

Press release

Invitation to the Annual General Meeting of AAK AB (publ.)

Special measures due to the coronavirus and covid-19

The safety of visitors at AAK's Annual General Meetings is always a top priority. Due to the coronavirus and covid-19, AAK has decided to take the following special measures at the Annual General Meeting on May 13, 2020:

- No bus transport to and from the Annual General Meeting will be arranged.
- The exhibition area will be closed, and no samples will be offered.
- No meals will be served.
- No gift bags will be handed out.
- The participation of senior executives and board members will be limited.
- Presentations will be shortened or canceled. Furthermore, issues at the Annual General Meeting will be focused on the agenda's decision points. For any general questions, shareholders are welcome to send these in advance to investor@aak.com.

INVITATION

The shareholders of AAK AB (publ.) are hereby invited to attend the Annual General Meeting to be held on Wednesday May 13, 2020 at 2:00 p.m. at the premises of Malmö Arena, Hyllie Stationstorg 2 in Malmö, Sweden. The registration for the Annual General Meeting starts at 1:30 p.m. AAK is closely following the developments with regards to the coronavirus and covid-19 and may, if necessary, take further precautionary measures at short notice. We ask shareholders to follow the company's website, www.aak.com, for updated information.

A. CONDITIONS FOR ATTENDANCE

Shareholders who wish to attend the Annual General Meeting must be recorded in the Shareholders' Register maintained by Euroclear Sweden AB on Thursday May 7, 2020 and must also notify the company of their intention to attend the Annual General Meeting not later than Thursday May 7, 2020. The notification of attendance, which may be made in accordance with any of the alternatives specified below, shall state name, address, day-time telephone number, personal or corporate identity number, and the number of shares held. Shareholders who intend to bring assistance shall notify this within the same time limits as for the notification of their own attendance. Shareholders represented by an authorized representative should enclose a proxy in original to their notification. A proxy form is available on the company's website, www.aak.com, and will be sent by post to shareholders notifying the company and informing the company of their address. Representative of a legal entity shall submit a copy of the registration certificate or corresponding papers of authorization evidencing the persons authorized to act on behalf of the legal entity.

Address: AAK AB, c/o Euroclear Sweden AB, Box 191, SE-101 23 Stockholm, Sweden
(please mark the envelope "Annual General Meeting 2020")
Telephone: +46 8 402 90 45
Website: www.aak.com

In order to participate at the Annual General Meeting, shareholders with nominee-registered shares must request their bank or broker to have the shares temporarily owner-registered with Euroclear Sweden AB. Such re-registration must be executed no later than Thursday May 7, 2020. The shareholders must therefore notify the nominee of their request to have the shares re-registered in due time before Thursday May 7, 2020.

B. AGENDA

1. Opening of the Meeting.
2. Election of Chairman of the Meeting.
3. Preparation and approval of the voting list.
4. Approval of agenda.
5. Nomination of persons to verify the Minutes of the Meeting.
6. Determination of whether the Annual General Meeting has been properly convened.
7. Report by the Managing Director.
8. Presentation of the Annual Report, the Auditor's Report and the Consolidated Financial Statements and the Group Auditor's Report for the financial year 2019.
9. Resolutions as to:
 - a) adoption of the Income Statement and the Balance Sheet and the Consolidated Income Statement and the Consolidated Balance Sheet, as per December 31, 2019;
 - b) appropriation of the company's profit according to the adopted Balance Sheet;
 - c) discharge from liability of the Board of Directors and the Managing Director.
10. Determination of the number of Directors of the Board.
11. Determination of fees to the Board of Directors and auditor.
12. Election of members of the Board of Directors and auditor.
13. Proposal regarding the Nomination Committee.
14. Proposal regarding guidelines for remuneration of senior executives.
15. Proposal regarding authorization for the Board of Directors to resolve on new share issues.
16. Proposal regarding authorization for the Board of Directors to resolve on repurchase and transfer of the company's own shares.
17. Proposal regarding amendment of the Articles of Association.
18. Closing of the Annual General Meeting.

Election of Chairman of the Meeting (item 2)

The Nomination Committee has proposed that Georg Brunstam shall be elected Chairman of the Annual General Meeting 2020.

Proposal regarding the appropriation of the company's profit (item 9 b)

Due to the current market conditions caused by the ongoing spread of the coronavirus, the Board of Directors proposes the Annual General Meeting to resolve that no dividend is distributed for the financial year 2019.

AAK has a robust foundation with a strong financial track record and a solid balance sheet. However, as a precaution due to the current circumstances, the Board of Directors proposes to postpone the resolution on dividend for the financial year 2019. Due to AAK's solid financial position, the Board of Directors makes the assessment that the previously proposed dividend still could be justified. Therefore, the Board of Directors is of the opinion that a resolution on dividend could be taken at an extraordinary general meeting later during 2020 when the effects of the corona pandemic have become clearer and market conditions have stabilized.

Proposal regarding the election of the Board of Directors, auditor and determination of fees (items 10–12)

In respect of the Annual General Meeting 2020, the Nomination Committee consists of Chairman Märta Schörling Andreen (Melker Schörling AB), Henrik Didner (Didner & Gerge Fonder), Leif Törnvall (Alecta) and Åsa Nisell (Swedbank Robur fonder).

The Nomination Committee has proposed the following:

- The number of directors shall be six without any deputy directors.
- The total fee payable to the Board of Directors shall remain unchanged and be SEK 3,480,000 (including remuneration for committee work) to be distributed among the directors as follows: SEK 880,000 to the Chairman and SEK 390,000 to each of the other directors elected at a general meeting and not employed by the company. Remuneration for committee work shall be payable as follows: SEK 250,000 to the Chairman of the Audit Committee and SEK 125,000 to each of the other members of the Audit Committee, SEK 100,000 to the Chairman of the Remuneration Committee and SEK 50,000 to each of the other members of the Remuneration Committee. The auditor shall be remunerated in accordance with agreement.
- Re-election of the Board members Märta Schörling Andreen, Marianne Kirkegaard, Bengt Baron, Gun Nilsson, Georg Brunstam and Patrik Andersson.
- Re-election of Georg Brunstam as Chairman of the Board.
- Re-election of the accounting firm PricewaterhouseCoopers, for a period of mandate of one year, in accordance with the Audit Committee's recommendation, consequently up to and including the Annual General Meeting 2021, whereby the accounting firm has informed that the authorized public accountant Bo Karlsson will be appointed as auditor in charge, thereby replacing Sofia Götmar-Blomstedt.

Proposal regarding the Nomination Committee (item 13)

Shareholders, jointly representing approximately 44 percent of the shares and votes in the company as per February 28, 2020, have notified the company of their proposal regarding Nomination Committee.

Proposal regarding Nomination Committee in respect of the Annual General Meeting 2021

- The Nomination Committee shall have four members.
- Re-election of Märta Schörling Andreen (Melker Schörling AB) and Leif Törnvall (Alecta), and new election of Joachim Spetz (Swedbank Robur fonder) and Elisabet Jamal Bergström (SEB Investment Management) as members of the Nomination Committee in respect of the Annual General Meeting 2021.
- Re-election of Märta Schörling Andreen as Chairman of the Nomination Committee.
- In case a shareholder, represented by a member of the Nomination Committee, is no longer one of the major shareholders of AAK AB, or if a member of the Nomination Committee is no longer employed by such shareholder or for any other reason leaves the Nomination Committee before the Annual General Meeting 2021, the committee shall be entitled to appoint another representative among the major shareholders to replace such member.

Tasks of the Nomination Committee

Prior to the Annual General Meeting 2021, the Nomination Committee shall prepare and submit proposals for the election of Chairman and other members of the Board of Directors, the election of Chairman of the Annual General Meeting, fees to the Board of Directors and auditor and matters related thereto, and, in conjunction with the Audit Committee, election of auditor.

Proposal regarding guidelines for remuneration to senior executives (item 14)

The Board of Directors proposes that the Annual General Meeting resolves on guidelines for remuneration to senior executives as follows.

These guidelines include the CEO and the persons who during the period the guidelines apply are included in the group management. The guidelines are applicable to remuneration agreed, and amendments to remuneration already agreed, after adoption of the guidelines by the Annual General Meeting 2020. These guidelines do not apply to any remuneration decided or approved by the general meeting.

The guidelines' promotion of the company's business strategy, long-term interests and sustainability

AAK's business strategy is described on AAK's website, www.aak.com.

A prerequisite for the successful implementation of the company's business strategy and safeguarding of its long-term interests, including its sustainability, is that the company is able to recruit and retain qualified personnel. To this end, it is necessary that the company offers competitive remuneration. These guidelines enable the company to offer the executive management a competitive total remuneration.

A warrants program has been implemented in the company for senior executives and key employees within the AAK Group. The program has been resolved by the general meeting and is therefore excluded from these guidelines. For more information regarding this program, see AAK's website.

Variable cash remuneration covered by these guidelines shall aim at promoting the company's business strategy and long-term interests, including its sustainability.

Types of remuneration, etc.

The remuneration shall be on market terms and may consist of the following components: fixed cash salary, variable cash remuneration, pension benefits and other benefits. Additionally, the general meeting may – irrespective of these guidelines – resolve on, among other things, share-related or share price-related remuneration.

The satisfaction of criteria for awarding variable cash remuneration shall be measured over a period of one or several years. The annual variable cash remuneration may amount to not more than 110 percent of the fixed annual cash salary.

Pension entitlements for senior executives shall apply from the age of 60 years at the earliest. For the CEO, pension benefits, including health insurance (*Sw: sjukförsäkring*), shall be premium defined. Variable cash remuneration shall not qualify for pension benefits. The pension premiums for premium defined pension shall amount to not more than 30 percent of the fixed annual cash salary. For other senior executives, pension benefits, including health insurance, shall be premium defined unless the individual concerned is subject to defined benefit pension under mandatory collective agreement provisions. Variable cash remuneration shall qualify for pension benefits to the extent required by applicable mandatory collective agreement provisions. The pension premiums for premium defined pension shall amount to not more than 30 percent of the fixed annual cash salary.

Other benefits may include, for example, life insurance, medical insurance (*Sw: sjukvårdsförsäkring*) and company cars. Such benefits may amount to not more than 10 percent of the fixed annual cash salary.

For employments governed by rules other than Swedish, duly adjustments may be made for compliance with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of these guidelines.

Termination of employment

The notice period may not exceed 12 months if notice of termination of employment is made by the company. Fixed cash salary during the period of notice and severance pay may together not exceed an amount equivalent to the fixed cash salary for two years. The period of notice may not exceed six months without any right to severance pay when termination is made by the executive.

In addition, remuneration for any commitment to restrict competition can be paid. Such remuneration shall compensate for any loss of income and shall only be paid to the extent that the former executive has no right to severance pay. The remuneration shall be based on the fixed cash salary at the time of termination and shall be paid during the period the non-compete restriction applies, which shall not exceed 12 months after the termination of employment.

Criteria for awarding variable cash remuneration, etc.

The variable cash remuneration shall be linked to predetermined and measurable criteria which can be financial or non-financial. They can also be individualized, quantitative or qualitative objectives. The criteria shall be designed so as to contribute to the company's business strategy and long-term interests, including its sustainability, by for example being clearly linked to the business strategy or promote the executive's long-term development.

The criteria mainly applied are linked to the development of operating profit, return on capital employed and earnings per share. The criteria thereby contribute to the company's business strategy, long-term interests and sustainability.

To which extent the criteria for awarding variable cash remuneration has been satisfied shall be evaluated/determined when the measurement period has ended. The Remuneration Committee is responsible for the evaluation so far as it concerns variable cash remuneration to the CEO and other executives. For financial objectives, the evaluation shall be based on the latest financial information made public by the company.

Salary and employment conditions for employees

In the preparation of the Board of Directors' proposal for these remuneration guidelines, salary and employment conditions for employees of the company have been taken into account by including information on the employees' total income, the components of the remuneration and increase and growth rate over time, in the Remuneration Committee's and the Board of Directors' basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable.

The decision-making process to determine, review and implement the guidelines

The Board of Directors has established a Remuneration Committee. The committee's tasks include preparing the Board of Directors' decision to propose guidelines for executive remuneration. The Board of Directors shall prepare a proposal for new guidelines at least every fourth year and submit it to the general meeting. The guidelines shall be in force until new guidelines are adopted by the general meeting. The Remuneration Committee shall also monitor and evaluate programs for variable remuneration for the executive management, the application of the guidelines for executive remuneration as well as the current remuneration structures and compensation levels in the company. The members of the Remuneration Committee are independent in relation to the company and company management. The CEO and other members of the executive management do not participate in the Board of Directors' processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

Derogation from the guidelines

The Board of Directors may temporarily resolve to derogate from the guidelines, in whole or in part, if in a specific case there is special cause for the derogation and a derogation is necessary to serve the company's long-term interests, including its sustainability, or to ensure the company's financial viability. As set out above, the Remuneration Committee's tasks include preparing the Board of Directors' resolutions in remuneration-related matters. This includes any resolutions to derogate from the guidelines.

Proposal regarding authorization for the Board of Directors to resolve on new share issues (item 15)

The Board of Directors proposes that the Annual General Meeting authorizes the Board of Directors to, on one or several occasions during the period up until the next Annual General

Meeting, with or without deviation from the shareholders' preferential right, resolve on new issues of shares. The authorization shall also include the right to resolve on new issues of shares with terms concerning issues in kind, offset rights or other terms stated in Chapter 13, Section 5, first paragraph, 6 in the Swedish Companies Act. By resolutions in accordance with the authorization, the number of shares may be increased by a number corresponding to a maximum of ten (10) percent of the number of outstanding shares in the company at the time of when the Board of Directors first uses the authorization.

The purpose of any deviation from the shareholders' preferential right as set out above is to ensure financing of acquisitions of companies, part of companies or businesses or to strengthen the company's capital base and equity/assets ratio. Such issues of shares may not require amendment of the Articles of Association applicable from time to time. The subscription price for directed share issues shall be determined to an amount corresponding to the to the market value of the shares at the time of the issue. In accordance with the conditions set out above, the Board of Directors shall be authorized to resolve on other terms as considered necessary by the Board to carry out the issues.

The Board of Directors further proposes that the Managing Director, or anyone appointed by the Managing Director, shall have the right to make any adjustments that may be necessary in connection with the registration of the resolution with the Swedish Companies Registration Office (*Sw: Bolagsverket*) or Euroclear Sweden AB.

The resolution requires approval from shareholders representing at least two-thirds of both the number of votes cast as well as the shares represented at the general meeting in order to be valid.

Proposal regarding authorization for the Board of Directors to resolve on repurchase and transfer of the company's own shares (item 16)

The Board of Directors proposes that the Annual General Meeting authorizes the Board of Directors to, on one or several occasions during the period up until the next Annual General Meeting, resolve on repurchase and transfer of the company's own shares. Repurchase of shares may be made at a maximum of so many shares that the company's holding does not exceed two (2) percent of the total number of shares in the company from time to time. Repurchase of shares may be made on Nasdaq Stockholm at a price per share within the share price interval registered at that time, where share price interval means the difference between the highest buying price and the lowest selling price. Transfer of shares may be made at a maximum of two (2) percent of the total number of shares in the company from time to time. Transfer may be made with deviation from the shareholders' preferential right on Nasdaq Stockholm as well as to third parties in connection with acquisition of a company or a business. Payment for transferred shares can be made in cash, through an issue in kind or set-off. Transfers of shares on Nasdaq Stockholm may only occur at a price per share within the share price interval registered at that time, where share price interval means the difference between the highest buying price and the lowest selling price. Transfer in connection with acquisitions may be made at a market value assessed by the Board of Directors. The purpose of the authorizations is to give the Board of Directors the opportunity to adjust the company's capital structure and thereby contribute to increased shareholder value and to enable acquisition opportunities by financing acquisitions with the company's own shares.

The resolution requires approval from shareholders representing at least two-thirds of both the number of votes cast as well as the shares represented at the general meeting in order to be valid.

Proposal regarding amendment of the Articles of Association (item 17)

The Board of Directors proposes that the Annual General Meeting resolves on amendment of the Articles of Association in accordance with the below in order to clarify and adapt the Articles of Association to changes in legislation made since the latest amendment of the Articles of Association and upcoming changes due to the implementation of the EU Shareholder Rights Directive.

§ 1

The term “trade name” (Sw: *firma*) has been replaced by the term “company name” by the new Swedish Companies Name Act (Sw: *lag om företagsnamn*). The Board of Directors proposes that the wording in § 1 of the Articles of Association is amended so that the term “trade name” is replaced with “company name”.

§ 8

The Board of Directors proposes that the wording in § 8 of the Articles of Association is amended in accordance with the below to clarify the number of auditors that shall be appointed by the general meeting.

Current wording

To audit the Company’s management and accounts, the General Meeting shall appoint up to two (2) auditors or one (1) registered accountancy firm.

Proposed wording

To audit the Company’s management and accounts, the General Meeting shall appoint *at least one (1) and* up to two (2) auditors or one (1) registered accountancy firm.

§ 10

An expected change of legislation during 2020 will entail that the wording in the current Articles of Association regarding the right to participate at general meetings will be in conflict with applicable law. The Board of Directors therefore proposes that the wording in § 10 of the Articles of Association is amended in accordance with the below so that the reference to the obligation for shareholders who wish to participate at general meetings to be included in the share register five working days prior to the general meeting is removed.

Current wording

Shareholders wishing to attend the General Meeting must be recorded in a transcript or other presentation of the complete share register relating to facts recorded five (5) weekdays prior to the Meeting and must notify the Company of their intention to attend before 4:00 p.m. on the day specified in the notice of the General Meeting. The last-mentioned day may not be a Sunday, any other public holiday, Saturday, Midsummer’s Eve, Christmas Eve or New Year’s Eve and may not occur earlier than on the fifth weekday prior to the Meeting.

A shareholder is entitled to take one or two assistants to the General Meeting; assumed, however that the shareholder notifies the number of assistants to the Company in such manner as stated in the previous paragraph.

Proposed wording

Shareholders wishing to attend the General Meeting must ~~be recorded in a transcript or other presentation of the complete share register relating to facts recorded five (5) weekdays prior to the Meeting and must~~ notify the Company of their intention to attend ~~before 4.00 p.m. on~~ *not later than* on the day specified in the notice of the General Meeting. ~~The last-mentioned~~ *This* day may not be a Sunday, any other public holiday, Saturday, Midsummer’s Eve, Christmas Eve or New Year’s Eve and may not occur earlier than on the fifth weekday prior to the Meeting.

A shareholder is entitled to take one or two assistants to the General Meeting; assumed, however that the shareholder notifies the number of assistants to the Company in such manner as stated in the previous paragraph.

§ 12

The Board of Directors proposes that the wording in § 12 of the Articles of Association is amended so that reference is made to the current wording of the title of the statute, that is the Swedish *Central Securities Depositories and Financial Instruments Accounts Act* (SFS 1998:1479).

The Board of Directors further proposes that the general meeting authorizes the Managing Director, or anyone appointed by the Managing Director, to make any adjustments that may be necessary in connection with the registration of the resolution with the Swedish Companies Registration Office (*Sw: Bolagsverket*).

The resolution requires approval from shareholders representing at least two-thirds of both the number of votes cast as well as the shares represented at the general meeting in order to be valid.

C. AVAILABLE DOCUMENTS AND INFORMATION REGARDING NUMBER OF SHARES AND VOTES IN THE COMPANY

The accounts and the auditor's report (the annual report) and the complete proposals of the Board of Directors with respect to items 14–17 and all related documents will be available to the shareholders at the company as from Wednesday April 22, 2020. Copies of the documents will be sent on request to shareholders who state their postal address and will also be available on the company website www.aak.com and at the Annual General Meeting.

The total number of shares and votes in the company amount to 253,730,934. All shares are of the same class.

D. INFORMATION AT THE ANNUAL GENERAL MEETING

The Board of Directors and the Managing Director shall at the Annual General Meeting, if a shareholder so requests and the Board of Directors believes that it can be done without significant harm to the company, provide information regarding circumstances that (i) may affect the assessment of an item on the agenda, (ii) circumstances that may affect the assessment of the company's or its subsidiaries' financial position or information concerning (iii) the company's relation with other companies within the group.

E. PROCESSING OF PERSONAL DATA

For information about the processing of your personal data, see <https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>.

Malmö in April 2020

AAK AB (publ.)
The Board of Directors

For further information, please contact:

Fredrik Nilsson
CFO
Mobile: +46 708 95 22 21
E-mail: fredrik.nilsson@aab.com

This is a non-official translation of the Swedish original wording. In case of differences between the English translation and the Swedish original, the Swedish text shall prevail.

The information was submitted for publication at 9:00 a.m. CET on April 6, 2020.



*AAK is a leading provider of value-adding vegetable oils & fats. Our expertise in lipid technology within foods and special nutrition applications, our wide range of raw materials and our broad process capabilities enable us to develop innovative and value-adding solutions across many industries – Chocolate & Confectionery, Bakery, Dairy, Special Nutrition, Foodservice, Personal Care, and more. AAK's proven expertise is based on more than 140 years of experience within oils & fats. Our unique co-development approach brings our customers' skills and know-how together with our own capabilities and mindset for lasting results. Listed on Nasdaq Stockholm and with our headquarters in Malmö, Sweden, AAK has more than 20 different production facilities, sales offices in more than 25 countries and more than 3,800 employees. **We are AAK – The Co-Development Company.***

AAK AB (publ.)
Skrivaregatan 9
SE-215 32 Malmö
SWEDEN

Phone +46 40 627 83 00 info@aak.com
Fax +46 40 627 83 11 www.aak.com

556669-2850
SE556669285001
Registered office: Malmö