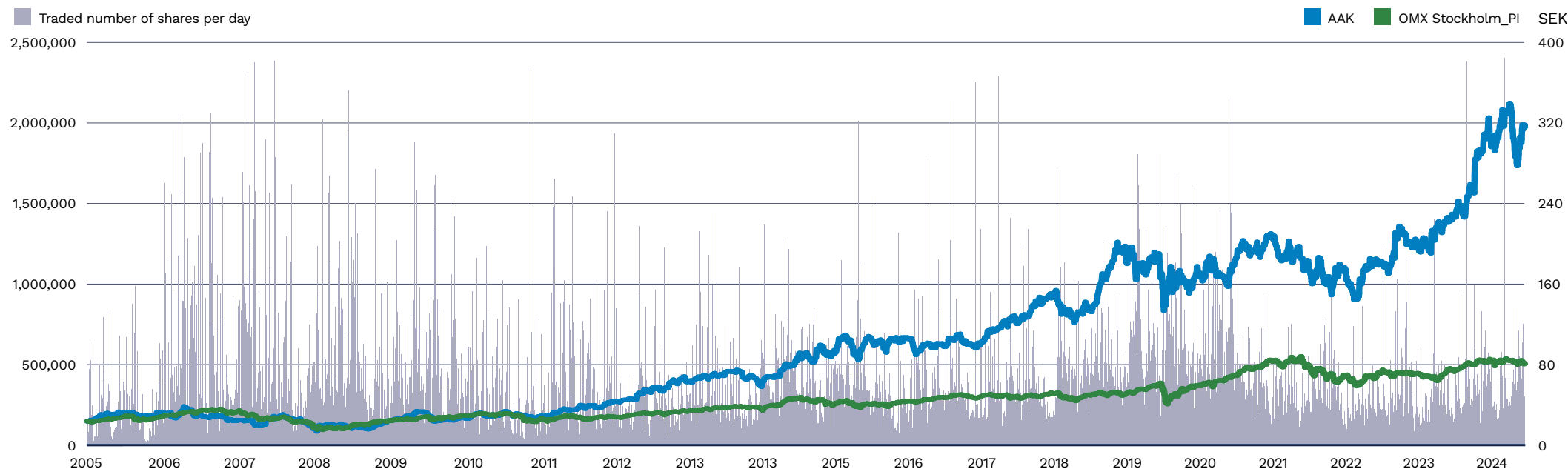
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**The AAK share September 29, 2005 to December 31, 2024**

Major shareholders, December 31, 2024	No. of shares	Proportion of share capital and votes, %
Melker Schörling AB	78,774,412	30.4
SEB Investment Management	12,299,199	4.7
Alecta Tjänstepension	12,100,000	4.7
Vanguard	7,175,434	2.8
Nordea Funds	6,832,775	2.6
Handelsbanken Fonder	6,771,507	2.6
Swedbank Robur Fonder	6,600,392	2.5
Cliens Fonder	5,281,121	2.0
Lannebo Kapitalförvaltning	5,154,590	2.0
Carnegie Fonder	5,132,577	2.0
Other shareholders	113,437,195	43.7
<b>Total</b>	<b>259,559,202</b>	<b>100.0</b>

Distribution of shareholdings, December 31, 2024	No. of shareholders	Proportion of all share- holders, %	Proportion of share capital and votes, %
1–500	23,082	80.4	0.9
501–1,000	2,124	7.4	0.6
1,001–5,000	2,538	8.8	2.1
5,001–10,000	475	1.6	1.3
10,001–15,000	136	0.5	0.6
15,001–20,000	58	0.2	0.4
20,001–	306	1.1	87.1
Unknown holding size	0	0.0	7.0
<b>Total</b>	<b>28,719</b>	<b>100.0</b>	<b>100.0</b>

Information per share	2024	2023
Share price, at year end, SEK	315.60	224.80
Dividend per share, SEK	5.00 <sup>1)</sup>	3.70
Direct yield, %	1.58	1.65
Earnings per share, SEK	13.62	11.35
Equity per share, SEK	77.39	65.95
Share price/Equity	4.07	3.41

<sup>1)</sup> Board of Directors' proposal.

Definitions, see page 120.

# Consolidated income statement

SEK million	Note	Jan–Dec 2024	Jan–Dec 2023
Net sales	27	45,052	46,028
Other operating income		176	225
<b>Total operating income</b>		<b>45,228</b>	<b>46,253</b>
Changes in inventories of finished goods and work in progress		63	-64
Raw materials and consumables		-31,343	-33,421
Goods for resale		-776	-811
Other external expenses	5, 16, 27	-3,681	-3,577
Employee benefits expenses	6, 7, 8, 9	-3,674	-3,399
Depreciation, amortization and impairment loss	14, 15, 16	-862	-877
Other operating expenses		-59	12
<b>Total operating expenses</b>		<b>-40,332</b>	<b>-42,137</b>
<b>Operating profit (EBIT)</b>		<b>4,896</b>	<b>4,116</b>
Result from financial items	10, 16		
Financial income		102	83
Financial expenses		-338	-375
<b>Net financial items</b>		<b>-236</b>	<b>-292</b>
<b>Profit before tax</b>		<b>4,660</b>	<b>3,824</b>
Income tax	11, 16	-1,118	-870
<b>Profit for the year</b>		<b>3,542</b>	<b>2,954</b>
<b>Attributable to:</b>			
Non-controlling interests		6	8
Parent company shareholders		3,536	2,946
Earnings per share before dilution (SEK)	12	13.62	11.35
Earnings per share after dilution (SEK)	12	13.57	11.35

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# Consolidated Statement of Comprehensive Income

SEK million	Note	Jan–Dec 2024	Jan–Dec 2023
Profit for the period		3,542	2,954
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurement of post-employment benefit obligations	9	-32	-11
<b>Total items that will not be reclassified to profit or loss</b>		<b>-32</b>	<b>-11</b>
<i>Items that are or may subsequently be reclassified to profit or loss</i>			
Translation differences		570	-146
Translation differences reclassified to profit or loss		-103	-
Fair-value changes in cash flow hedges		-13	-12
Tax related to fair-value changes in cash flow hedges		3	3
<b>Total items that are or may subsequently be reclassified to profit or loss</b>		<b>457</b>	<b>-155</b>
<b>Total other comprehensive income for the period</b>		<b>425</b>	<b>-166</b>
<b>Total comprehensive income for the period</b>		<b>3,967</b>	<b>2,788</b>
<b>Attributable to:</b>			
Non-controlling interests		6	9
Parent company shareholders		3,961	2,779

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# Consolidated Balance Sheet

SEK million	Note	Dec 31, 2024	Dec 31, 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible assets	14		
Goodwill		2,333	2,712
Patents and other intangible assets		320	290
<b>Total intangible assets</b>		<b>2,653</b>	<b>3,002</b>
Property, plant and equipment	15		
Land and buildings		1,489	1,360
Plant and machinery		4,570	4,264
Equipment, tools and fixtures and fittings		327	275
Assets under construction		1,692	1,594
<b>Total property, plant and equipment</b>		<b>8,078</b>	<b>7,493</b>
Right-of-use assets	16	516	760
Shares in associates		7	13
Financial assets		90	79
Deferred tax assets	11	400	390
<b>Total other non-current assets</b>		<b>1,013</b>	<b>1,242</b>
<b>Total non-current assets</b>		<b>11,744</b>	<b>11,737</b>
<b>Current assets</b>			
Inventories	18	11,872	8,656
Accounts receivables	3	5,793	5,312
Current tax assets	11	710	602
Prepaid expenses and accrued income		207	227
Derivative instruments	3	1,333	1,403
Other current receivables		816	1,111
Cash and cash equivalents	19	1,911	1,503
<b>Total current assets</b>		<b>22,642</b>	<b>18,814</b>
<b>TOTAL ASSETS</b>		<b>34,386</b>	<b>30,551</b>

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# Consolidated Balance Sheet

SEK million	Note	Dec 31, 2024	Dec 31, 2023
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' EQUITY</b>			
	20		
Share capital		433	433
Reserves		1,002	545
Retained profit		18,652	16,139
<b>Equity attributable to Parent's shareholders</b>		<b>20,087</b>	<b>17,117</b>
Non-controlling interests		62	56
<b>Total equity</b>		<b>20,149</b>	<b>17,173</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Interest-bearing liabilities			
Liabilities to banks and credit institutions	21	949	1,969
Pension provisions	9	82	31
Lease liabilities	16	411	630
<b>Total non-current interest-bearing liabilities</b>		<b>1,442</b>	<b>2,630</b>
Non-interest-bearing liabilities			
Deferred tax liabilities	11	621	656
Other non-current provisions	22	266	238
Other non-current liabilities		204	217
<b>Total non-current non-interest-bearing liabilities</b>		<b>1,091</b>	<b>1,111</b>
<b>Total non-current liabilities</b>		<b>2,533</b>	<b>3,741</b>
<b>Current liabilities</b>			
Interest-bearing liabilities			
Liabilities to banks and credit institutions	21	2,071	1,715
Other current liabilities		11	11
Lease liabilities	16	140	171
<b>Total current interest-bearing liabilities</b>		<b>2,222</b>	<b>1,897</b>
Non-interest-bearing liabilities			
Accounts payables	3	4,121	3,804
Current tax liabilities	11	883	520
Other current provisions	22	356	297
Accrued expenses and prepaid income	23	2,210	1,997
Derivative instruments	3	1,631	857
Other current liabilities		281	265
<b>Total current non-interest-bearing liabilities</b>		<b>9,482</b>	<b>7,740</b>
<b>Total current liabilities</b>		<b>11,704</b>	<b>9,637</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>34,386</b>	<b>30,551</b>

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# Consolidated Changes in Equity

SEK million	Attributable to the Parent's shareholders			Non-controlling interests	Total equity
	Share capital	Reserves	Retained profit		
<b>Opening balance, January 1, 2023</b>	<b>433</b>	<b>701</b>	<b>13,902</b>	<b>47</b>	<b>15,083</b>
Profit for the year	-	-	2,946	8	2,954
Other comprehensive income	-	-156	-11	1	-166
<b>Comprehensive income</b>	<b>-</b>	<b>-156</b>	<b>2,935</b>	<b>9</b>	<b>2,788</b>
<b>Transactions with shareholders</b>					
Long-term incentive	-	-	16	-	16
Dividend	-	-	-714	-	-714
<b>Total transactions with shareholders</b>	<b>-</b>	<b>-</b>	<b>-698</b>	<b>-</b>	<b>-698</b>
<b>Closing balance, December 31, 2023</b>	<b>433</b>	<b>545</b>	<b>16,139</b>	<b>56</b>	<b>17,173</b>

SEK million	Attributable to the Parent's shareholders			Non-controlling interests	Total equity
	Share capital	Reserves	Retained profit		
<b>Opening balance, January 1, 2024</b>	<b>433</b>	<b>545</b>	<b>16,139</b>	<b>56</b>	<b>17,173</b>
Profit for the year	-	-	3,536	6	3,542
Other comprehensive income	-	457	-32	0	425
<b>Comprehensive income</b>	<b>-</b>	<b>457</b>	<b>3,504</b>	<b>6</b>	<b>3,967</b>
<b>Transactions with shareholders</b>					
Long-term incentive	-	-	22	-	22
Obligation for delivery of shares to LTI-program	-	-	-53	-	-53
Dividend	-	-	-960	-	-960
<b>Total transactions with shareholders</b>	<b>-</b>	<b>-</b>	<b>-991</b>	<b>-</b>	<b>-991</b>
<b>Closing balance, December 31, 2024</b>	<b>433</b>	<b>1,002</b>	<b>18,652</b>	<b>62</b>	<b>20,149</b>

For further information, see Note 20.

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# Consolidated Cash Flow Statement

SEK million	Note	Jan–Dec 2024	Jan–Dec 2023
<b>OPERATING ACTIVITIES</b>			
Operating profit		4,896	4,116
Depreciation, amortization and impairment losses	14, 15, 16	862	877
Adjustment for other non-cash items	28	483	-65
Interest received and other financial income		101	75
Interest paid and other financial expenses		-241	-283
Tax paid		-936	-979
<b>Cash flow before changes in working capital</b>		<b>5,165</b>	<b>3,741</b>
Changes in inventory		-2,409	2,463
Changes in accounts receivables		-466	1,241
Changes in accounts payables		198	-1,545
Changes in other working capital items		-136	-586
<b>Changes in working capital</b>		<b>-2,813</b>	<b>1,573</b>
<b>Cash flow from operating activities</b>		<b>2,352</b>	<b>5,314</b>
<b>INVESTING ACTIVITIES</b>			
Acquisition of intangible assets		-47	-40
Acquisition of property, plant and equipment		-1,198	-1,205
Acquisition of operations and shares, net of cash acquired		-	-89
Proceeds from sale of operations and shares		646	-
Proceeds from sale of property, plant and equipment		1	131
<b>Cash flow from investing activities</b>		<b>-598</b>	<b>-1,203</b>
<b>FINANCING ACTIVITIES</b>			
Loans raised	28	430	259
Amortization of loans	28	-599	-3,425
Amortization of lease liability	16, 28	-197	-181
Dividends paid		-960	-714
<b>Cash flow from financing activities</b>		<b>-1,326</b>	<b>-4,061</b>
<b>Cash flow for the year</b>		<b>428</b>	<b>50</b>
Cash and cash equivalents at beginning of year		1,503	1,515
Exchange rate difference for cash equivalents		-20	-62
<b>Cash and cash equivalents at year-end</b>	19	<b>1,911</b>	<b>1,503</b>

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# Income Statement—Parent Company

SEK million	Note	Jan–Dec 2024	Jan–Dec 2023
Net sales	26	420	413
Other operating income		0	0
<b>Total operating income</b>		<b>420</b>	<b>413</b>
Other external expenses	5	-415	-341
Personnel costs	6, 7, 8, 9	-206	-153
Depreciation, amortization and impairment loss		-13	-10
<b>Total operating expenses</b>		<b>-634</b>	<b>-504</b>
<b>Operating profit (EBIT)</b>		<b>-214</b>	<b>-91</b>
<b>Profit from financial items</b>	10		
Profit from interests in Group companies		210	213
Dividend		1	-
Dividend from Group Companies		659	-
Interest income and similar items		2	0
Interest expenses and similar items		-249	-205
<b>Net financial items</b>		<b>623</b>	<b>8</b>
<b>Profit before tax</b>		<b>409</b>	<b>-83</b>
Income tax	11	1	-18
<b>Profit for the year</b>		<b>410</b>	<b>-101</b>

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# Statement of Comprehensive Income—Parent Company

SEK million	Note	Jan–Dec 2024	Jan–Dec 2023
Profit for the period		410	-101
Other comprehensive income		-	-
<b>Total comprehensive income for the period</b>		<b>410</b>	<b>-101</b>

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# Balance Sheet—Parent Company

SEK million	Note	Dec 31, 2024	Dec 31, 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible assets		61	24
		<b>61</b>	<b>24</b>
Property, plant and equipment		3	3
		<b>3</b>	<b>3</b>
Right-of-use assets		18	23
		<b>18</b>	<b>23</b>
Financial non-current assets			
Shares in Group companies	17	7,013	7,013
Receivables from Group companies		2,893	2,893
Deferred tax assets	11	3	2
Other non-current assets		10	4
		<b>9,919</b>	<b>9,912</b>
<b>Total non-current assets</b>		<b>10,001</b>	<b>9,962</b>
<b>Current assets</b>			
Receivables from Group companies		284	651
Tax assets	11	14	0
Prepaid expenses and accrued income		14	16
Other receivables		2	15
<b>Total current assets</b>		<b>314</b>	<b>682</b>
<b>TOTAL ASSETS</b>		<b>10,315</b>	<b>10,644</b>

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# Balance Sheet—Parent Company

SEK million	Note	Dec 31, 2024	Dec 31, 2023
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
	20		
<b>Restricted equity</b>			
Share capital		433	433
Statutory reserve		5	5
		<b>438</b>	<b>438</b>
<b>Non-restricted equity</b>			
Retained profit		4,555	5,663
Profit/loss for the year		410	-101
		<b>4,965</b>	<b>5,562</b>
<b>Total equity</b>		<b>5,402</b>	<b>6,000</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Interest-bearing liabilities			
Liabilities to banks and credit institutions	21	526	1,500
Lease liabilities		13	17
		<b>539</b>	<b>1,517</b>
Non-interest-bearing liabilities			
Other non-current liabilities		33	27
		<b>33</b>	<b>27</b>
<b>Total non-current liabilities</b>		<b>572</b>	<b>1,544</b>
<b>Current liabilities</b>			
Interest-bearing liabilities			
Liabilities to banks and credit institutions	21	1,026	1,500
Lease liabilities		5	5
		<b>1,031</b>	<b>1,505</b>
Non-interest-bearing liabilities			
Accounts payables		31	19
Liabilities to Group companies		3,180	1,477
Accrued interest		6	14
Accrued expenses and prepaid income	23	89	71
Other current liabilities		4	14
		<b>3,310</b>	<b>1,595</b>
<b>Total current liabilities</b>		<b>4,341</b>	<b>3,100</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>10,315</b>	<b>10,644</b>

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## Changes in Equity—Parent Company

SEK million	Share capital	Statutory reserves	Retained profit	Total equity
<b>Opening balance, January 1, 2023</b>	<b>433</b>	<b>5</b>	<b>6,373</b>	<b>6,811</b>
Profit for the year	-	-	-101	-101
Other comprehensive income	-	-	-	-
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-101</b>	<b>-101</b>
Long-term incentive	-	-	4	4
Dividend	-	-	-714	-714
<b>Closing balance, December 31, 2023</b>	<b>433</b>	<b>5</b>	<b>5,562</b>	<b>6,000</b>

SEK million	Share capital	Statutory reserves	Retained profit	Total equity
<b>Opening balance, January 1, 2024</b>	<b>433</b>	<b>5</b>	<b>5,562</b>	<b>6,000</b>
Profit for the year	-	-	410	410
Other comprehensive income	-	-	-	-
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>410</b>	<b>410</b>
Long-term incentive	-	-	5	5
Obligation for delivery of shares to LTI-program	-	-	-53	-53
Dividend	-	-	-960	-960
<b>Closing balance, December 31, 2024</b>	<b>433</b>	<b>5</b>	<b>4,965</b>	<b>5,402</b>

Total shares outstanding were 259,559,202 at quota value of SEK 1.67 per share. For further information, see Note 20.

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# Cash Flow Statement—Parent Company

SEK million	Note	Jan–Dec 2024	Jan–Dec 2023
<b>OPERATING ACTIVITIES</b>			
Operating profit		-214	-91
Depreciation, amortization and impairment losses		13	10
Adjustment for other non-cash items	28	-36	-1
Interest received and other financial income		662	1
Interest paid and other financial expenses		-249	-205
Tax paid		-14	-3
<b>Cash flow before changes in working capital</b>		<b>162</b>	<b>-289</b>
Net change in other current receivables		592	10
Net change in other current operating liabilities		15	21
<b>Changes in working capital</b>		<b>607</b>	<b>31</b>
<b>Cash flow from operating activities</b>		<b>769</b>	<b>-258</b>
<b>INVESTING ACTIVITIES</b>			
Acquisition of intangible assets		-45	-20
Acquisition of property, plant and equipment		-1	-3
Change in receivables from Group companies		1,699	1,500
<b>Cash flow from investing activities</b>		<b>1,653</b>	<b>1,477</b>
<b>FINANCING ACTIVITIES</b>			
Loans raised	28	53	-
Amortization of loans	28	-1,510	-500
Amortization of lease liability	28	-5	-5
Dividends paid		-960	-714
<b>Cash flow from financing activities</b>		<b>-2,422</b>	<b>-1,219</b>
<b>Cash flow for the year</b>		<b>0</b>	<b>0</b>
Cash and cash equivalents at beginning of year		0	0
<b>Cash and cash equivalents at year-end</b>		<b>0</b>	<b>0</b>

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Amounts stated in SEK million unless specified otherwise.

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## Note 1 General information

AAK AB (publ.), corporate identity number 556669-2850, is a Swedish registered limited liability company domiciled in Malmö, Sweden. The shares of the Parent are listed on NASDAQ OMX Stockholm, in the Large Cap list and under Consumer Goods. The head office is located at Pulpetgatan 20, 215 37 Malmö, Sweden.

These consolidated financial statements for 2024 are for the Group consisting of the Parent and all subsidiaries. The Group also has ownership interests in associates and joint ventures. The Board of Directors approved these consolidated financial statements for publication on April 7, 2025.

## Note 2 Summary of material accounting policies

### Basis of presentation of the annual report and consolidated financial statements

The Group's consolidated financial statements have been prepared in accordance with the IFRS Accounting Standards as adopted by the International Accounting Standard Board (IASB) and the interpretations issued by the IFRS Interpretations Committee as adopted within the EU, the Swedish Annual Accounts Act, and the Swedish Financial Reporting Board's recommendation RFR 1 "Supplementary accounting rules for groups of companies". The Parent company has prepared its financial statements in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2 "Accounting for legal entities". There are no differences between the Group's accounting policies and those of the Parent company. The accounting policies for both the Group and the Parent company have been applied consistently for the periods presented, unless otherwise stated.

The annual and consolidated financial statements have been prepared on a historical cost basis, except for currency, interest rate and commodity derivative instruments, which are measured at fair value through profit or loss. Preparing these financial statements requires that the Board of Directors and the Company management use certain critical accounting estimates and assumptions. These estimates and assumptions can materially affect the income statement, balance sheet and other information contained herein, including contingent liabilities; see Note 4. The actual outcome can vary from these estimates under different assumptions or circumstances.

### New and amended standards applied by the Group

A number of changes to IFRS were effective from January 1, 2024. None of these have had any significant effect on the Group's financial statements.

### New standards and interpretations not yet applied by the Group

Changes of IFRS are not expected to have any significant effect on the Group's financial statements in the current or future reporting periods and on foreseeable future transactions.

### Consolidated financial statements

#### Subsidiaries

The consolidated financial statements cover AAK AB and all its subsidiaries. Subsidiaries are all companies over which the Group has control. The Group controls a company when it is exposed to or is entitled to variable return from its holding in the company and is able to affect the return

by exerting influence in the company. Subsidiaries are included in the consolidated financial statements as from the date on which the control is transferred to the Group. They are excluded from the consolidated financial statements as from the date on which the control ceases.

The acquisition of subsidiaries is recognized using the acquisition method of accounting. The cost of acquisition is measured as the fair value of the assets provided as consideration, liabilities incurred and shares issued by the Group. Transaction costs relating to acquisitions are expensed as they are incurred. Identifiable assets acquired and liabilities and obligations assumed in an acquisition are measured initially at fair value at the acquisition date. For each acquisition, the Group determines whether all non-controlling interests in the acquired companies are to be recognized at fair value or according to the proportional share of the identifiable net assets in the company. The excess of the purchase price, any non-controlling interests and the fair value of previous shareholdings at the acquisition date over the fair value of the Group's interest in identifiable net assets is recognized as goodwill. If this amount is less than the fair value for the acquired subsidiary's assets, the difference is recognized directly in the statement of comprehensive income.

All intra-group transactions, balances and unrealized gains on transactions are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

### Foreign currency translation of foreign subsidiaries' financial statements

#### Functional and presentation currency

Items included in the financial statements of each of the Group's subsidiaries are measured using the currency of the primary economic environment in which they operate (functional currency). The consolidated financial statements are presented in Swedish krona which is the Parent's functional and presentation currency.

#### Transactions and balance sheet items

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rate are recognized as of the end of the reporting period in the income statement.



## Note 2 Summary of material accounting policies

### Foreign operations in hyperinflationary economies

The Group applies IAS 29 for its operations in Turkey. The financial statements of the Group's entities in Turkey are first restated to compensate for the loss of purchasing power of the Turkish Lira (TRL) during the period. Restatement is made using the consumer price index (CPI) in Turkey as published by Turkish Statistical Institute (TURKSTAT). As a result, the financial statements are stated at the current purchasing power at the reporting date under the so-called "current purchasing power concept". Assets and liabilities as well as income and expenses in the inflation-adjusted financial statements of the Turkish entities are then as a second step translated from TRL into Swedish Krona (SEK) by using the closing rate at the reporting date. The financial statements that have been adjusted for hyperinflation are based on a historical cost approach.

### Group companies

The results and financial position of foreign subsidiaries that have a functional currency other than the presentation currency are translated into the Group's presentation currency as follows:

- Assets and liabilities are translated at the closing day rate.
- Income and expenses are translated at average exchange rates.
- All exchange differences are charged directly to other comprehensive income and are recognized as a separate part of equity. When a foreign subsidiary is sold, any exchange differences are recognized in profit or loss as part of the gain or loss on the sale.

Goodwill and fair value adjustments arising in the acquisition of foreign operations are treated as assets and liabilities of the entity and translated at the closing day rate.

### Exchange rates

The following rates were used to translate currency:

Currency	Average rate	Closing rate
EUR	11.42	11.46
DKK	1.53	1.54
GBP	13.50	13.86
MXN	0.58	0.53
USD	10.57	11.07

### Segment reporting

An operating segment is the part of the Group that conducts business operations from which it may generate revenue and incur expenses for which discrete financial information is available. The operating results of an operating segment are followed up by the Group's chief operating decision-maker in order to evaluate its performance and allocate resources to the operating segment. The Group's operations are divided up into operating segments based on which parts of the operations the Group's chief operating decision-maker monitors, that is, according to the management approach. AAK's business operations are organized in such a way that the Group's highest executive decision-maker, that is the CEO, monitors earnings, returns and cash flows generated by the Group's various products. Each operating segment is responsible for day-to-day operations and reports regularly to the CEO on the outcome of the operating segment's performance and its

resource requirements. Where the CEO monitors profit/loss and determines resource allocations based on the product that the Group produces and sells, these constitute the Group's operating segments.

The Group's operations are divided into business segments based on product. The marketing organization also reflects this structure. Segment reporting is submitted in accordance with IFRS 8 for the Group only. For each segment, the results, assets and liabilities directly attributable to or items that can reliably be attributed to the segment are included in that segment. Assets and liabilities not attributed to segments include tax assets and tax liabilities, financial investments and financial liabilities, as well as cash and cash equivalents and interest-bearing receivables.

### Revenue recognition

Revenue from contracts with customers are reported as Net sales in the Consolidated Income Statement. AAK recognizes revenue from contracts with customers based on the five-step process described in IFRS 15. The five steps in the process for recognizing revenue from contracts with customers are: identify the contract, identify separate performance obligations in the contract, determine the transaction price, allocate the transaction price to the separate performance obligations, and recognize revenue when each performance obligation is satisfied. The Group's performance obligation in contracts with customers consists of providing the goods specified in the contract. Revenue from the Group's sales is recognized when the control of the products is transferred to the customer in accordance with the terms of the contract, which occurs when the products are delivered to the customer and there are no unfulfilled obligations that may affect the customer's acceptance and approval of the products.

Net sales are recognized based on the price specified in the sales contract less any discounts. A contract with a customer may include one or more variable considerations. The IFRS 15 standard requires an entity to estimate the amount of variable consideration and recognizes a minimum amount of highly probably, not reversing revenue. Variable considerations, such as price reductions, performance discounts and bonuses are non-significant within the AAK Group. Based on this, AAK follows the objective of the constraint as it is highly probable that a significant reversal in the cumulative amount of revenue recognized will not occur.

No element of financing is deemed present as the sales are made with shorter credit terms. The Group's obligation to repair or replace faulty products under the standard warranty terms is recognized as a warranty provision monthly. A receivable is recognized when the goods are delivered as this is the point in time that the consideration is unconditional.

Prepayments are reported as a liability on the line item Accrued expenses and prepaid income in the Balance Sheet.

Other operating income relates to for instance rental revenue, capital gains from the sale and scrapping of tangible and intangible assets and exchange gains on operating receivables and liabilities. Interest income is recognized allocated over the maturity of the security using the effective interest method. Dividend income is recognized when the right to receive payment has been determined.

### Employee benefits

#### a) Pension liabilities

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate legal entity. The Group has no legal or constructive obligations to pay further contributions if this legal entity does not hold sufficient assets to pay all employee benefits relating to employee service in the current or prior periods. The fees paid in exchange for the employee

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performing services for the company are recognized as expenses in the period in which the services are performed.

A defined benefit pension plan is a pension plan that is not a defined contribution plan. The characteristic feature of a defined benefit plan is that it defines an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and remuneration.

The liability recognized in the balance sheet in respect of defined benefit pension plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash flows using interest rates of high-quality mortgage bonds that are denominated in the same currency in which the benefits will be paid, and that have terms of maturity approximating the terms in the related pension commitment.

Past-service costs are recognized immediately in the income statement.

The net interest rate is calculated by the discount rate being applied to defined benefit plans and to the fair value of plan assets. This expense is included in the personnel costs in the income statement.

Actuarial gains and losses as a result of experience-based adjustments and changes in actuarial assumptions are recognized in other comprehensive income in the period in which they arise.

### b) Termination benefits

Employees receive compensation on termination before normal retirement age or when they voluntarily accept termination in exchange for these benefits. The Group recognizes termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed, formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

### c) Variable remuneration

Annual variable remuneration is based on meeting set targets determined on an annual basis. These targets are related to the performance of the Company. The Group recognizes costs as and when earnings occur.

### d) Incentive program

The Group's Incentive Program 2023/2026 is an equity-settled program where participants are granted share rights (Performance Shares) that confer a conditional right to receive shares free of charge at a future time provided that applicable performance conditions and other conditions during the vesting period are met.

The fair value of the program is determined on the grant date and is not updated during the vesting period. The value on the grant date is a maximum monetary value based on participants' basic salary adjusted for participants not being compensated for dividends paid during the vesting period. On March 8, 2024, the maximum monetary value was converted into a maximum number of Performance Shares using the volume-weighted average price of AAK AB's share on Nasdaq Stockholm in the period March 4-8, 2024. The fair value of each share right corresponds to the fair value determined on the grant date.

The value of services received is recognized in personnel costs over the program's vesting period, based on the fair value determined on the grant date. As the program is an equity-settled program, an amount corresponding to the recognized personnel cost is recognized directly in equity. The recognized cost is initially measured and subsequently adjusted on the basis of the

number of awards expected to vest, the number of participants expected to remain in service during the vesting period, and actual fulfillment of the program's performance conditions.

Once the share rights have vested and shares have been allocated, social security contributions will be paid in some countries on the value of the employee benefit. A cost and a liability will be recognized over the vesting period based on the number of awards expected to vest. The cost of social security contributions is based on the program's fair value at each reporting date and finally on the allocation of shares.

### Leases

The Group leases various land, buildings, machinery, equipment and vehicles. Rental contracts are typically made for fixed periods of 10 to 30 years for land, 5 to 20 years for buildings, and 3 to 5 years for vehicles but may have extension options as described below. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including in-substance fixed payments), less any lease incentives receivable in connection with the inception date of the lease
- Variable lease payments that are based on an index or a rate, measured based on the index or rate at initial recognition
- Amounts expected to be payable by the lessee under residual value guarantees
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used. The incremental borrowing rate is the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions considering the entity's financial credit ability.

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability
- Any lease payments made at or before the commencement date less any lease incentives received in connection with the inception date of the lease
- Any initial direct costs
- Restoration costs of the underlying asset in accordance with the lease agreement.

AAK has chosen to apply the practical expedient concerning short-term leases and leases of low-value assets. Short-term leases are leases with a lease term of 12 months or less and low-value assets have an underlying value of USD 5,000 or less when new. Payments associated with

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short-term leases and leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss.

Extension and termination options are included in the majority of the property leases across the Group. These terms are used to maximize operational flexibility in terms of managing contracts. When determining the lease term, the management considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise an option to extend the lease, or not to exercise an option to terminate the lease. Periods covered by the extension option are included in the lease term only if the lessee is reasonably certain to exercise the extension option, or if the lessee is reasonably certain not to exercise the termination option. Assessment regarding the exercise of options to extend or options to terminate a lease agreement is revised if there is any material event or change in circumstances that affect this assessment and if that change is within AAK's control.

### **Product development**

Product development work is an integral part of production relating to process improvement measures that is expensed as part of the product cost as it arises. The criteria for capitalization of development expenses according to IAS 38.57 are not met. The development work consists primarily of work aimed at optimizing the attributes and function of speciality oils and fats, either for the finished product in which these oils and fats are ingredients or to improve the efficiency of the production process of the finished product.

### **Intangible assets**

#### **Goodwill**

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary on the date of acquisition.

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill recognized separately is allocated to cash-generating units for the purpose of annual impairment testing. Goodwill is allocated to the cash-generating units that are expected to benefit from the acquisition. Goodwill is recognized at cost less accumulated impairment losses.

When acquiring operations where cost is less than the net value of the acquired assets, borrowings, and any contingent liabilities, the difference is recognized directly in the income statement.

#### **Other intangible assets**

Other intangible assets include such assets as capitalized expenditure on IT, patents and trademarks. These assets have a defined useful life and are carried at cost less accumulated amortization and impairment losses. The cost associated with maintaining an intangible asset is recognized as part of the carrying value or as a separate asset only when it is probable that the future economic benefit associated with the asset will flow to the Group and the cost of the asset can be reliably measured. Other expenditures are expensed as they arise. Other intangible assets are amortized using the straight-line method over their estimated useful lives, normally 5 to 10 years.

#### **Property, plant and equipment**

Land and buildings comprise mainly factory buildings and offices. All property, plant and equipment is carried at cost, less accumulated depreciation. Acquisition costs include expenditure that is directly attributable to the acquisition of an asset.

Subsequent costs are included in the asset's carrying amount or are recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the

assets will flow to the Group and the cost of the asset can be measured reliably. All other repairs and maintenance are expensed in the financial period in which they arise.

Land is not depreciated. Depreciation of other property, plant and equipment is allocated on a straight-line basis over the estimated useful lives of the assets to reduce their cost to residual values. Depreciation periods of between 3 and 15 years are used for plant and machinery, equipment, tools, fixtures and fittings. Industrial buildings and research laboratories are depreciated over 20 and 25 years, respectively, and office buildings over 50 years. When an asset's carrying amount may not be recoverable, the asset is immediately impaired to its recoverable amount.

Assets' residual value and useful life are reviewed at the end of every reporting period and adjusted as required.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the income statement.

### **Impairment of non-financial assets**

Assets with indefinite useful lives are tested for impairment annually rather than being amortized. All assets are assessed in terms of impairment whenever events or changes in circumstances indicate that an asset's carrying amount exceeds its recoverable amount. Impairment reflects the excess of an asset's carrying amount over its recoverable amount. The recoverable amount is either the asset's fair value less any selling costs or its value in use, whichever is greater. For the purposes of assessment, assets are grouped on the basis of the lowest level at which there are separate identifiable cash flows (cash-generating units). Assets, other than financial assets and goodwill, for which impairment loss was previously recognized, are tested at the end of every reporting period to ascertain whether any reversal should be made.

### **Inventories**

Inventories are stated at cost or net selling price, whichever is lowest. Cost is calculated using the first-in-first-out principle (FIFO) or weighted average prices. The nature and area of use of the product determines the method used. The cost of finished goods and work in progress includes direct material costs, direct labor and other direct manufacturing costs and a reasonable allocation of indirect manufacturing expenses based on normal production capacity, excluding borrowing costs. Net selling price is the estimated sale price in the ordinary course of business, less costs of completion and applicable variable costs to sell.

### **Financial income and expenses**

Financial income consists of interest income on funds invested, dividend income and gains on hedging instruments recognized in profit or loss. Dividend income is recognized when the right to receive payment has been established. Results from the sale of financial instruments are recognized when the risks and rewards associated with ownership of the instruments have been transferred to the buyer and the Group no longer has control of the instrument. Financial expenses consist of interest expenses on loans, the effect of unwinding of discounting for provisions, impairment of financial assets and those losses on hedging instruments recognized in profit or loss. Borrowing expenses are recognized in profit or loss, except where they are directly attributable to the acquisition, construction or production of assets that take considerable time to complete for their intended use or sale, in which case they are included in the cost of those assets. No borrowing expenses have been capitalized during the past two years. Exchange gains and losses are recognized net.

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#### Financial instruments

The Group's financial instruments consist of derivatives, sales and purchase contracts for which the fair value option in IFRS 9 is applied, fund investments, borrowings from banks and credit institutions, accounts payables and accounts receivables, cash and cash equivalents as well as other receivables and other liabilities to the extent such items meet the definition of financial instruments in IFRS.

#### a) Recognition and initial measurement

Accounts receivables are initially recognized when they are originated by AAK. All other financial assets are initially recognized when the Group becomes a party to the contractual provisions of the instrument. A financial liability is recognized when the counterparty has performed and a contractual duty to pay arises, even if no invoice is received.

Accounts receivables are initially measured at the transaction price as determined under the guidance in IFRS 15. Other financial assets and financial liabilities are initially measured at fair value plus or minus any transaction costs that are directly attributable to the acquisition of an asset or the issue of a financial liability. Hence, any transaction costs related to borrowings from banks and credit institutions are presented net of the borrowings in the balance sheet. However, any transaction costs related to instruments that are subsequently measured at fair value through profit or loss are expensed immediately.

#### b) Classification and subsequent measurement of financial assets

The Group classifies its financial assets in the following categories:

- Amortized cost
- Fair value through profit or loss

The classification is dependent on AAK's business model for managing the financial assets and the contractual terms of the cash flows. Management establishes the classification of financial assets at initial recognition. The classification of the Group's financial assets is described further below.

#### Assets for derivatives and sales and purchase contracts when the fair value option is applied

All derivatives that are assets are measured at fair value through profit or loss unless the derivative is identified as a hedging instrument in a cash flow hedge. All assets for sales and purchase contracts for which the fair value option in IFRS 9 is applied are measured at fair value through profit or loss. For more information about how the Group accounts for derivatives as well as sales and purchase contracts for which the fair value option is applied, see sections "Derivatives and hedge accounting" and "Sales and purchase contracts" below.

#### Investment in funds

The Group's investment in funds is measured at fair value through profit or loss.

#### Other financial assets

All other financial assets are measured at amortized cost as they are held for collection of contractual cash flows and those cash flows represent solely payments of principal and interest. These are included in current assets, except for items with a maturity of more than 12 months after the end of the reporting period, which are classified as non-current assets. Interest income from these financial assets is included in financial income using the effective interest method. The

Group's financial instruments measured at amortized cost consist of accounts receivables and other receivables, as well as cash and cash equivalents in the balance sheet.

#### c) Classification and subsequent measurement of financial liabilities

Financial liabilities are measured either at fair value or at amortized cost. Financial liabilities that are measured at fair value consists of derivatives with a negative fair value for the Group as well as sales and purchase contracts for which the fair value option is applied and where the contracts have a negative fair value for AAK. For more information about how the Group accounts for derivatives as well as sales and purchase contracts for which the fair value option is applied, see sections "Derivatives and hedge accounting" and "Sales and purchase contracts" below.

All other financial liabilities, including borrowings from banks and credit institutions as well as accounts payables, are measured at amortized cost using the effective interest rate method.

#### d) Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit losses associated with its receivables carried at amortized cost. For accounts receivables, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognized from initial recognition of the receivables. The expected credit loss rates are calculated based on payment profiles and the corresponding historical credit losses experienced within the same period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. Accounts receivables are written off when there is no reasonable expectation of recovery. Indications that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group. Impairment losses on accounts receivables are recognized in the income statement as "Other external expenses". Subsequent recoveries of amounts previously written off are credited against the same line item.

For other receivables than accounts receivables, the Group applies the full impairment model in IFRS 9 where changes in the loss reserve is made based on whether there has been a significant increase in credit risk.

#### e) Derivatives and hedge accounting

AAK uses derivatives to manage the Group's exposure to raw material price risks, currency risks and interest rate risk. All derivatives are measured at fair value, both at the date of initial recognition and on subsequent balance sheet dates. The full fair value of the derivative is classified as a non-current asset or liability when remaining maturity of the derivative is more than 12 months. It is classified as a current asset or liability when the remaining maturity of the derivative is less than 12 months.

#### Fair value hedging of inventory

The Group applies fair value hedge accounting for derivatives that hedge raw material price risks in inventory. The Group has identified the spot risk as the hedged risk in the hedging relationships. Changes in the fair value on derivatives that are designated as hedging instruments in such hedges are recognized in the income statement. The Group also remeasures inventory to fair value in respect of the spot risk during the period of the hedging relationship to the extent it is designated as the hedged item. The remeasurement adjustment is presented as part of current assets and liabilities in the balance sheet. Changes in the fair value of the hedging instruments as well as the effects of remeasuring the hedged item, i.e. inventory, at fair value is recognized in the income

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statement as part of "Raw materials and consumables". Any ineffectiveness is recognized immediately in the income statement on the same line item.

Since the quality of the underlying raw materials used for hedging differs from the quality of the hedged raw materials, some inefficiency is likely. AAK minimizes this inefficiency by reducing the basis risk between hedged raw material risks and the underlying raw materials in hedging contracts. Hedge efficiency testing in 2024 confirmed that the fair-value hedge of raw materials qualifies for hedge accounting.

### **Cash flow hedges of interest rate risk**

The Group has issued floating rate bonds and uses interest rates swaps to hedge the exposure to variability in interest rates. The interest rate swaps have been identified as cash flow hedges. Changes in the fair value of the swaps are therefore reported in other comprehensive income and accumulated in the hedging reserve within equity. Interest coupons paid or received on the swaps are presented as part of "Financial expenses".

### **f) Sales and purchase contracts**

AAK applies the fair value option in IFRS 9 to binding commitments (sales and purchase contracts) for own use since this offsets the change in fair value of derivatives not designated for hedge accounting and hence reduces an accounting mismatch. AAK's business model enables the net settlement of sales and purchase contracts entered into for physical delivery since the commodities are readily convertible to cash. The full fair value of the contract is generally classified as current asset or liabilities since most of the Group's sales and purchase contracts are matured within 12 months.

### **g) Derecognition of financial assets and financial liabilities**

Financial assets are derecognized when the rights to cash flow in the contract mature or the rights are transferred to a third party in a transaction that transfers substantially all risks and rewards of ownership. This also applies to parts of financial assets. Financial liabilities are derecognized from the balance sheet when payment is made to the lender or when the liability is extinguished in some other manner. This also applies to parts of financial liabilities.

### **Equity**

Ordinary shares are classified as share capital. Transaction expenses that are directly attributable to new share issues or options are recognized, net of tax, in equity as a deduction from the proceeds.

Premium received for share warrants issued at market price has been recognized as an increase in funds brought forward in equity as the options will be redeemed with equity instruments. Information on outstanding subscription warrants is available in Note 8.

### **Provisions**

Provisions are recognized in the balance sheet when the Group has a present legal or constructive obligation as a result of past events, and it is more likely than not that an outflow of resources will be required to settle the obligations and the amount can be estimated reliably. No provisions are made for future operating losses. If the effect of when in time payment is made is significant, provisions are calculated through discounting the expected future cash flow at an interest rate

before tax that reflects current market assessments of the time value of money and, if applicable, the risks associated with the debt.

A provision for restructuring is recognized when the Group has adopted a comprehensive and formal restructuring plan, and the restructuring has either been started or published.

### **Income tax**

Tax expenses for the period comprise both current tax due and deferred income tax. Tax is recognized in the income statement, apart from when tax is attributable to items recognized in other comprehensive income or directly in equity. In such cases, tax is also recognized in other comprehensive income and equity. Income tax is determined using the tax rules that have been enacted or announced by the balance sheet date and are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled. Tax expenses stated include both current tax due and deferred income tax.

Deferred tax is provided in full, using the liability method, on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the balance sheet. The principal temporary differences arise from depreciation of property, plant and equipment, provisions for pensions and other post-retirement benefits and tax losses carried forward. The tax rates enacted in each country are used in determining deferred income tax.

Deferred income tax assets for tax-deductible temporary differences and loss carry-forwards are recognized only to the extent it is likely that it will be possible to utilize these items. The value of deferred tax assets is derecognized when it is no longer deemed likely that they can be utilized.

### **Cash flow statement**

Payments in and out have been divided up into three categories: operating activities, investing activities, and financing activities. The indirect method is used for flows from operating activities.

The changes during the year in operating assets and operating liabilities have been adjusted for the effects of changes in exchange rates. Acquisitions and disposals are recognized under investing activities. The assets and liabilities that acquired and divested companies had at the time of the change are not included in the analysis of the changes in operating capital, nor in changes to balance sheet items recognized under investing and financing activities. These items are reported separately under investing activities.

### **Earnings per share**

The calculation of earnings per share is based on the consolidated profit attributable to the Parent's shareholders and the weighted average number of shares outstanding during the year.

When determining earnings per share after dilution, a company must base its calculations on the company's shares and stock options which could result in dilution being exercised. Compensation from these instruments will be deemed to have been received from the issuing of ordinary shares at the average market price for ordinary shares during the period. The difference between the number of issued ordinary shares and the number of ordinary shares that should have been issued at the average market price for ordinary shares during the period, shall be treated as an issue of ordinary shares without consideration. According to paragraph 47 of IAS 33, options and stock options only have a dilutive effect when the average market price for ordinary shares during the period exceeds the exercise price for options or stock options.

### Note 3 Financial risk management

#### Financial risk management

The AAK Group's operations are exposed to various financial risks, including market price risks (on raw materials, currencies and interest rates), liquidity risk, counterparty risk and credit risk. Since AAK's products are sold throughout the world, our sales revenues are exposed to market fluctuations in the exchange rates of the currencies involved. Moreover, the Group buys its raw materials on international markets, so its cost of raw materials is exposed to market fluctuations in both the price of the raw materials and the exchange rates of the currencies involved.

Exposure to such significant financial risks makes managing these risks a significant factor in successful operations. AAK believes that it is largely successful in managing risks owing to the policies and procedures established for the Group.

The Group's management of price risks and other risks related to purchasing of raw materials is regulated by AAK's policy and principles on the management of market risk for raw materials. Currency risk is hedged when risk arise from underlying commercial actions and flows. Interest rate risks are hedged in line with AAK's financial policy and principles. Counterparty risks are measured and managed according to AAK's financial policy and principles. Policies and principles are established by AAK's Board of Directors, which also monitors, evaluates and updates these policies and principles annually.

#### Raw material price risks

The Group's annual costs for raw materials are approximately 75 percent of the sales value of the finished products. AAK hedges both operational raw material price risk and the underlying operational currency risk when sales agreements are signed with customers.

Raw material prices fluctuate, so the Group has assigned a high priority to raw material procurement and to managing this exposure. Raw material procurement is managed by the Group procurement organization, which continually monitors and controls raw material market exposure for the Group. However, to maintain an effective organization, the Group's procurement organization is permitted to take limited price risks within the framework of our trading policy established by the Board of Directors.

AAK generally hedges sales contracts with physical purchases of raw material. However, for long-term sales contracts the Group typically uses financial derivatives to hedge its exposure, since there is low liquidity in the market for longer-period physical purchase contracts. The Group uses standard commodity futures traded on commodity exchanges or OTC hedge contracts as hedging instruments.

For some raw materials, there is no efficient hedge market available. Shea is by far the most important and must be sourced when they are available right after the harvest season. Therefore, the Group is typically left with a significant unhedged volume on these materials in the months following the harvest season and endeavours to limit this exposure by entering into new raw material based sales contracts in subsequent months.

The table below illustrates the Group's exposure to raw material price risk as per the balance sheet date, expressed in thousands of metric tons. The amount of raw material sold under sales contracts less the amounts held in inventory and amounts purchased for future delivery, results in the Group's net exposure to price risk in oils and fats at any given point in time.

#### Exposure to raw material price risk, December 31, 2024

(Thousand tonnes)	Sales contracts	Inventory	Purchase contracts	Net exposure
Oils and fats	2,029	-388	-1,628	13

#### Exposure to raw material price risk, December 31, 2023

(Thousand tonnes)	Sales contracts	Inventory	Purchase contracts	Net exposure
Oils and fats	1,877	-310	-1,541	26

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### Note 3 Financial risk management

#### Sensitivity analysis—raw materials

With the stock and commercial contracts hedged by raw material hedge contracts, leaving a limited net exposure, changes in raw material prices have no significant effect on the Group's profit margin. A 10 percent change in all raw material prices would therefore have a limited effect on Group operating profit.

#### Fair value hedge accounting disclosures

The following table provides information on the hedge accounting adjustments that follows from the Group's application of fair value hedge accounting for price risk in inventory.

#### Fair value hedge accounting

SEK million	2024	2023
Carrying amount of the hedged item	11,872	8,656
Accumulated amount of fair value hedge adjustments on the hedged item	652	68

#### Exposure to transaction risk, December 31, 2024

SEK million	Assets	Liabilities	Sales contracts	Purchase contracts	Currency contracts		Net exposure
					Sold	Bought	
USD	8,309	-6,920	-3,207	360	-3,336	4,694	-100
EUR	3,722	-1,307	2,360	150	-6,054	1,119	-10
GBP	39	-547	61	-3	-832	1,275	-7
Other	1,997	-311	1,126	-533	-3,906	1,658	31
<b>Total</b>	<b>14,067</b>	<b>-9,085</b>	<b>340</b>	<b>-26</b>	<b>-14,128</b>	<b>8,746</b>	<b>-86</b>

#### Exposure to transaction risk, December 31, 2023

SEK million	Assets	Liabilities	Sales contracts	Purchase contracts	Currency contracts		Net exposure
					Sold	Bought	
USD	4,748	-3,364	-2,533	157	-1,780	2,706	-68
EUR	2,944	-1,041	2,537	-150	-5,364	929	-145
GBP	47	-537	29	3	-374	831	-2
Other	856	-329	351	-71	-2,529	1,746	25
<b>Total</b>	<b>8,594</b>	<b>-5,271</b>	<b>384</b>	<b>-61</b>	<b>-10,047</b>	<b>6,212</b>	<b>-189</b>

#### Exposure to foreign currency

A significant portion of the Group's buying and selling of raw materials is denominated in foreign currency. Moreover, most of the Group's operational subsidiaries are located outside Sweden. Changes in exchange rates therefore affect AAK in several ways:

- Sales contracts and raw material contracts in foreign currency give rise to transaction risk.
- Profits for our foreign subsidiaries are affected by changes in currency rates when they are translated to SEK.
- The Group's equity is affected when equity in our foreign subsidiaries is translated to SEK.

AAK hedges all its currency transaction risks. Payment for all sales contracts is thus hedged in the local currency of the subsidiaries that have entered into such sales contracts. Exchange rate risks related to translating equity and profit/loss in our foreign subsidiaries to SEK are not hedged.

The table below illustrates the Group's exposure to currency transaction price risk as per the balance sheet date.

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### Note 3 Financial risk management

#### Sensitivity analysis—transaction risk

With all foreign currency transaction risk hedged by currency hedge contracts, leaving a very limited net exposure, changes in foreign currencies will have an insignificant effect on each subsidiary's profit margin. As this is considered non-material for AAK, no sensitivity analysis for transaction risk is shown.

#### Sensitivity analysis—translation risk

Changes in foreign currencies relative to SEK do affect Group profit when the profit of each foreign subsidiary is translated into SEK. A 10 percent change in the exchange rates of all foreign currencies relative to SEK would have an effect of ± SEK 403 million (304) on Group operating profit. Furthermore, a 10 percent change in the exchange rates of all foreign currencies relative to SEK would affect Group net sales by ± SEK 3,410 million (3,477) and Group net working capital by ± SEK 922 million (718).

#### Interest rate risk

AAK's policy on interest rate risk management is to minimize volatility in cash flow and net profit caused by fluctuations in interest rates. However, during abnormal market conditions—e.g. a financial crisis—short-term interest rates can rise to extreme levels. In order to protect the Group's interest costs against such abnormal scenarios, the interest rate on part of the Group's net interest-bearing debt can be fixed or capped. As per year-end 2024, the Group had no outstanding interest rate swaps in order to hedge variable rate exposure from floating rate bonds issued under the Group's Medium Term Note (MTN) program. Any swap would be identified as cash flow hedges of the exposure to variability interest rates on the MTN bonds.

At year-end 2024, the Group's interest-bearing net debt, including pensions, amounted to SEK 1,696 million (2,425).

#### Effective interest rate on debt to banks and credit institutions at balance sheet date

%	2024	2023
SEK	3.9	5.4
DKK	3.3	3.3
CNY	3.2	3.6
TRY	53.5	50.0
INR	8.1	9.0

#### Sensitivity analysis—interest rates

At the closing date, the Group had a floating-rate-based net debt of SEK 2,631 million (2,789). A 1 percent change in interest rates would therefore have a full-year effect of SEK 26 million (28) on the Group's interest costs before tax. Of the fixed-rate-based debt, SEK 0 million (400) was hedged with interest swaps.

#### Capital management

AAK defines its managed capital as the Group's consolidated equity and net debt. The Group's objective when managing capital is to safeguard the Group's ability to continue as a going concern and provide an adequate return for shareholders and benefits for other stakeholders together with maintaining an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Group may for instance raise new loans, amortize existing loans, adjust the dividends paid to shareholders, issue new shares or sell assets to improve capital structure.

AAK's policy on capital structure is to optimize debt financing, though not to a level that would threaten the Company's high credit worthiness. When managing the capital, the Group monitors different measures including the following target key ratio which is included as financial covenant under the terms of the major borrowing facilities. This target level is considered relatively conservative and contributes to ensuring that AAK will be able to retain its high credit worthiness.

Multiple	Target	2024	2023
Net debt/EBITDA	< 3.00	0.29	0.49

Main source for external funding is a Revolving Credit facility of EUR 400 million, MTN program of SEK 4,000 million and local bilateral credit facilities. The Group's policy is to allocate total net borrowings per subsidiary relative to each subsidiary's share of the Group's cash flow. This minimizes the currency risk in relation to the Group's ability to pay interest on and amortize its borrowings, which in turn strengthens the Group's debt capacity.

#### Total borrowing reported in the balance sheet, per currency at balance sheet date

	2024	2023
SEK	2,353	3,000
DKK	484	526
INR	109	34
CNY	16	60
TRY	63	68
Other	7	7
<b>Total</b>	<b>3,032</b>	<b>3,695</b>

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### Note 3 Financial risk management

#### Liquidity risk

Liquidity risk concerns the Group's ability to meet its financial commitments as they fall due.

The following table shows all of the Group's financial commitments, listed by the earliest contractual maturity date at the balance sheet date. The Group pays floating interest rate on all liabilities to banks and credit institutions. In the maturity analysis, the future payments of floating

interest rate have been estimated using the prevalent floating rates at the balance sheet date. All liabilities in foreign currency are translated into SEK at year-end closing rates.

The Group's cash and cash equivalents of SEK 1,911 million, unused committed credit facilities of SEK 4,929 million, and future cash generated by the business are together deemed sufficient for the Group to meet its financial commitments.

#### Maturities of financial liabilities, December 31, 2024

	Total amount	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years
Liabilities to banks and credit institutions	3,020	2,071	589	202	158
Lease liabilities	663	143	86	165	269
Accounts payables	4,121	4,121 <sup>1)</sup>	-	-	-
Derivative financial instruments	1,631	1,631	-	-	-
Other interest-bearing liabilities	11	11	-	-	-
<b>Total financial liabilities</b>	<b>9,446</b>	<b>7,977</b>	<b>675</b>	<b>367</b>	<b>427</b>
Interest on liabilities to banks and credit institutions	254	116	36	-	102
<b>Total financial liabilities and interest</b>	<b>9,700</b>	<b>8,093</b>	<b>711</b>	<b>367</b>	<b>529</b>

<sup>1)</sup> The majority are due within 3 months.

#### Unused committed credit facilities available to the Group, December 31, 2024

	Total amount	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years
Unused committed credit facilities	4,929	-	573	4,356	-

#### Maturities of financial liabilities, December 31, 2023

	Total amount	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years
Liabilities to banks and credit institutions	3,684	1,715	1,559	189	221
Lease liabilities	1,005	182	154	295	374
Accounts payables	3,804	3,804 <sup>1)</sup>	-	-	-
Derivative financial instruments	819	819	-	-	-
Other interest-bearing liabilities	11	11	-	-	-
<b>Total financial liabilities</b>	<b>9,323</b>	<b>6,531</b>	<b>1,713</b>	<b>484</b>	<b>595</b>
Interest on liabilities to banks and credit institutions	359	123	112	-	124
<b>Total financial liabilities and interest</b>	<b>9,682</b>	<b>6,654</b>	<b>1,825</b>	<b>484</b>	<b>719</b>

<sup>1)</sup> The majority are due within 3 months.

#### Unused committed credit facilities available to the Group, December 31, 2023

	Total amount	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years
Unused committed credit facilities	5,559	-	556	5,003	-

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### Note 3 Financial risk management

#### Credit risk

The Company is exposed to credit risk primarily in relation to accounts receivables and customer contracts. Risk in the latter case is represented by customers' failure to meet their commitments due to changes in market prices.

Generally, AAK's credit risks are significantly limited due to the stable, long-term business relationships we have with our customers and suppliers. The customer structure for the Group is such that its single-largest customer is responsible for less than 5 percent of its total sales, and the average customer corresponds to well below 1 percent.

Nearly a quarter of the Group's sales occur in countries where the political and commercial risks are deemed to be higher than in Western economies. However, we experience only a limited need for impairments even in these countries. This is largely due to the fact that a significant portion of AAK's business in these countries is with large multinational companies that also do business worldwide. The partners with whom AAK do business are also primarily companies with which we have stable, long-term relationships.

Each business segment is responsible for managing its customer credit risks, while our large production facilities are responsible for managing their counterparty risk in relation to raw material procurement.

#### Change in allowance for expected credit losses on accounts receivables

	2024	2023
Balance, January 1	97	89
Provision for expected credit losses	20	18
Amounts written off	-7	-11
Reversal of prior year provisions	-40	-
Exchange differences	1	1
<b>Balance, December 31</b>	<b>71</b>	<b>97</b>

Total accounts receivables excluding provisions were SEK 5,864 million (5,409).

#### Accounts receivables past due

	2024	2023
1–30 days	497	467
31–120 days	42	87
121–360 days	10	18
Over 360 days	35	40
<b>Total</b>	<b>584</b>	<b>612</b>

Total past due is 10 percent (12) of total accounts receivables.

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### Note 3 Financial risk management

#### Accounting classification of financial instruments

The following table shows the carrying amounts of financial assets and financial liabilities per measurement category in IFRS 9. The table also shows the levels in the fair value hierarchy to which the instruments that are measured at fair value in the balance sheet belong to.

	Fair value through profit and loss			Derivatives used in cash flow hedges			Amortized cost		Total	
	2024	2023	Level	2024	2023	Level	2024	2023	2024	2023
<i>Financial assets</i>										
Currency derivatives	300	358	2	-	-		-	-	300	358
Sales and purchase contracts	1,034	927	2	-	-		-	-	1,034	927
Investment in unlisted shares	7	7	3	-	-		-	-	7	7
Investment in unlisted funds	67	55	3	-	-		-	-	67	55
Interest rate swaps	-	-		-	13	2	-	-	-	13
Financial non-current assets	-	-		-	-		6	11	6	11
Accounts receivables	-	-		-	-		5,793	5,312	5,793	5,312
Financial current assets	-	-		-	-		-	97	-	97
Cash and cash equivalents	-	-		-	-		1,911	1,503	1,911	1,503
<b>Total financial assets</b>	<b>1,408</b>	<b>1,347</b>		<b>-</b>	<b>13</b>		<b>7,710</b>	<b>6,923</b>	<b>9,118</b>	<b>8,283</b>
<i>Financial liabilities</i>										
Currency derivatives	240	389	2	-	-		-	-	240	389
Sales and purchase contracts	1,391	430	2	-	-		-	-	1,391	430
Liabilities to banks and credit institutions	-	-		-	-		3,020	3,684	3,020	3,684
Lease liabilities	-	-		-	-		551	801	551	801
Accounts payables	-	-		-	-		4,121	3,804	4,121	3,804
Other interest-bearing liabilities	-	-		-	-		11	11	11	11
<b>Total financial liabilities</b>	<b>1,631</b>	<b>819</b>		<b>-</b>	<b>-</b>		<b>7,703</b>	<b>8,300</b>	<b>9,334</b>	<b>9,119</b>

#### Fair values of financial instruments

##### Derivatives

The fair value for exchange traded derivatives is based on available quoted market prices. For OTC-derivatives the Group measures fair value using valuation models that discount future cash flows using a zero-coupon interest rate curve. The cash flows are estimated using forward curves for underlying variables such as raw materials, exchange rates and interest rates. The Group's credit risk is taken into consideration in determining the fair value of derivative liabilities, whereas the credit of the counterparty is considered when determining the fair value of derivative assets.

##### Sales and purchase contracts

Foreign currency contracts and the foreign currency components in sales and purchase contracts are valued at actual market foreign currency forward rates. The raw material price components in sales and purchase contracts are valued at actual market forward prices for identical or similar raw materials. The part of inventory identified as hedged items in hedges of fair value is valued at market prices for identical or similar raw materials.

##### Investment in funds

The fair value of the Group's investment in unlisted funds is assessed using IFRS 9 level 3 evaluation.

##### Fair values of financial assets and financial liabilities that are not measured at fair value in the balance sheet

The Group pays floating interest rate on its borrowings from banks and credit institutions and there has been no change in margins since the inception of the borrowings that would have a material impact on their fair values. The carrying amounts of the borrowings are therefore considered reasonable approximations of their respective fair values. For short-term financial instruments such as accounts payables and accounts receivables, the carrying amounts are also considered reasonable approximations of fair value due to the short-term maturity for these items.

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## Note 4 Critical accounting estimates and assumptions in applying accounting policies

In preparing these financial statements, the Group management and Board of Directors must make estimates and assumptions that affect the recognized amounts of assets and liabilities, revenues and expenses, and other information, especially regarding contingent liabilities. The estimates and assumptions for accounting purposes dealt with in this section are deemed the most critical for a proper understanding of the financial statements, in view of their degree of significance in judgments and uncertainty. Our estimates and assumptions in this regard change as the circumstances for AAK's operations change.

### Impairment testing of goodwill

The Group tests goodwill for any impairment on an annual basis or whenever events or objective circumstances indicate that the fair value of acquisition-related goodwill may have declined—for example, because of changes in the business climate or decisions to dispose of or discontinue certain operations. To determine whether the value of goodwill has decreased, the cash-generating unit to which the goodwill is attributable must be valued and this is done by discounting the cash flow of the unit. In applying this method, the Company relies on several factors, such as profit/loss, business plans, financial forecasts and market data. See also note 14.

### Impairment test of other non-current assets

AAK's property, plant and equipment and intangible non-current assets, excluding goodwill, are recognized at cost less accumulated amortization/depreciation and any impairment. Besides goodwill, AAK recognizes no intangible assets with unlimited useful life. Depreciation/amortization is applied over the estimated useful life to an estimated residual value. Both the useful life and residual value are reviewed at least once at the end of each financial period.

The carrying amount of the Group's non-current assets is tested whenever events or changes in circumstances indicate that the carrying amount cannot be recovered. The carrying amount of intangible assets not yet finished for use is tested each year. If such an analysis indicates that the carrying amount is too high, the recovery value of the asset is established, which is either the net sales value or the value in use, whichever is greatest. Value in use is measured as the expected future discounted cash flow from the assets or the cash-generating unit to which the asset belongs. See also note 14 and 15.

### Income tax

The Group is liable to pay taxes in many countries. Extensive reviews and testing are necessary to establish worldwide provisions for income tax liabilities. There are many transactions and calculations for which the final tax is uncertain.

The Group recognizes a liability for anticipated tax audit issues based on assessment of whether an additional tax liability will arise. In cases where the final tax for these matters differs from the amounts first recognized, these differences will impact current and deferred tax assets and tax liabilities in the period when these determinations are made. See also note 11.

### Disputes

According to our best assessment, neither the Parent nor any subsidiary is currently involved in any legal proceedings or arbitration proceedings that are deemed to have any significant negative impact on the business, its financial position or its performance.

### Pension obligations

The present value of pension obligations depends on multiple factors determined on an actuarial basis using a number of assumptions. The assumptions used to determine net cost (income) for pensions include the discount rate. Each change in these assumptions will affect the carrying amount of pension obligations.

The Group determines a suitable discount rate at the end of each year. This is the rate used to determine the present value of assessed future payments that are expected to be demanded to settle the pension obligations. When determining a suitable discount rate, the Group considers the interest rates of high-quality mortgage bonds that are denominated in the currency in which the benefits will be paid, and that have terms of maturity equivalent to the assessments for the pension obligation in question. See also note 9.

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**Note 5** Auditors' remuneration

	Group		Parent	
	2024	2023	2024	2023
<b>Audit</b>				
Group-appointed auditor	10 <sup>1)</sup>	10	1 <sup>2)</sup>	1
Other	2	2	-	-
<b>Subtotal, audit</b>	<b>12</b>	<b>12</b>	<b>1</b>	<b>1</b>
<b>Other audit assignments</b>				
Group-appointed auditor	1	0	0	0
Other	0	0	-	-
<b>Subtotal, other audit assignments</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Tax consulting</b>				
Group-appointed auditor	9	9	-	-
Other	1	1	-	-
<b>Subtotal, tax consulting</b>	<b>10</b>	<b>10</b>	<b>-</b>	<b>-</b>
<b>Other assignments</b>				
Group-appointed auditor	1	0	-	-
Other	0	1	-	-
<b>Subtotal, other assignments</b>	<b>1</b>	<b>1</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>24</b>	<b>23</b>	<b>1</b>	<b>1</b>

<sup>1)</sup> Of which SEK 4 million concerns KPMG AB.

<sup>2)</sup> Of which SEK 1 million concerns KPMG AB.

The audit assignment refers to fees for the statutory audit, i.e. work that has been necessary in order to issue the Auditors' Report, and what is referred to as audit consulting, which is submitted in conjunction with the audit assignment.

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**Note 6** Employee benefits (SEK thousand)

	Group		Parent	
	2024	2023	2024	2023
Wages and salaries	2,990,511	2,824,640	133,034	99,243
Social security contributions	675,528	620,630	66,444	48,659
(of which pension costs)	(203,524)	(174,615)	(16,559)	(13,402)

SEK 7 million (6) of the Group pension costs relates to the CEO and other members of the Executive Committee.

**Salaries and other remuneration for members of the Board of Directors and others:**

	2024		2024		2023		2023	
	Board of Directors, CEO and other senior managers		Other employees		Board of Directors, CEO and other senior managers		Other employees	
	Wages and salaries	Of which variable remuneration <sup>1)</sup>	Wages and salaries	Wages and salaries	Of which variable remuneration	Wages and salaries	Wages and salaries	
Parent, Sweden	59,401	35,488	73,633	41,429	22,963	57,814		
Subsidiaries, Sweden	6,658	2,120	367,659	6,150	1,966	341,060		
	66,059	37,608	441,292	47,579	24,929	398,874		
Foreign subsidiaries	130,011	45,785	2,353,149	126,715	50,519	2,251,472		
<b>Group total</b>	<b>196,070</b>	<b>83,393</b>	<b>2,794,441</b>	<b>174,294</b>	<b>75,448</b>	<b>2,650,346</b>		

<sup>1)</sup> Cost of Incentive Program 2023/2026 amounts to SEK 27.8 million.

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**Note 7** Average number of employees, etc.

Average number of employees	2024			2023		
	Number of employees	Of which men	Of which women	Number of employees	Of which men	Of which women
Parent, Sweden	58	29	29	45	23	22
Subsidiaries in Sweden	570	414	156	547	402	145
	<b>628</b>	<b>443</b>	<b>185</b>	<b>592</b>	<b>425</b>	<b>167</b>

Foreign subsidiaries:	2024			2023		
	Number of employees	Of which men	Of which women	Number of employees	Of which men	Of which women
United Kingdom	582	445	137	589	446	143
India	553	521	32	540	512	28
Mexico	402	328	74	399	325	74
USA	381	190	191	545	408	137
Denmark	250	183	67	245	183	62
Netherlands	218	147	71	184	127	57
Colombia	172	124	48	190	138	52
China	170	125	45	169	125	44
Brazil	169	108	61	154	97	57
Ghana	150	138	12	174	166	8
Burkina Faso	48	29	19	61	41	20
Ivory Coast	43	36	7	37	32	5
Turkey	40	27	13	39	28	11
Benin	37	29	8	41	36	5
Singapore	30	17	13	29	16	13
Belgium	26	13	13	56	38	18
Malaysia	24	3	21	23	3	20
Uruguay	20	8	12	19	7	12
Poland	9	6	3	4	2	2
Germany	7	3	4	5	3	2
Ukraine	6	4	2	6	4	2
Mali	5	5	-	6	6	-
Japan	5	4	1	5	3	2
Australia	4	2	2	4	2	2

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**Note 7** Average number of employees, etc.

Foreign subsidiaries:	2024			2023		
	Number of employees	Of which men	Of which women	Number of employees	Of which men	Of which women
Spain	4	2	2	4	2	2
Philippines	3	2	1	2	1	1
Czech Republic	2	1	1	2	1	1
Canada	1	1	-	1	1	-
Malta	1	1	-	1	1	-
Russia	1	-	1	1	-	1
Nigeria	1	-	1	-	-	-
Norway	-	-	-	1	1	-
	<b>3,364</b>	<b>2,502</b>	<b>862</b>	<b>3,536</b>	<b>2,755</b>	<b>781</b>
<b>Group total</b>	<b>3,992</b>	<b>2,945</b>	<b>1,047</b>	<b>4,128</b>	<b>3,180</b>	<b>948</b>

Board members and senior executives	2024		2023	
	Proportion of men (%)	Proportion of women (%)	Proportion of men (%)	Proportion of women (%)
Group (incl. subsidiaries)				
Board members	68	32	73	27
Chief Executive Officer and other senior executives	70	30	72	28
Parent company				
Board members <sup>1)</sup>	60	40	50	50
Chief Executive Officer and other senior executives	100	0	100	0

<sup>1)</sup> And two employee representatives, one male and one female.

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## Note 8 Remuneration of the Board of Directors and senior executives

### Principles

The principles for the remuneration of senior managers (Group management) at AAK, in both the Parent company and the Group, are designed to ensure that AAK can offer internationally competitive remuneration that can attract and retain qualified managers.

### Consideration and determination

Compensation of the Chief Executive Officer and other senior managers is considered by the Remuneration Committee of the Board of Directors and all decisions are made by the Board as a whole.

### Components of remuneration

Total remuneration includes salary, annual variable remuneration, pension, car allowance, and termination benefit.

### Salary

Fixed salary, individually determined and differentiated according to responsibility and performance, is determined on competitive principles and reviewed annually. The applicable date for the annual performance review is January 1.

### Variable remuneration

Annual variable remuneration is based on meeting set targets determined on an annual basis. These targets are related to the performance of the Company and how well the ESG targets are met. Senior management are entitled to up to 200 percent of their annual fixed salary in variable remuneration.

### Incentive program

At the Annual General Meeting in AAK AB on May 18, 2022 it was resolved to implement a long-term incentive program for senior executives and key employees in AAK and issue of subscription warrants for implementation of a subscription warrants program. The subscription warrants are acquired by the employees at market value using the Black & Scholes formula. The exercise period for the subscription warrants is September 1, 2025–August 31, 2027 at an exercise price of SEK 195.85 per share. The total number of subscription warrants in the program amounted to 5,000,000 with an initial value of SEK 20.22 per subscription warrant, in total SEK 101,100,000. In 2022, employees in AAK subscribed for 3,946,050 subscription warrants at an average price per subscription warrant of SEK 20.44 for a value of SEK 80,656,647. For the CEO's and other senior executives' holdings of subscription warrants, please see page 49. The number of outstanding subscription warrants on December 31, 2024 amounted to 3,946,050.

Number	2024	2023
Subscription warrants outstanding, January 1	3,946,050	3,946,050
Awarded during period	-	-
Subscription warrants outstanding, December 31	3,946,050	3,946,050

The average exercise price in both periods above was SEK 195.85.

The Annual General Meeting of AAK AB on May 4, 2023 resolved to implement a long-term incentive program for around 70 senior executives and certain key employees in the AAK Group who will receive a conditional right to be awarded AAK shares ("Performance Shares"), i.e. a right to receive shares at a future time provided that applicable performance conditions and other conditions during the vesting period are met. The conditional right to receive Performance Shares presupposes that the participant remains employed and has not given or received notice of termination as per February 28 of the year in which the Performance Shares are transferred. The award of Performance Shares is linked to a performance condition set by the Board of Directors based on earnings per share for the 2023 financial year. The performance condition set by the Board of Directors specified a minimum level that must be achieved for Performance Shares to be awarded, and a maximum level corresponding to the maximum allocation of Performance Shares. If actual performance is below the maximum level, but exceeds the minimum level, Performance Shares will be allocated proportionally. If all of the conditions set out in Incentive Program 2023/2026 are met, half of the Performance Shares will be transferred in the first half of 2025 and the remainder in the first half of 2026. The transfer of shares will be free of charge but subject to tax.

The value on the grant date will be a maximum value based on participants' basic salary. The participants are not being compensated for dividends paid during the vesting period. Participants are divided into two categories, where the maximum value for Group 1 is 40 percent of the participant's annual basic salary for 2023, and the maximum value for Group 2 is 25 percent of the participant's annual basic salary for 2023. The fair value of the program was determined on the grant date and will not be updated during the vesting period. On March 8, 2024, the monetary value of SEK 52,783,181 was converted into 224,180 Performance Shares using the volume-weighted average price of AAK AB's share on Nasdaq Stockholm in the period March 4–8, 2024, which amounted to SEK 235.45. As decided at the Annual General Meeting on May 8, 2024, in the financial year 2024 and onwards, CEO has a long term incentive variable bonus of up to 115 percent of base salary, and Chief Financial Officer (CFO) up to 90 percent.

Number	2024	2023
Performance shares outstanding, January 1	-	-
Awarded during period	224,180	-
Performance shares outstanding, December 31	224,180	-

### Pension

Pensions for senior management are in line with the Swedish KTP plan (corresponding to ITP) and retirement age for senior managers is from the age of 60 years at the earliest.

### Termination benefits

The Company has separate agreements with the Chief Executive Officer and senior managers for termination compensation of one year's salary (fixed cash amount per month x 12 months) on termination by the Company. Neither the Chief Executive Officer nor any senior manager can independently assert the right to termination compensation.

The period of notice of termination by the Chief Executive Officer and senior managers is agreed as 6 months. Termination notice by the Company is agreed as 6–12 months.

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## Note 8 Remuneration of the Board of Directors and senior executives

### Compensation of Board Members

Fees are paid to the elected members of the Board in accordance with a resolution of the Shareholders' Annual General Meeting. This is distributed between the members as decided by the Board of Directors.

No other compensation or benefits have been paid to members of the Board, except travel expenses. The CEO, and employee representatives to the Board do not receive any compensation other than for costs in connection with their participation in Board activities. The secretary of the Board received a compensation in 2024 of SEK 600,000.

Under a resolution of the Annual General Meeting, the compensation of elected external members of the Board, including compensation for committee work, for the period up to the next Annual General Meeting, should be distributed as follows: SEK 1,040,000 to the Chairman and SEK 455,000 to each of the other external members. Compensation for committee work is distributed, in accordance with a decision of the Annual General Meeting, as SEK 260,000 to the Chairman of the Audit Committee, SEK 130,000 to other members of the Audit Committee, SEK 100,000 to the Chairman of the Remuneration Committee, and SEK 50,000 to other members of the Remuneration Committee.

### Remuneration and other benefits for the year<sup>1)</sup>

SEK	Salary/Board of Directors' fees	Annual variable salary	Other benefits <sup>2)</sup>	Pension cost	Total
<i>Board of Directors</i>					
Patrik Andersson, Chairman	1,270,000	-	-	-	1,270,000
Märta Schörling Andreen	635,000	-	-	-	635,000
Fabienne Saadane-Oaks	455,000	-	-	-	455,000
Ian Roberts	455,000	-	-	-	455,000
Nils-Johan Andersson	715,000 <sup>3)</sup>	-	-	-	715,000
<b>Subtotal, Board of Directors</b>	<b>3,530,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,530,000</b>
<i>Senior executives</i>					
Johan Westman, Chief Executive Officer	12,012,000	18,289,323 <sup>4, 5)</sup>	161,415	3,586,478	34,049,216
Other senior executives	41,278,936	49,932,704 <sup>4)</sup>	6,304,366	4,840,466	102,356,472 <sup>6)</sup>
<b>Subtotal, senior executives</b>	<b>53,290,936</b>	<b>68,222,027</b>	<b>6,465,781</b>	<b>8,426,944</b>	<b>136,405,688</b>
<b>Total</b>	<b>56,820,936</b>	<b>68,222,027</b>	<b>6,465,781</b>	<b>8,426,944</b>	<b>139,935,688 <sup>7)</sup></b>

<sup>1)</sup> Refers to items recorded as an expense in 2024.

<sup>2)</sup> Other benefits refer primarily to company cars.

<sup>3)</sup> Director's fee for Nils-Johan Andersson's Board and Committee services is paid to Melker Schörling AB directly.

<sup>4)</sup> Final amounts approved by the Remuneration Committee to be paid in 2025. During the year, variable remuneration expensed in 2023 of SEK 60,809,388 was paid.

<sup>5)</sup> Of the Annual variable salary, SEK 1,859,039 relates to the long-term share price related incentive program, decided by the 2023 Annual General Meeting. The incentive program that was introduced in 2024 amounts to SEK 2,934,328

<sup>6)</sup> Refers to the following for 2024: Tomas Bergendahl, Niall Sands, Susanne Jaspers, Octavio Díaz de León, Tim Stephenson, David Smith and Sten Estrup.

<sup>7)</sup> Of the amount of SEK 139,935,688, SEK 60,490,876 relates to the Parent company, AAK AB.

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## Note 9 Provisions for pensions and similar obligations

### Defined benefit plans

The Group maintains defined benefit retirement plans in which employees earn the right to payment of benefits after completing their employment, based on their final salary and period of service. These defined benefit retirement plans exist in Sweden, Belgium, and India. There are further commitments for retirement and survivors' pensions for salaried employees in Sweden that are insured through policies with Alecta or correspondingly in Folksam. According to the Swedish Financial Reporting Board, statement UFR10, this is a defined benefit plan which covers a number of employers. For the period from January 1 to December 31, 2024, AAK AB and AAK Sweden AB have not had access to sufficient information to recognize their proportional shares of the plan's obligations, plan assets and costs, which has meant that it has not been possible to recognize the plan as a defined benefit plan. The ITP 2 pension plan that is insured through Folksam is therefore recognized as a defined contribution plan. The premium for the defined benefit retirement and survivors' pension is calculated individually and depends on factors including salary, pension earned previously and expected remaining period of service. Charges for ITP 2 pensions insured through Folksam are SEK 15 million (12).

The collective consolidation level consists of the market value of Alecta's assets as a percentage of the estimated insurance commitments, computed using Alecta's actuarial methods and assumptions, which are not in accordance with IAS 19. The collective consolidation level should

normally be permitted to vary between 125 and 175 percent. If Alecta's collective consolidation level is below 125 percent or above 175 percent, measures must be taken to create the conditions for the consolidation level to return to the normal range. If the consolidation is low, one measure may be to increase the agreed price for new and existing benefits. If the consolidation is high, one measure may be to introduce premium reductions. At year-end 2024, Alecta's and Folksam's surplus in the form of their collective consolidation levels was 163 percent and 113 percent, respectively (158 percent and 115 percent, respectively).

The Group has defined benefit pension plans in Sweden and some minor plans in Belgium and India. All plans are pension plans based on final salary and give employees covered by the plans benefits in the form of a guaranteed level of pension payments during their lives. The pension liability includes special payroll tax. The level of the benefits depends on the employees' period of service and salary on retirement. The pension payments in the Swedish plan are normally indexed according to the consumer price index. The plans are subject to largely similar risks. Benefits are paid from plans that are secured with foundations. The activities of the foundations are regulated by national regulations and practice which also apply to the relationship between the Group and the administrator (or equivalent) of the foundation's plan assets. Responsibility for monitoring the plans, including investment decisions and contributions, is held jointly by the company and the foundation's board.

	2024	2023
<b>Specification of costs</b>		
Costs for services during current year	24	16
Interest expenses/(income)	-7	-5
Employee contributions	0	0
<b>Total cost of defined benefit plans, included in employee costs (Note 6)</b>	<b>17</b>	<b>11</b>
Cost of defined contribution plans	187	164
<b>Total pension costs</b>	<b>204</b>	<b>175</b>
<b>Net defined benefit liability in the Balance Sheet</b>		
Present value of funded obligations	473	392
Fair value of plan assets	-391	-361
<b>Net defined benefit liability</b>	<b>82</b>	<b>31</b>

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**Note 9** Provisions for pensions and similar obligations

	2024	2023
<b>Change in defined benefit liability</b>		
Net liability, January 1	31	58
Net cost (Income Statement, Employee benefit expenses)	17	11
Benefits paid	-20	-19
Disbursement of funds from the foundation	18	13
Contributions by employer to funded obligations	-8	-38
Actuarial losses/gains arising from changes in demographic assumptions (Statement of comprehensive income)	32	11
Actuarial losses/gains arising from changes in financial assumptions (Statement of comprehensive income)	-	-
Actuarial losses/gains arising from changes in experience (Statement of comprehensive income)	-	-
Exchange rate differences on foreign plans	2	1
Reclassifications	10	-6
<b>Net liability, December 31</b>	<b>82</b>	<b>31</b>
<b>Composition of plan assets (%)</b>		
Interest-bearing assets	53	60
Shares	36	32
Properties	11	8
Contributions to plans for post-employment benefits for the 2025 fiscal year are expected to amount to SEK 0 million. The weighted average term of the pension obligation is 14–16 years.		
<b>Key actuarial assumptions (%)</b>		
<b>Sweden</b>		
Discount rate	2.80	3.70
Inflation	1.80	2.70
Future annual salary increases	2.80	2.70
	<b>Impact on the defined benefit liability</b>	
<b>Sensitivity in the defined benefit liability to changes in key weighted assumptions</b>		
<b>Sweden</b>		
Discount rate	+1%	-1%
Inflation	-52	66
Future annual salary increases	63	-51
	29	-22

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## Note 10 Financial items

	Group		Parent	
	2024	2023	2024	2023
Interest income	88	60	2	0
Dividend	5	-	1	-
Dividend from Group companies	-	-	659	-
Share of profit in associated companies	2	10	-	-
Changes in exchange rates	1	6	-	-
Other financial income	6	7	-	-
Group contributions	-	-	210	213
<b>Financial income</b>	<b>102</b>	<b>83</b>	<b>872</b>	<b>213</b>
Interest expenses <sup>1)</sup>	-204	-248	-245	-203
Interest expenses leases	-31	-32	-0	-0
Changes in exchange rates	-6	-1	-3	-1
Effect of IAS 29	-62	-56	-	-
Other financial expenses	-35	-38	-1	-1
<b>Financial expenses</b>	<b>-338</b>	<b>-375</b>	<b>-249</b>	<b>-205</b>
<b>Net financial items</b>	<b>-236</b>	<b>-292</b>	<b>623</b>	<b>8</b>
<sup>1)</sup> Interest on interest rate swaps is included with	14	14	14	14

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**Note 11** Tax expenses**Tax expenses for the year**

	Group		Parent	
	2024	2023	2024	2023
Current tax	-1,197	-876	-	-16
Deferred tax	79	6	1	-2
<b>Total</b>	<b>-1,118</b>	<b>-870</b>	<b>1</b>	<b>-18</b>

**Determination of the current tax expense**

The Group's weighted average underlying tax rate is approximately 24–25 percent. The Group's weighted average tax rate for 2024, based on the tax rates in each of the various countries involved, was 24 percent. The tax rate in Sweden is 20.6 percent (20.6).

	Group		Parent	
	2024	2023	2024	2023
Profit before taxes	4,660	3,824	409	-83
Weighted average tax rate based on the tax rates in each country	-1,153	-877	-84	17
Tax effect of non-deductible expenses	-59	-50	-53	-40
Tax effect of tax-exempt income	84	41	137	1
Effect of deficit deductions not carried forward	-104	-89	0	4
Effect of tax rate changes	-16	0	-	-
Adjustment for current tax for previous years	130	105	-	-
<b>Tax expense</b>	<b>-1,118</b>	<b>-870</b>	<b>1</b>	<b>-18</b>

**Global minimum tax**

The majority of the companies in the Group operate in countries that have adopted the new legislation to implement the global minimum tax, called Pillar 2. Current tax attributable to Pillar 2 is included in current tax for the period and is not reported separately, as the amount does not have a significant impact on the AAK Group's tax expense.

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**Note 11** Tax expenses**Deferred tax assets and deferred tax liabilities**

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset the recognized tax assets and liabilities and when the deferred taxes refer to the same tax authority. The offset amounts are as follows:

	Group		Parent	
	2024	2023	2024	2023
<b>Deferred tax assets</b>				
Tax loss carry-forwards	48	24	-	-
Non-current assets	49	85	-	-
Right-of-use assets	9	11	-	0
Inventory	22	23	-	-
Current assets	21	22	-	-
Provisions	183	179	3	2
Current liabilities	68	46	-	-
<b>At year-end</b>	<b>400</b>	<b>390</b>	<b>3</b>	<b>2</b>

	Group		Parent	
	2024	2023	2024	2023
<b>Deferred tax liabilities</b>				
Non-current assets	488	576	-	-
Inventory	113	76	-	-
Current assets	40	28	-	-
Provisions	0	1	-	-
Current liabilities	-20	-25	-	-
<b>At year-end</b>	<b>621</b>	<b>656</b>	<b>-</b>	<b>-</b>

**Income tax liabilities and tax assets**

In addition to deferred tax assets and liabilities, AAK has the following current tax liabilities and tax receivables:

	Group		Parent	
	2024	2023	2024	2023
Current tax liabilities	-883	-520	-	-
Current tax receivables	710	602	14	0
<b>Income tax liabilities/tax assets</b>	<b>-173</b>	<b>82</b>	<b>14</b>	<b>0</b>

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## Note 12 Earnings per share

	Group	
	2024	2023
Earnings attributable to Parent company's shareholders (SEK million)	3,536	2,946
Weighted average number of outstanding shares before dilution	259,559,202	259,559,202
Effect of subscription warrants	1,241,416	69,206
Effect of long-term incentive program	-224,180	-
Weighted average number of outstanding shares after dilution from outstanding subscription warrants	260,576,438	259,628,408
Earnings per share before dilution, SEK <sup>1)</sup>	13.62	11.35
Earnings per share after dilution, SEK <sup>2)</sup>	13.57	11.35
Earnings per share after full dilution, SEK <sup>3)</sup>	13.43	11.18

<sup>1)</sup> Earnings per share are calculated based on net profit for the year attributable to Parent company's shareholders, SEK 3,536 million (2,946) and on a weighted average number of outstanding shares of 259,559,202 (259,559,202).

<sup>2)</sup> Earnings per share are calculated based on net profit for the year attributable to Parent company's shareholders and on a weighted average number of outstanding shares after dilution from outstanding subscription warrants.

<sup>3)</sup> Earnings per share are calculated based on a weighted average number of outstanding shares including a conversion of all outstanding subscription warrants to ordinary shares. During 2024, AAK had a subscription warrants program with a strike price of SEK 195.85 per share, which is below the market value of the share at the balance date of SEK 315.60. These subscription warrants could have a potential dilution effect and are therefore included in the calculation of Earnings per share including full dilution.

## Note 13 Events after the balance sheet date

The Board of Directors proposes that a dividend of SEK 5.00 (3.70) per share be paid for the financial year 2024. A decision will be made at the Annual General Meeting on May 8, 2025. The proposed record date for the dividend is May 12, 2025 and it is expected that the dividend will reach the shareholders after May 15, 2025.



## Note 14 Intangible assets

Group	Goodwill	Patents and other intangible assets	Total
Cost, January 1, 2023	2,565	733	3,298
Investments	3	37	40
Acquired through business combinations	135	-	135
Disposals	-	-20	-20
Adjustment IAS 29	22	-	22
Exchange differences	14	-17	-3
<b>Accumulated cost, December 31, 2023</b>	<b>2,739</b>	<b>733</b>	<b>3,472</b>
Cost, January 1, 2024	2,739	733	3,472
Investments	-	47	47
Disposals	-505	-19	-524
Adjustment IAS 29	32	1	33
Exchange differences	94	30	124
<b>Accumulated cost, December 31, 2024</b>	<b>2,360</b>	<b>792</b>	<b>3,152</b>
Amortization and impairment loss, January 1, 2023	27	440	467
Amortization and impairment loss for the year	-	30	30
Disposals	-	-20	-20
Exchange differences	-	-7	-7
<b>Accumulated amortization and impairment loss, December 31, 2023</b>	<b>27</b>	<b>443</b>	<b>470</b>
Amortization and impairment loss, January 1, 2024	27	443	470
Amortization and impairment loss for the year	-	32	32
Disposals	-	-19	-19
Exchange differences	-	16	16
<b>Accumulated amortization and impairment loss, December 31, 2024</b>	<b>27</b>	<b>472</b>	<b>499</b>
<b>Residual value, December 31, 2023</b>	<b>2,712</b>	<b>290</b>	<b>3,002</b>
<b>Residual value, December 31, 2024</b>	<b>2,333</b>	<b>320</b>	<b>2,653</b>

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## Note 14 Intangible assets

### Reviewing impairment of goodwill

In preparing the financial statements for 2024, the Group has reviewed impairment of goodwill.

Goodwill is allocated to the following cash-generating units: business areas Food Ingredients, Chocolate & Confectionery Fats, and Technical Products & Feed. These cash-generating units correspond to the operating segments of AAK. The recoverable amount for a cash-generating unit is determined by calculating its value in use. These calculations are based on estimated future cash flow as stated in budgets and forecasts covering a five-year period. The projection for 2025 is based on a detailed reporting from each entity in the Group. The numbers are based on large number of assumptions regarding volume growth, operating margin, operating costs, capital expenditures, working capital, finance cost and taxes. The projection for the years 2026–2029 is based on management's general assumptions regarding expectations of market development and past performance. Key assumptions have been determined for volume growth, operating margin, operating costs, capital expenditures, working capital, finance cost and taxes. Cash flow beyond this period has been extrapolated by no more than 3 percent (3) in any case. Working

capital beyond the five-year period is estimated at the same level as year five. Discount rates are assumed to be 8.9 percent (10) after tax for all three cash-generating units.

Testing has not demonstrated any need for impairment. The sensitivity in these calculations indicates that recognized goodwill is still intact even if the discount rate increases by 1 percent or if long-term growth is 1 percent less.

### Goodwill by cash-generating unit

	2024	2023
Food Ingredients	1,155	1,596
Chocolate & Confectionery Fats	1,178	1,116
Technical Products & Feed	-	-
<b>Total</b>	<b>2,333</b>	<b>2,712</b>

## Note 15 Property, plant and equipment

Group	Land and buildings	Plant and machinery	Equipment, tools and fixtures and fittings	Non-current assets under construction	Total
Cost, January 1, 2023	2,890	12,885	974	1,206	17,955
Investments	167	407	67	564	1,205
Acquired through business combinations	26	92	-	-	118
Disposals	-180	-260	-19	-10	-469
Adjustment IAS 29	3	-	-	-	3
Reclassifications	73	154	12	-182	57
Exchange differences	-20	-56	13	16	-47
<b>Accumulated cost, December 31, 2023</b>	<b>2,959</b>	<b>13,222</b>	<b>1,047</b>	<b>1,594</b>	<b>18,822</b>
Cost, January 1, 2024	2,959	13,222	1,047	1,594	18,822
Investments	149	495	83	471	1,198
Disposals	-100	-394	-16	-7	-517
Adjustment IAS 29	3	-	-	-	3
Reclassifications	105	264	33	-405	-3
Exchange differences	47	488	36	39	610
<b>Accumulated cost, December 31, 2024</b>	<b>3,163</b>	<b>14,075</b>	<b>1,183</b>	<b>1,692</b>	<b>20,113</b>

**Note 15** Property, plant and equipment

Group	Land and buildings	Plant and machinery	Equipment, tools and fixtures and fittings	Non-current assets under construction	Total
Depreciation, January 1, 2023	1,548	8,476	702	-	10,726
Acquired through business combinations	20	88	-	-	108
Disposals	-71	-136	-19	-	-226
Depreciations for the year	93	501	78	-	672
Exchange differences	-12	-28	7	-	-33
<b>Accumulated depreciation, December 31, 2023</b>	<b>1,578</b>	<b>8,901</b>	<b>768</b>	<b>-</b>	<b>11,247</b>
Depreciation, January 1, 2024	1,578	8,901	768	-	11,247
Disposals	-69	-296	-16	-	-381
Depreciations for the year	93	506	75	-	674
Exchange differences	50	335	26	-	411
<b>Accumulated depreciation, December 31, 2024</b>	<b>1,652</b>	<b>9,447</b>	<b>852</b>	<b>-</b>	<b>11,951</b>
Impairment loss, January 1, 2023	137	129	-	19	285
Write-down for the year	7	8	4	-	19
Reclassifications	-123	-80	-	-19	-222
Exchange differences	0	0	-	-	0
<b>Accumulated impairment loss, December 31, 2023</b>	<b>21</b>	<b>57</b>	<b>4</b>	<b>-</b>	<b>82</b>
Impairment loss, January 1, 2024	21	57	4	-	82
Exchange differences	1	1	-	-	2
<b>Accumulated impairment loss, December 31, 2024</b>	<b>22</b>	<b>58</b>	<b>4</b>	<b>-</b>	<b>84</b>
<b>Residual value, December 31, 2023</b>	<b>1,360</b>	<b>4,264</b>	<b>275</b>	<b>1,594</b>	<b>7,493</b>
of which land	134				
<b>Residual value, December 31, 2024</b>	<b>1,489</b>	<b>4,570</b>	<b>327</b>	<b>1,692</b>	<b>8,078</b>
of which land	140				

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## Note 16 Leases

The consolidated balance sheet shows the following amounts related to leases:

Right-of-use assets	Group	
	2024	2023
Land and buildings	425	599
Plant and machinery	29	55
Equipment	5	7
Vehicles	57	99
<b>Residual value, December 31</b>	<b>516</b>	<b>760</b>

Additions to the right-of-use assets during the year were SEK 75 million (70).

Lease liabilities	Group	
	2024	2023
Non-current	411	630
Current	140	171
<b>Total lease liabilities</b>	<b>551</b>	<b>801</b>

For maturity analysis of the lease liabilities, see Note 3 Financial risk management.

The consolidated income statement shows the following amounts related to leases:

Depreciations of right-of-use assets	Group	
	2024	2023
Land and buildings	84	85
Plant and machinery	29	35
Equipment	11	4
Vehicles	32	31
<b>Total depreciation</b>	<b>156</b>	<b>155</b>
Expense related to short-term leases (included in Other external expenses)	19	13
Expense related to leases of low-value assets (included in Other external expenses)	1	4
Interest expense (included in Result from financial items)	31	32
Tax income (included in Income tax)	-2	2

The total cash lease payments for the year amounted to SEK 197 million (181).

## Note 17 Shares in Group companies

### Parent company's direct holdings of shares in Group companies

Company name	Registration number	Domicile	Number of shares	Share of capital, %	2024 Book value	2023 Book value
AAK Denmark Holding A/S	45954919	Aarhus, Denmark	400,000,000	100	1,468	1,468
AAK Miyoshi Japan Co.Ltd	0118-01-031265	Tokyo, Japan	70,000,000	70	5	5
AarhusKarlshamn Finance AB	556880-4339	Malmö, Sweden	100,000	100	472	472
AarhusKarlshamn Holding AB	556759-7918	Malmö, Sweden	100	100	481	481
AarhusKarlshamn Invest AB	556747-6931	Malmö, Sweden	1,000	100	4,587	4,587
Advanced Lipids AB	556728-5837	Karlshamn, Sweden	100	50	0	0
<b>Total</b>					<b>7,013</b>	<b>7,013</b>

**Note 17** Shares in Group companies**Group holding of shares in Group companies**

Company name	Registration number	Domicile	Share of capital, %
AAK (UK) Ltd	1585686	Hull, United Kingdom	100
AAK Australia Pty Ltd	094486361	New South Wales, Australia	100
AAK Baltic Holding AB	556381-8664	Karlshamn, Sweden	100
AAK Bastogne SA	0673.737.551	Bastogne, Belgium	100
AAK Belgium NV	0547.965.074	Antwerpen, Belgium	100
AAK BD Foods Ltd	04170983	Hull, United Kingdom	100
AAK Burkina Faso Sarl	BF BBD2007 B465	Bobo-Dioulasso, Burkina Faso	100
AAK Cameroon SASU	RC/GOU/2024/B/383	Garoua, Cameroon	100
AAK Canada Ltd	2040468	Toronto, Canada	100
AAK China Ltd	913 101 155 791 320 606	Shanghai, China	100
AAK Colombia S.A.S.	860090365-8	Bogotá, Colombia	100
AAK Côte d'Ivoire SASU	CI ABJ2018 B20038	Abidjan, Côte d'Ivoire	100
AAK Czech Republic s.r.o.,	15268853	Prague, Czech Republic	100
AAK Dalby AB	556236-0478	Lund, Sweden	100
AAK Denmark A/S	15672099	Aarhus, Denmark	100
AAK do Brasil Indústria e Comércio de Óleos Vegetais Ltda	07.830.192/0001-02	São Paulo, Brazil	100
AAK Germany GmbH	HRB89102	Darmstadt, Germany	100
AAK Havnen A/S	13919232	Aarhus, Denmark	100
AAK India Pvt Ltd	U15140MH2002PTC137681	Maharashtra, India	100
AAK Insurance Malta Ltd	C51071	St Julians, Malta	100
AAK International AB	559155-5411	Malmö, Sweden	100
AAK Invest Ltd	C59066	St Julians, Malta	100
AAK Malaysia Sdn. Bhd.	516423-P	Kuala Lumpur, Malaysia	100
AAK Mali SARL	MA BKO2018 H5859	Bamako, Mali	100
AAK Malta EUR Ltd	C78539	St Julians, Malta	100
AAK Malta MXN Ltd	C83359	St Julians, Malta	100
AAK Malta TRY Ltd	C88855	St Julians, Malta	100
AAK Malta USD Ltd	C59069	St Julians, Malta	100
AAK Mexico, S.A. de C.V.	AUM8302244G2	Morelia, Mexico	99.9976
AAK Natural Emulsifiers Ltd	7734226	Cheshire, United Kingdom	100
AAK Netherlands BV	35012547	Zaandijk, the Netherlands	100
AAK Nigeria Oils and Fats Ltd	1539623	Lagos, Nigeria	100
AAK Norway AS	988 369 403	Oslo, Norway	100
AAK LLC	7709851438	Moscow, Russia	100
AAK Phillippines Inc	CS201816294	Batangas, Philippines	100

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**Note 17** Shares in Group companies

Company name	Registration number	Domicile	Share of capital, %
AAK Poland Sp.z o.o.	0000124135	Warsaw, Poland	100
AAK Rotterdam BV	24419984	Rotterdam, the Netherlands	100
AAK SG Pte. Ltd.	201421305H	Singapore, Singapore	100
AAK South East India Pvt Ltd	U15142TG1986PTC006854	Telangana, India	100
AAK Sweden AB	556478-1796	Karlshamn, Sweden	100
AAK Togo SASU	TG-LFW-01-2021-817-0	Lomé, Togo	100
AAK Turkey Gıda Sanayi ve Ticaret Limited Sirketi	877226	Istanbul, Turkey	100
AAK USA Inc.	13-3445572	New Jersey, USA	100
AAK USA K1, LLC	45-2596488	Kentucky, USA	100
AAK USA K2, LLC	45-2700873	Kentucky, USA	100
AAK USA Realco, LLC	45-2596451	Kentucky, USA	100
AAK USA Richmond Corp.	94-28476111	Richmond, USA	100
AAK Zhangjiagang Ltd	913 205 920 885 469 71Q	Zhangjiagang, China	100
Aarhus 1 A/S	10112265	Aarhus, Denmark	100
Aarhus 3 A/S	16335770	Aarhus, Denmark	100
AarhusKarlshamn Hull Ltd	2193829	Hull, United Kingdom	100
AarhusKarlshamn Latin America S.A.	214947990014	Montevideo, Uruguay	100
AarhusKarlshamn Ltd	2747344	Hull, United Kingdom	100
AarhusKarlshamn Spain S.L	11174823	Madrid, Spain	100
Alba Fabrikers AB	556030-2183	Lund, Sweden	100
Allied Foods Ltd	500613	Hull, United Kingdom	100
Anglia Oils Ltd	1492748	Hull, United Kingdom	100
BIC Ingredients B.V.	56215819	s-Hertogenbosch, the Netherlands	100
Belico Holding AB	556537-0904	Karlshamn, Sweden	100
Book & Claim Ltd	5997462	Hull, United Kingdom	100
Ceylon Trading Co. Ltd.	J 333	Colombo, Sri Lanka	100
Chamber & Fargus Ltd	2352279	Hull, United Kingdom	100
Fondation (Centre de recherche sur l'arbre a karite)	00085852R	Satiri, Burkina Faso	100
Karlshamns International Plc	2366565	Hull, United Kingdom	100
Karlshamns UK Holdings Plc	83553	Hull, United Kingdom	100
KI Ghana Ltd	C-933	Tamale, Ghana	100
KNAR Benin Sarl	19 269B	Cotonou, Benin	100
Nutritionelle Ltd	1726044	Hull, United Kingdom	100
Rapsona	556759-4600	Malmö, Sweden	100
Rowallan Creamery Ltd	529393	Hull, United Kingdom	100
Tefac AB	556283-5214	Karlshamn, Sweden	100
Unicao Ltd	1492799	Hull, United Kingdom	100

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## Note 18 Inventories

	Group	
	2024	2023
Raw materials and consumables	6,644	4,379
Goods in transit	1,921	1,378
Work in progress	2,035	1,879
Finished products and goods for resale	1,272	1,020
<b>Total inventories</b>	<b>11,872</b>	<b>8,656</b>

Impairment loss on inventories of SEK 18 million (4) is included in the Consolidated Income Statement in line items Raw materials and consumables and Changes in inventories of finished goods and work in progress.

## Note 19 Cash and cash equivalents

	Group	
	2024	2023
Cash equivalents	1,619	1,355
Current investments	292	148
<b>Total</b>	<b>1,911</b>	<b>1,503</b>

## Note 20 Equity

### Group

#### Share capital

As of December 31, 2024, the Group's registered share capital was 259,559,202 shares (SEK 432,598,670).

#### Reserves

##### Statutory reserve

The statutory reserve refers to a reduction of the share capital carried out previously.

##### Hedging reserve

The hedging reserve encompasses the effective portion of the accumulated net change in the fair value of a cash flow hedging instrument attributable to hedging transactions yet to take place.

##### Translation reserve

Translation reserves include all exchange differences that arise when translating financial statements from foreign operations whose financial statements are stated in currencies other than the Group's presentation currency. The Parent company and the Group present their financial statements in SEK.

#### Retained profits and profit for the year

Retained profits and profit for the year include profits earned and retained by the Parent and subsidiaries, revaluation of the net pension commitment, long-term incentive program, and profit for the year.

#### Treasury shares

The Group owned a total of 0 (0) treasury shares as of December 31, 2024.

#### Specification of equity item "Reserves"

	Statutory reserve	Hedging reserve	Translation reserve	Total
2023 opening balance	5	19	677	701
Exchange differences	-	-9	-147	-156
<b>2023 closing balance</b>	<b>5</b>	<b>10</b>	<b>530</b>	<b>545</b>
2024 opening balance	5	10	530	545
Exchange differences	-	-10	467	457
<b>2024 closing balance</b>	<b>5</b>	<b>0</b>	<b>997</b>	<b>1,002</b>

### Parent company

#### Share capital

In accordance with the Articles of Association for AAK AB, share capital shall be a minimum of SEK 300 million and a maximum of SEK 1,200 million. All shares are fully paid and entitle the holder to equal voting rights and shares in Company assets. Share capital consists of 259,559,202 shares (259,559,202) at a quota value of SEK 1.67 per share, and shareholder equity of SEK 432,598,670 (432,598,670).

#### Statutory reserve

The statutory reserve refers to a reduction of the share capital carried out previously.

#### Retained profit

Retained profit includes non-restricted equity from the previous year after any dividend distribution together with the profit for the year. The total non-restricted equity is the amount available for dividends to shareholders.

#### Proposed appropriation of profits

In accordance with the Swedish Companies Act, the Board of Directors proposes appropriation of profits for the consideration and approval of the Annual General Meeting of the Shareholders.

The Board of Directors proposes that

the disposable profit brought forward	SEK	4,554,919,213
and profit/loss for the year	SEK	410,135,827
<b>Total</b>	<b>SEK</b>	<b>4,965,055,040</b>

be appropriated as follows:

To be distributed to shareholders, a dividend of SEK 5.00 per share	SEK	1,297,796,010
To be carried forward	SEK	3,667,259,030
<b>Total</b>	<b>SEK</b>	<b>4,965,055,040</b>

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**Note 21** Borrowings

	Group		Parent	
	2024	2023	2024	2023
<b>Non-current</b>				
Liabilities to banks and credit institutions	949	1,969	526	1,500
<b>Total</b>	<b>949</b>	<b>1,969</b>	<b>526</b>	<b>1,500</b>

	Group		Parent	
	2024	2023	2024	2023
<b>Current</b>				
Liabilities to banks and credit institutions	2,071	1,715	1,026	1,500
<b>Total</b>	<b>2,071</b>	<b>1,715</b>	<b>1,026</b>	<b>1,500</b>

Maturity for non-current borrowing is as follows:

	Group		Parent	
	2024	2023	2024	2023
Between 1 and 5 years	791	1,748	526	1,500
More than 5 years	158	221	-	-
<b>Total</b>	<b>949</b>	<b>1,969</b>	<b>526</b>	<b>1,500</b>

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**Note 22** Other provisions

Group	Restructuring	Environmental restoration	Legal	Other	Total
Opening balance, January 1, 2023	41	90	31	154	316
Provisions for the year	112	-	13	96	221
Provisions claimed for the year	-44	-	-	-76	-120
Reclassifications	66	-	-	98	164
Reversal of unused amounts	-41	-	-	-8	-49
Exchange differences	-	-	-	3	3
<b>Closing balance, December 31, 2023</b>	<b>134</b>	<b>90</b>	<b>44</b>	<b>267</b>	<b>535</b>
Opening balance, January 1, 2024	134	90	44	267	535
Provisions for the year	-	13	101	213	327
Provisions claimed for the year	-28	-	-	-129	-157
Reclassifications	-17	-	-	-1	-18
Reversal of unused amounts	-	-	-13	-56	-69
Exchange differences	-	2	-	2	4
<b>Closing balance, December 31, 2024</b>	<b>89</b>	<b>105</b>	<b>132</b>	<b>296</b>	<b>622</b>
<b>Provisions include</b>				<b>2024</b>	<b>2023</b>
Non-current				266	238
Current				356	297
<b>Total</b>				<b>622</b>	<b>535</b>

**Restructuring**

A provision for restructuring is reported when the Group has adopted a comprehensive and formal restructuring plan, and the restructuring has either been started or published. No provisions are made for future operating expenses.

**Environmental restoration**

These provisions are primarily related to restoring contaminated land.

**Legal**

Provisions for legal claims.

**Note 23** Accrued expenses and deferred income

	Group		Parent	
	2024	2023	2024	2023
Employee-related expenses	686	616	84	66
Advance payments from customers	51	31	-	-
Other	1,473	1,350	5	5
<b>Total</b>	<b>2,210</b>	<b>1,997</b>	<b>89</b>	<b>71</b>

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## Note 24 Assets pledged

	Group		Parent	
	2024	2023	2024	2023
<b>Collateral for provisions and liabilities</b>				
Property mortgages	1,361	1,187	-	-
<b>Total</b>	<b>1,361</b>	<b>1,187</b>	<b>-</b>	<b>-</b>

## Note 25 Contingent liabilities

	Group		Parent	
	2024	2023	2024	2023
Pension obligations	375	389	375	389
<b>Total</b>	<b>375</b>	<b>389</b>	<b>375</b>	<b>389</b>

## Note 26 Related-party transactions

For the Parent, SEK 420 million (413), i.e. 100 percent (100) of sales were to Group companies. The Parent's purchasing from Group companies is related to administrative services of limited scope. All transactions were carried out on commercial terms. As at December 31, 2024, the Parent had intragroup receivables of SEK 284 million (651) and intragroup liabilities of SEK 37 million (34).

In 2024, a management fee amounting to SEK 715,000 was paid to Melker Schörling AB. Besides transactions stated in Note 8 Remuneration of the Board of Directors and senior executives, and in the description of the Board of Directors on page 48, no transactions with related physical persons have taken place.

## Note 27 Segment reporting

The Group's operations are organizationally divided into business areas based on product. The marketing organization also reflects this structure.

All transactions between business areas are recognized at market value. Assets and liabilities not attributed to a business area include tax assets and tax liabilities, financial investments and financial liabilities, as well as cash and cash equivalents and interest-bearing receivables.

The external sales are based on where our customers are located. The carrying amounts of assets and the direct investment in plant for the period are determined by the location of the assets. Segment-based reporting is prepared in accordance with the accounting policies described in Note 2 "Accounting Policies".

**Note 27** Segment reporting**Reporting by business area**

2024	Food Ingredients	Chocolate & Confectionery Fats	Technical Products & Feed	Group Functions	Group
External sales	28,758	13,961	2,333	-	45,052
Operating profit	3,071	1,983	176	-334	4,896
Assets	14,457	15,215	1,072	523	31,267
Unallocated assets	-	-	-	-	3,119
<b>Total assets</b>	<b>14,457</b>	<b>15,215</b>	<b>1,072</b>	<b>523</b>	<b>34,386</b>
Liabilities	4,570	4,215	418	223	9,426
Unallocated liabilities	-	-	-	-	4,811
<b>Total liabilities</b>	<b>4,570</b>	<b>4,215</b>	<b>418</b>	<b>223</b>	<b>14,237</b>
Investments	703	411	86	45	1,245
Depreciation, amortization and impairment loss	527	274	48	13	862

**Reporting by market**

2024	Europe	North and South America	Asia	Other countries	Total
External sales	17,381	20,192	6,921	558	45,052
of which Mexico	-	5,751	-	-	5,751
of which Sweden	3,250	-	-	-	3,250
of which United Kingdom	3,518	-	-	-	3,518
of which USA	-	9,336	-	-	9,336
Intangible assets and property, plant and equipment	5,518	3,655	1,712	362	11,247
of which Denmark	2,170	-	-	-	2,170
of which Sweden	1,316	-	-	-	1,316
of which United Kingdom	1,355	-	-	-	1,355
of which USA	-	2,149	-	-	2,149
Other assets	9,650	7,843	4,725	921	23,139
<b>Total assets</b>	<b>15,168</b>	<b>11,498</b>	<b>6,437</b>	<b>1,283</b>	<b>34,386</b>
Investments	680	506	48	11	1,245

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**Note 27** Segment reporting**Reporting by business area**

2023	Food Ingredients	Chocolate & Confectionery Fats	Technical Products & Feed	Group Functions	Group
External sales	29,891	13,694	2,443	-	46,028
Operating profit	2,642	1,521	258	-305	4,116
Assets	14,676	12,081	1,100	106	27,963
Unallocated assets	-	-	-	-	2,588
<b>Total assets</b>	<b>14,676</b>	<b>12,081</b>	<b>1,100</b>	<b>106</b>	<b>30,551</b>
Liabilities	3,842	3,816	401	213	8,272
Unallocated liabilities	-	-	-	-	5,106
<b>Total liabilities</b>	<b>3,842</b>	<b>3,816</b>	<b>401</b>	<b>213</b>	<b>13,378</b>
Investments	638	548	36	23	1,245
Depreciation, amortization and impairment loss	535	283	48	11	877

**Reporting by market**

2023	Europe	North and South America	Asia	Other countries	Total
External sales	17,963	21,157	6,244	664	46,028
of which Mexico	-	5,738	-	-	5,738
of which Sweden	3,576	-	-	-	3,576
of which United Kingdom	3,713	-	-	-	3,713
of which USA	-	10,091	-	-	10,091
Intangible assets and property, plant and equipment	5,169	4,217	1,515	354	11,255
of which Denmark	1,980	-	-	-	1,980
of which Sweden	1,192	-	-	-	1,192
of which United Kingdom	1,235	-	-	-	1,235
of which USA	-	2,638	-	-	2,638
Other assets	8,025	7,327	3,210	734	19,296
<b>Total assets</b>	<b>13,194</b>	<b>11,544</b>	<b>4,725</b>	<b>1,088</b>	<b>30,551</b>
Investments	687	512	45	1	1,245

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**Note 28** Supplemental cash flow statement**Adjustment for other non-cash items**

	Group		Parent	
	2024	2023	2024	2023
Sales of operations	44	-	-	-
Sales of non-current assets	3	-109	-	-
Changes in pensions and provisions	131	138	6	-9
Unrealized exchange rate effects	144	64	-	-
Long-term incentive	22	16	5	4
Obligation for delivery of shares to LTI-program	-53	-	-53	-
Others	192	-174	6	4
<b>Total</b>	<b>483</b>	<b>-65</b>	<b>-36</b>	<b>-1</b>

**Cash flow from financing activities**

Group	Dec 31, 2023	Cash flows	Changes that do not affect cash flow			Dec 31, 2024
			Reclassification	Exchange rate effects	IFRS 16 Leases	
Non-current financial assets	79	10	-	1	-	90
Current financial assets	599	-542	-	0	-	57
Non-current financial liabilities	2,600	-34	-1,000	14	-220	1,360
Current financial liabilities	1,896	-843	1,000	4	165	2,222
<b>Total liabilities from financing activities</b>	<b>3,818</b>	<b>-345</b>	<b>-</b>	<b>17</b>	<b>-55</b>	<b>3,435</b>

Group	Dec 31, 2022	Cash flows	Changes that do not affect cash flow			Dec 31, 2023
			Reclassification	Exchange rate effects	IFRS 16 Leases	
Non-current financial assets	67	15	-	-3	-	79
Current financial assets	95	504	-	0	-	599
Non-current financial liabilities	4,088	-556	-1,000	-1	69	2,600
Current financial liabilities	3,170	-2,397	1,000	-68	191	1,896
<b>Total liabilities from financing activities</b>	<b>7,096</b>	<b>-3,472</b>	<b>-</b>	<b>-66</b>	<b>260</b>	<b>3,818</b>

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**Note 28** Supplemental cash flow statement

Parent	Dec 31, 2023	Cash flows	Changes that do not affect cash flow			Dec 31, 2024
			Reclassification	Exchange rate effects	IFRS 16 Leases	
Non-current financial assets	4	6	-	-	-	10
Current financial assets	-	2	-	-	-	2
Non-current financial liabilities	1,517	26	-1,000	-	-4	539
Current financial liabilities	1,505	-1,479	1,000	-	5	1,031
<b>Total liabilities from financing activities</b>	<b>3,018</b>	<b>-1,461</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>1,558</b>

Parent	Dec 31, 2022	Cash flows	Changes that do not affect cash flow			Dec 31, 2023
			Reclassification	Exchange rate effects	IFRS 16 Leases	
Non-current financial assets	10	-6	-	-	-	4
Current financial assets	-	-	-	-	-	-
Non-current financial liabilities	3,001	-500	-1,000	-	16	1,517
Current financial liabilities	502	-6	1,000	-	9	1,505
<b>Total liabilities from financing activities</b>	<b>3,493</b>	<b>-500</b>	<b>-</b>	<b>-</b>	<b>25</b>	<b>3,018</b>

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# Alternative Performance Measures (APMs)

Organic volume growth %	2024	2023
<b>Food Ingredients</b>		
Organic volume growth	1	-5
Acquisitions/divestments	-	-
<b>Volume growth</b>	<b>1</b>	<b>-5</b>
<b>Chocolate &amp; Confectionery Fats</b>		
Organic volume growth	8	-9
Acquisitions/divestments	-	-
<b>Volume growth</b>	<b>8</b>	<b>-9</b>
<b>Technical Products &amp; Feed</b>		
Organic volume growth	0	-6
Acquisitions/divestments	-	-
<b>Volume growth</b>	<b>0</b>	<b>-6</b>
<b>AAK Group</b>		
Organic volume growth	2	-6
Acquisitions/divestments	-	-
<b>Volume growth</b>	<b>2</b>	<b>-6</b>
<b>EBITDA</b>		
SEK million	2024	2023
Operating profit (EBIT)	4,896	4,116
Depreciation, amortization and impairment losses	862	877
<b>EBITDA</b>	<b>5,758</b>	<b>4,993</b>

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### Return on Capital Employed (R12M)

SEK million

	2024	2023
Total assets	32,246	32,147
Cash and cash equivalents	-1,523	-1,500
Financial assets	-291	-213
Accounts payables	-3,974	-4,333
Other non-interest-bearing liabilities	-4,609	-4,566
<b>Capital employed</b>	<b>21,849</b>	<b>21,535</b>
<b>Operating profit excluding items affecting comparability</b>	<b>4,896</b>	<b>4,116</b>
<b>Return on Capital Employed (R12M), %</b>	<b>22.4</b>	<b>19.1</b>

### Net working capital

SEK million

	2024	2023
Inventory	11,872	8,656
Accounts receivables	5,793	5,312
Other current receivables, non-interest-bearing	3,007	2,743
Accounts payables	-4,121	-3,804
Other current liabilities, non-interest-bearing	-5,359	-3,936
<b>Net working capital</b>	<b>11,192</b>	<b>8,971</b>

### Net debt

SEK million

	2024	2023
Current interest-bearing receivables	57	599
Cash and cash equivalents	1,911	1,503
Pension liabilities	-82	-31
Lease liabilities	-551	-801
Non-current liabilities to banks and credit institutions	-949	-1,969
Current liabilities to banks and credit institutions	-2,071	-1,715
Other interest-bearing liabilities	-11	-11
<b>Net debt</b>	<b>-1,696</b>	<b>-2,425</b>

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## Alternative Performance Measures (APMs)

<b>Net debt/EBITDA</b> SEK million	<b>2024</b>	<b>2023</b>
Net debt	1,696	2,425
EBITDA (R12M)	5,758	4,993
<b>Net debt/EBITDA, multiple</b>	<b>0.29</b>	<b>0.49</b>
<b>Equity to assets ratio</b> SEK million	<b>2024</b>	<b>2023</b>
Shareholders' equity	20,087	17,117
Non-controlling interests	62	56
<b>Total equity including non-controlling interests</b>	<b>20,149</b>	<b>17,173</b>
<b>Total assets</b>	<b>34,386</b>	<b>30,551</b>
<b>Equity to assets ratio, %</b>	<b>58.6</b>	<b>56.2</b>

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# Corporate Governance *Report*

## Corporate Governance Report 2024

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 management team 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 28,700 shareholders. Its business operations are global, with a presence in more

than 100 countries. As of December 31, 2024, the average number of employees was 3,992. 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, the executive management team 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 50–51.

### 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 operate manufacturing and trading business, primarily within the food industry, to own and manage shares and securities and other associated 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).

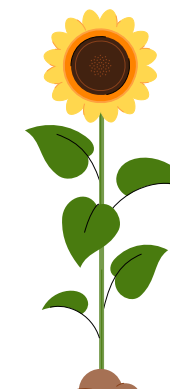
### Annual General Meeting

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 2024

The Annual General Meeting, held on May 8, 2024 was represented by shareholders holding around 77 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



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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 Andreas Thoresson (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.

### 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 2025

At the Annual General Meeting 2024, Märta Schörling Andreen (Melker Schörling AB), Elisabet Jamal Bergström (SEB Investment Management), Daniel Kristiansson (Alecta), and Henrik Didner (Didner & Gerge Fonder) were elected members of the Nomination Committee in respect of the Annual General Meeting 2025. Märta Schörling Andreen was elected Chairman of the Nomination Committee. The members of the Nomination Committee represent around 43 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 three 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

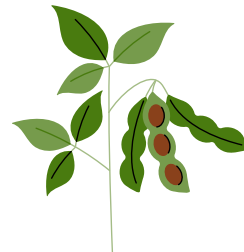
include setting strategies, business plans, budgets, interim reports and year-end reports for AAK. The Board shall also monitor the work of the CEO, appoint and dismiss the CEO and decide on important changes to AAK's organization and operation. The most important tasks of the Board are to set the overall 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 management team 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 2024, 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 major shareholders in the Company in accordance with



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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 Company management and the Company's major shareholders in accordance with the Code.

The Board therefore fulfills the requirement of the Code that at least two Board members who are independent of the Company and the Company management shall also be independent of the Company's major shareholders. Mikael Ekdahl, lawyer and Chairman of the Board of Melker Schörling AB, acts as secretary to the Board. The application and result of the diversity policy are described on the Company's website in the Nomination Committee's reasoned statement regarding proposals to the Board of AAK AB.

**Working practices**

The Board's working practices, containing instructions for the division of work between the Board and the CEO and for financial reporting, are updated and adopted annually. Board meetings consider the financial reporting and monitoring of day-to-day business operations and profitability trends, as well as goals, strategies for the business operation, acquisitions and significant investments, and matters relating to capital structure. Business area managers and other senior executives report on business plans and strategic issues on a continual basis.

Remuneration and audit issues are prepared within the respective committees. The Board holds a statutory meeting immediately after the Annual General Meeting. At this meeting, the Board's working practices are

also adopted, as are the instructions to the CEO and the Committees and other internal management instruments. The current Board held its statutory meeting on May 8, 2024, at which all members were in attendance.

**Chairman of the Board**

At the Annual General Meeting held on May 8, 2024, Patrik Andersson was elected Chairman of the Board, a position he had held in interim since September of 2023. The role of the Chairman of the Board is to lead the work of the Board and ensure the Board fulfills its tasks. The Chairman shall monitor the progress of the business in dialogue with the CEO and is responsible for ensuring the other members continuously receive the information required to carry out the work on the Board, maintaining the required

quality and in accordance with the Swedish Companies Act and other applicable laws and ordinances, the Articles of Association, and the working practices of the Board. The Chairman is responsible for ensuring the Board constantly develops its knowledge about the Company, that an evaluation of the Board's work is carried out and that the Nomination Committee is provided with this evaluation. The Chairman shall also participate in evaluation and development issues relating to senior executives in the Group.

**The work of the Board in 2024**

The Board held 10 meetings during the year. Business area managers have reported on the goals and business strategies of the business areas. The Board has handled issues relating to strategy, staffing and organization.

**CORPORATE GOVERNANCE**



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Decisions have been made relating to investments and acquisitions. Other areas handled have been the Group's work on the supply of raw materials, risk management and the Company's strategy for capital structure and borrowing.

### Attendance at Board and Committee meetings in 2024

Member	Board of Directors	Audit Committee	Remuneration Committee
Number of meetings	10	5	5
Patrik Andersson	10	5	5
Marianne Kirkegaard	4		
Märta Schörling Andreen	10	5	4 <sup>1)</sup>
Nils-Johan Andersson	10	5	
Ian Roberts	9		
Fabienne Saadane-Oaks	10		
Daniel Alfredsson	10		
Lena Nilsson	10		

<sup>1)</sup> One meeting represented by Mikael Ek Dahl

Information about the members of the Board can be found on page 48.

### Fees to Board members

According to the decision of the Annual General Meeting, the total fees to the Board amounted to SEK 3,530,000, to be allocated between the members as follows: SEK 1,040,000 to the Chairman and SEK 455,000 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 received a compensation in 2024 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 81.

### Evaluation of the CEO

The Board continuously evaluates the work and competence of the CEO and the Company's management team. This is discussed at least once a year without representatives of the Company management being present.

### Guidelines for remuneration of senior executives

The 2024 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 and shall also be able to be linked to individual areas of responsibility. ESG targets is a qualifier 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 and other senior executives shall be 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 management team, 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 2024, 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 management. 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 81. During 2024, the Remuneration Committee met on five 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 2025 for a decision.

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### Audit Committee

During 2024, the members of the Audit Committee were Nils-Johan Andersson (Chair), Märta Schörling Andreen and Patrik Andersson. The Audit Committee held five meetings during the year, which the Company's external auditors and representatives of the management team attended. Areas dealt with by the Audit Committee are primarily related to planning, scope and follow-up of the audit for the year. Other issues dealt with include risk management, integration and systematics of Group procedures, Information Technology, Sourcing and Trading, coordination of insurance issues, corporate governance, internal control, accounting rules, development of the global finance function, financing operations, and other issues that the Board has requested the Audit Committee to prepare. Pursuant to the Code, a majority of the members of the Audit Committee must be independent in relation to the Company and management, and at least one member must also be independent in relation to major shareholders. Under the provisions of Chap. 8, Section 49 a, of the Swedish Companies Act (2005:551), at least one member of the Audit Committee must have expertise in accounting or auditing. The Company fulfills these requirements.

### External auditors

AAK's auditors are appointed by the Annual General Meeting. At the Annual General Meeting in 2024, the audit company KPMG AB was elected as auditors up to and including the Annual General Meeting in 2025. Jonas Nihlberg, Authorized Public Accountant, was appointed auditor in charge. All services requested in addition to the statutory audit

are tested separately to ensure there is no conflict arising involving independence or disqualification.

### Operational management

It is the task of the CEO to lead operations in accordance with the guidelines and instructions of the Board. In conjunction with this, the CEO shall use the required control systems to ensure the company complies with applicable laws and regulations. The CEO reports to the Board meetings and shall ensure the Board receives as much factual, detailed and relevant information as is required for the Board to reach well-informed decisions. The CEO also maintains continuous dialogue with the Chairman of the Board and keeps him informed of the development and financial position of the Company and the Group.

AAK's Group management team consists of eight persons from six countries: the CEO, Chief Financial Officer (CFO) who is responsible for Accounting and Internal Control, Financing, IR, Corporate Communication and Brand, M&A, Global IT, Strategy and Legal, President Commercial Development and Innovation, President Global Operations and President Global Sourcing & Trading, as well as three persons in charge of business areas/regions/industries, whereof one also responsible for Global HR. The Group management team meets every other month and deals with the Group's financial development, investments, synergy and productivity projects, acquisitions, Group-wide development projects, leadership and competence supply, and other strategic issues. The meetings are chaired by the CEO, who make decisions in consultation with the other members of the

Group management team. The Group has a small number of Group employees, who are responsible for Group-wide activities, such as accounting and internal control, financing, investor relations, corporate communication and brand, HR, M&A, IT, strategy, legal, tax and product development. The CEO and Group management team are presented on page 49. For remuneration principles and salaries and other fees paid to the CEO and Group management team, please see Note 8.

AAK's business areas are Food Ingredients, Chocolate & Confectionery Fats and Technical Products & Feed. Each business area are responsible for goals, strategies, product development and day-to-day business issues, as well as for profit, cash flow and balance sheets for the unit in question. The business areas in turn are organized into different sectors with responsibility for day-to-day business issues. Control is exercised through quarterly business reviews, where AAK's CEO acts as chairman and other stakeholders are invited as needed. In all countries where AAK has subsidiaries, a Country Manager has legal charge of operations. The Country Manager's task is to represent AAK vis-à-vis public authorities in the country, to coordinate operations on the ground, organization and Group-wide procedures/projects, and to ensure that Group-wide guidelines, local rules and laws are complied with. For each such country, one member of the Group management team has been appointed to have overall responsibility for operations.

This person is the superior of the Country Manager, and in most cases acts as Chairman of the local legal board.

### The Board's description of internal control and risk management relating to financial reporting

The Board is responsible for AAK's internal control, the overall purpose of which is to protect the owners' investments and the Company's assets. The Board shall provide a description of how internal control and risk management relating to financial reporting are organized in a separate section of this Corporate Governance Report. Internal control relating to financial reporting is a process involving the Board, the company management team and personnel.

The process has been designed to ensure the reliability of external reporting. According to the commonly accepted framework established for this purpose, internal control is usually described from five different aspects, which are described below. The control environment forms the basis for internal management and control. Risk assessment and risk management mean that the management is aware of and has itself assessed and analyzed risks and threats to operations.

Control activities are the measures and procedures designed by the management to prevent errors from arising and for discovering and correcting errors that do arise. In order for individual tasks to be carried out 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.



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### 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 Group management team. 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 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 Group management and the Board. Policies, handbooks and working practices relating to the financial process are communicated between the 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 management team 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.



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The consolidated income statement and balance sheet will be presented to the Annual General Meeting on May 8, 2025 for adoption.

The Board of Directors and the Chief Executive Officer declare that the consolidated accounts have been prepared in accordance with IFRS International Accounting Standards, as adopted by the EU, and provide a true and fair view of the Group's financial position and results. The annual accounts have been prepared in accordance with generally accepted accounting practices and provide a true and fair view of the Parent's financial position and results.

The Directors' Report for the Group and Parent provides a true and fair view of the development of the business operations, financial position and results of the Group and Parent and describes the significant risks and uncertainty factors facing the Parent and the companies belonging to the Group.

Malmö, April 7, 2025

Patrik Andersson  
Chairman of the Board

Johan Westman  
President and CEO

Märta Schörling Andreen  
Board member

Nils-Johan Andersson  
Board member

Fabienne Saadane-Oaks  
Board member

Ian Roberts  
Board member

David Alfredsson  
Employee representative

Lena Nilsson  
Employee representative

Our auditor's report was submitted on April 8, 2025  
KPMG AB

Jonas Nihlberg  
Authorized Public Accountant  
Auditor in charge

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# Auditor's Report

To the general meeting of the shareholders of AAK AB (publ.), corp. id 556669-2850

## Report on the annual accounts and consolidated accounts

### Opinions

We have audited the annual accounts and consolidated accounts of AAK AB (publ.) for the year 2024, except for the corporate governance statement on pages 107–112 and other information on pages 48–51. The annual accounts and consolidated accounts of the company are included on pages 42–113 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act, and present fairly, in all material respects, the financial position of the parent company as of December 31, 2024 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of December 31, 2024 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 107–112 and other information on pages 48–51. The statutory administration report is

consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

### Basis for opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1

have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

### Key audit matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.



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### Accounting for hedges of commodities and accounting for open sales and purchase contracts

See disclosure 3 and accounting principles on pages 68–69 in the annual account and consolidated accounts for detailed information and description of the matter.

Description of key audit matter	Response in the audit
<p>The Group is exposed to commodity price risks and uses derivative financial instruments to manage these risks. The Group applies fair value hedge accounting for derivatives that are used to hedge price risks in raw materials. This means that a change in the market price of raw materials impact both the value of the hedging instruments (derivatives) and the revaluation of the hedged item (inventory). Open sales and purchase contracts are measured at fair value through the use of the fair value option in IFRS 9.</p> <p>As such, the Group's raw material purchasing process is complex and fluctuations in the market price of raw materials can have a significant impact on the financial information. An incorrect valuation would have a direct impact on the Group's costs and earnings.</p>	<p>To verify that valuation of the hedged item (inventory), derivatives, and open sales and purchase contracts are performed at fair value in accordance with the Group's accounting policies, we have gained an understanding of the Group's internal control and management of the risk exposure in inventory, derivatives and open contracts.</p> <p>Furthermore, we have performed sample tests to ensure the existence of derivatives and sales and purchase contracts together with the accuracy in market prices used in the valuation of the same and of the hedged item (inventory).</p> <p>We have also assessed the appropriateness of the disclosures presented in the annual report.</p>

### Other information than the annual accounts and consolidated accounts

This document contains other information than the annual accounts and consolidated accounts and can be found on pages 1–41, 48–51 and 119–120. The other information also includes the remuneration report which we obtained prior to the date of this auditor's report. The Board of Directors and the Chief Executive Officer are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of the Board of Directors and the Chief Executive Officer

The Board of Directors and the Chief Executive Officer are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS Accounting Standards as adopted by the EU. The Board of Directors and the Chief Executive Officer are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

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In preparing the annual accounts and consolidated accounts The Board of Directors and the Chief Executive Officer are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Chief Executive Officer intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

**Auditor's responsibility**

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions

of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Chief Executive Officer.

- Conclude on the appropriateness of the Board of Directors' and the Chief Executive Officer's, use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within

the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, measures that have been taken to eliminate the threats or related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

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# Report on the annual accounts and consolidated accounts

## Auditor's audit of the administration and the proposed appropriations of profit or loss

### Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Chief Executive Officer of AAK AB (publ.) for the year 2024 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Chief Executive Officer be discharged from liability for the financial year.

### Basis for opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

### Responsibilities of the Board of Directors and the Chief Executive Officer

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner.

The Chief Executive Officer shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

### Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Chief Executive Officer in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's

profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

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## The auditor's examination of the Esef report

### Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Chief Executive Officer have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for AAK AB (publ.) for year 2024.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

### Basis for opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of AAK AB (publ.) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of the Board of Directors and the Chief Executive Officer

The Board of Directors and the Chief Executive Officer are responsible for the preparation of the Esef report in accordance with the Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal

control that the Board of Directors and the Chief Executive Officer determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

### Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The audit firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that

enables uniform electronic reporting of the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Chief Executive Officer, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of the assumptions made by the Board of Directors and the Chief Executive Officer.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHTML format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

### The auditor's examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages 107–112 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR's standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially 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 opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2–6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

KPMG AB, Box 227, 201 22, Malmö, was appointed auditor of AAK AB (publ.) by the general meeting of the shareholders on May 8, 2024. KPMG AB or auditors operating at KPMG AB have been the company's auditor since 2021.

Malmö, April 8, 2025

KPMG AB  
Jonas Nihlberg  
Authorized Public Accountant

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# Financial calendar and *Annual General Meeting*

#### Reporting schedule

AAK AB (publ.) will provide financial information for the 2025 financial year on the following occasions:

- The interim report for the first quarter will be published on April 24.
- The interim report for the second quarter will be published on July 17.
- The interim report for the third quarter will be published on October 23.
- The fourth quarter and year-end report 2025 will be published on February 5, 2026.

Interim reports, press releases, and Annual Reports are available in English and Swedish at [www.aak.com](http://www.aak.com).

#### Annual General Meeting

AAK AB's Annual General Meeting will take place on Thursday, May 8, 2025, in Malmö, Sweden.

#### Notice of Annual General Meeting

Notice of the Annual General Meeting is published in Post- och Inrikes Tidningar and on the company's website, including a complete agenda. In addition, an advertisement regarding the Annual General Meeting being convened will be published in Svenska Dagbladet.

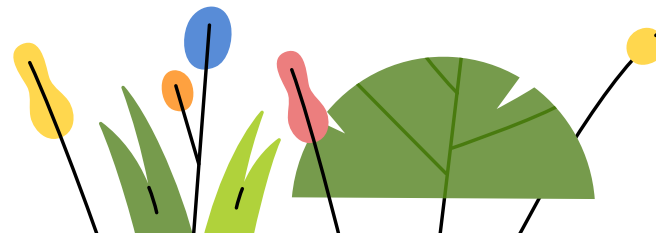
## *Address*

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Corporate identity no. 556669-2850

For further information, please visit our website at [www.aak.com](http://www.aak.com).

This document is a translation of the Swedish language version. In the event of any discrepancies between the translation and the original Swedish AAK Annual Report 2024, the latter shall prevail.



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# Alternative Performance Measures (APMs) *and other financial definitions*

AAK presents Alternative Performance Measures (APMs) that are not defined in the financial reporting framework IFRS. APMs are used as guidance to the Group's management and external stakeholders in their analysis of the Group's operations and are considered as a supplement to the financial statements prepared in accordance with IFRS. AAK uses the following APMs:

Organic volume growth, EBITDA, Operating profit excluding items affecting comparability (IAC), Return on Capital Employed (ROCE), Net working capital, Net debt, Net debt/EBITDA and Equity/asset ratio. See pages 104–106 for calculations. See definitions of the APMs and other performance measures below.

#### Cash and cash equivalents

Cash and bank balances and short-term investments with a maturity of less than three months.

#### Capital employed

Total assets less cash and cash equivalents, other interest-bearing receivables, non-interest-bearing operating liabilities, but excluding deferred tax.

#### Direct yield

Dividend per share in relation to the share price at the reporting date. Expressed in percent.

#### Dividend pay-out ratio

Dividend in relation to the net profit for the year. Expressed in percent.

#### Earnings per share

Net profit for the year attributable to the Parent company shareholders divided by the average number of shares on the reporting date.

#### EBITDA

Earnings before interest, tax, depreciation and amortization.

#### Equity/assets ratio

Equity including non-controlling interests in relation to total assets. Expressed in percent.

#### Equity per share

Equity excluding non-controlling interests divided by the average number of shares on the reporting date.

#### Net debt

Interest-bearing liabilities (incl. pension liabilities and financial leases) less Cash and cash equivalents and other current interest-bearing receivables.

#### Net debt/EBITDA

Net debt in relation to EBITDA calculated on a rolling 12 months basis. Expressed as a multiple of EBITDA.

#### Net working capital

Non-interest-bearing current assets less non-interest-bearing current liabilities.

#### Operating profit excluding items affecting comparability (IAC)

Operating profit excluding acquisition, divestment and restructuring costs and other items affecting comparability if material.

#### Organic volume growth

Total volume growth excluding effects of acquisitions/divestments. Expressed in percent.

#### Return on Capital employed (ROCE)

Operating profit excl. items affecting comparability in relation to average capital employed, calculated on a rolling 12 months basis. Expressed in percent.

#### Share price/equity

Share price in relation to equity per share.



# Everything we do is about Making Better Happen™

We specialize in plant-based oils that are the value-adding ingredients in the products people love to consume. We make these products better tasting, healthier, and more sustainable.

At the heart of AAK's offering is Customer Co-Development, combining our desire to understand what better means for each customer with the unique flexibility of our production assets and deep knowledge across products and industries. 4,000 employees support our close collaboration with customers through 25 regional sales offices, 15 dedicated Customer Innovation Centers and support of more than 20 production facilities.

Listed on Nasdaq Stockholm and with our headquarters in Malmö, Sweden, AAK has been Making Better Happen™ for more than 150 years.



Explore more at  
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