

Corporate Governance Report for Duni AB (publ)

Duni AB is a Swedish public limited company (publikt aktiebolag), company registration number 556536-7488, which has been listed on the NASDAQ Stockholm Mid Cap list since November 14, 2007. The Company is headquartered in Malmö and its head office is located in Malmö.

Corporate governance framework

Governance takes place via the General Meetings, the Board of Directors and the CEO, as well as Group Management in accordance with, among other things, the Swedish Companies Act, the Swedish Annual Accounts Act, the Swedish Corporate Governance Code ("the Code") and Nasdaq Nordic Main Market's regulations for issuers ("Regulations for Issuers"). Internal governance instruments such as the Articles of Association, the Board of Directors' and CEO's rules of procedure, as well as policies and guidelines, form the framework for how the Company is to be governed. Representatives from management also serve as directors on the boards of subsidiaries.

Duni AB has undertaken to NASDAQ Stockholm to apply the Swedish Corporate Governance Code (the "Code"), which is applied by all Swedish companies whose shares are admitted to trading on a regulated market in Sweden. Duni AB applies the Code in its entirety.

The current Articles of Association were adopted at the Annual General Meeting held on May 4, 2021. Their stipulations include that the registered office shall be in Malmö, that members of the Board of Directors are elected each year for a term of office until the close of the next Annual General Meeting, and that each share shall carry one vote.

The full Articles of Association are available on the website, dunigroup.se. For more information on policies and guidelines, see the Risk section on pages 85–95.

Shareholders

Duni AB (publ) is listed on NASDAQ Stockholm under the ticker name "DUNI". As of December 31, 2024, the share capital amounted to SEK 58,748,790 and consisted of 46,999,032 outstanding ordinary shares. The quotient value of the shares is SEK 1.25 per share.

The number of shareholders on December 31, 2024 was 8,940, compared to 8,612 on December 31, 2023. At the end of the year, Mellby Gård AB was the largest shareholder with a holding of 50.85% of the shares. In May 2024, Mellby Gård AB increased its holding in Duni AB from 40.14% to 50.14%, and Duni Group thus became a subsidiary and was consolidated into the Mellby Gård Group. The Group's three largest shareholders at the year-end were Mellby Gård AB (50.85%), Polaris Capital Management LLC (7.67%) and Carnegie Fonder AB (6.88%).

General Meeting

At the General Meeting, the shareholders decide upon key issues. Among other things, the General Meeting adopts the income statements and balance sheets, resolves upon allocation of the Company's earnings, discharge from liability for the directors and the CEO, election of the Board of Directors and auditors, as well as the remuneration of the Board of Directors and auditors.

Pursuant to the Swedish Companies Act, notice of Duni AB's Annual General Meeting must be issued no earlier than six weeks and no later than four weeks prior to the meeting. Notice shall be given by advertisement in the Swedish Gazette and on the website. The fact that notice has been issued shall be announced in Svenska Dagbladet. In order to participate at the Annual General Meeting, a shareholder must notify the Company no later than the date stated in the notice.

Corporate Governance



Annual General Meeting 2024

The 2024 Annual General Meeting was held on Tuesday, May 21, 2024, in Malmö. 64 shareholders, representing approximately 76% of the voting rights, were present at the General Meeting in person, through postal voting or through proxies. Chairman of the Board Thomas Gustafsson was elected to chair the meeting. All directors and one of four employee representatives were present. Members of Group Management and the auditor were also present. The minutes from the Annual General Meeting are available on the website, dunigroup.se. All resolutions were adopted in accordance with the Nomination Committee's proposals. The reasoning for the resolutions can be found on the website.

Some of the resolutions adopted at the General Meeting were:

- Adoption of income statement and balance sheet
- Dividend of SEK 5.00 per share for the fiscal year 2023
- Discharge from liability for the directors and CEO
- That the Board shall comprise six directors without alternates
- Re-election of all Board members
- Thomas Gustafsson was elected as Chairman of the Board
- The re-election of PwC as auditors
- Changed remuneration to the Board; the Chairman of the Board shall receive SEK 630,000 (610,500) and all other directors shall each receive SEK 337,000 (326,000)
- Changed remuneration of SEK 138,000 (132,000) to the chairman of the Audit Committee and SEK 68,000 (65,000) to other members of the Audit Committee
- Changed remuneration of SEK 71,500 (69,000) to the chairman of the Remuneration Committee and SEK 33,000 (32,000) to other members of the Remuneration Committee
- Adoption of the Board's proposed guidelines for remuneration to senior executives
- Procedures regarding the composition and work of the Nomination Committee;

Annual General Meeting 2025

The next Annual General Meeting of Shareholders will be held on Monday 19 May, 2025 at 3:00 PM at Spill, Stora Varvsgatan 11 (Gångtappen), in Malmö. A notice of the Annual General Meeting, containing the Board's proposals, will be published at the beginning of April 2025. More information is available on the website.

Nomination Committee

The Annual General Meeting decides on the principles for the appointment and work of the Nomination Committee. The Nomination Committee shall consist of the Chairman of the Board and a representative of each of the three largest shareholders as of September 30. The Chairman of the Board convenes the Nomination Committee. The Chairman of the Nomination Committee shall be the member representing the largest shareholder, unless the Nomination Committee unanimously appoints another member. The composition of the Nomination Committee shall be communicated no later than six months before the next Annual General Meeting. The Nomination Committee nominates the persons who, at the Annual General Meeting, are proposed for election to the Board of Directors of Duni AB. Proposals are also produced regarding audit fees, board fees for the Chairman of the Board and other directors, as well as remuneration for committee work. All proposals are presented at the Annual General Meeting as well as in the notice to attend and on the website prior to the Annual General Meeting. The Nomination Committee shall also assess the Board members' independence in relation to the Company and the largest shareholders.

Nomination Committee ahead of the 2024 Annual General Meeting

Ahead of the 2024 Annual General Meeting, the Nomination Committee consisted of four members. Johan Andersson (Mellby Gård AB) was the chairman. The Nomination Committee's reasoned opinion showed that they discussed the size and composition of the Board of Directors on the basis of the Company's business, stage of development and other circumstances. They considered the breadth and variety of the Board members in terms of competence and industry experience, as well as international experience and experience in the area of sustainability and ESG, to be satisfactory. The Nomination Committee has previously considered that the relatively small size of the Board encourages greater efficiency in Board meetings and active engagement. Diversity and gender

were also taken into account. Ahead of the 2024 Annual General Meeting, the Nomination Committee proposed the re-election of all six members, which means a continued proportion of 50% female members. The Nomination Committee also proposed the re-election of Thomas Gustafsson as Chairman of the Board.

The Nomination Committee has applied rule 4.1 of the Swedish Code of Corporate Governance as its diversity policy, which means that the Board shall have a composition appropriate to the Company's business, stage of development and other circumstances, characterized by diversity and breadth in terms of the skills, experience and background of the members elected at the General Meeting, and that an equal gender balance shall be sought. Of the proposed Board members, three were women and three were men. In April 2014, the Swedish Corporate Governance Board announced an ambition level of at least 40% of each gender on the boards of listed companies after the 2020 AGM season. Duni Group's Board of Directors thus meets the requirements for diversity following the 2024 Annual General Meeting. The Annual General Meeting resolved to elect directors in accordance with the proposals of the Nomination Committee.

Nomination Committee ahead of the 2025 Annual General Meeting

Ahead of the 2025 Annual General Meeting, the Nomination Committee shall be composed of representatives of Duni AB's three largest shareholders as of September 30, 2024. Chairman of the Board Thomas Gustafsson convened the Nomination Committee in October 2024, and the composition was presented on October 31, 2024. The Nomination Committee comprises the following members:

Name	Represents	Ownership stake 12/31/2024
Thomas Gustafsson	Chairman of the Board	
Johan Andersson (Chairman)	Mellby Gård AB	40.85%
Bernard R. Horn, Jr.	Polaris Capital Management, LLC	7.67%
Mattias Sjödin	Carnegie Fonder AB	6.88%
Total		55.40%

The Nomination Committee has held two minuted meetings and a couple of status updates ahead of the 2025 Annual General Meeting. During the autumn, individual discussions were held between the Chairman of the Board and each member. The work of the Nomination Committee begins with the Chairman of the Board giving an update on how the Board's year has been and how the business has performed. He also gives an account of his discussions with the members, how he perceives the individual performances and collaboration, and how the composition of the Board is working. The Nomination Committee is of the opinion that the composition of the Board works well. This is an effective Board of Directors, and all directors are duly engaged and committed, including employee representatives. Furthermore, the Nomination Committee considers that the Board consists of a good, relevant mix of education, competence, industry experience, knowledge of sustainability and international experience. As the workload and demands on the Board of Directors have increased significantly in the past year due to new regulations, not least in the area of sustainability, the Nomination Committee proposes to increase the number of Board members from six to seven. This will enable them to distribute work more among themselves and continue to be an effective Board. Following a proposal from Mellby Gård, Nomination Committee members Mattias Sjödin and Bernard R Horn Jr. conducted an interview with Magnus Holmberg, CEO of Mellby Gård's subsidiary Roxtec AB, as a suitable candidate to be a new member. He is proposed for election as a new member, while all current Board members are proposed for re-election at the 2025 Annual General Meeting. Magnus Holmberg is not independent of the Company's largest owner. This means that four members out of seven will be independent of the Company, the Company's management and the largest owner, while three members will be dependent on the Company's largest owner. The Board still meets the Swedish Corporate Governance Board's ambition level for gender balance, as 43% of the members are women. Other elections are presented in the notice of the Annual General Meeting.

Board of Directors

The Board has overall responsibility for the Company's and the Group's organization and administration and decides on the company's strategies, resources, capital structure, organization, acquisitions, major investments, divestments, the annual report

and interim reports, and other overarching issues of a strategic nature. The Board also appoints the CEO, who is responsible for day-to-day management in accordance with the Board's instructions.

In addition, the Chairman of the Board conducts an annual interview-based evaluation of the members, which includes the composition of the Board, individual performance and the Board's work and procedures. The result of this evaluation is reported to the Board and the Nomination Committee. An external evaluation of the Board of Directors is conducted at regular intervals and as required.

The Code contains rules regarding the independence of the directors and imposes the requirement that a majority of the directors must be independent of the Company and company management.

At least two of the directors who are independent of the Company and company management must also be independent in relation to all shareholders who control ten percent or more of the shares or votes in Duni AB. No more than one member of company management may be a member of the Board.

Directors

The directors are elected each year by the Annual General Meeting for a term of office until the close of the next Annual General Meeting. Pursuant to the Articles of Association, the Board shall comprise no fewer than three and no more than twelve directors and employee representatives. Since the Annual General Meeting held on May 21, 2024, the Board comprises six directors and four employee representatives (two directors and two alternates). The CEO is not a member of the Board but usually participates at Board meetings to present matters, as does the CFO. For a more detailed presentation of the directors, see pages 106-107.

The Board's work

The Board meets in accordance with a predetermined yearly plan, and additional meetings are scheduled as needed. This is included in the Board's rules of procedure and is evaluated each year at the inaugural Board meeting. In addition to the Board meetings, the Chairman of the Board, the CEO and the CFO have an ongoing dialog on the management of the Company and weekly status meetings.


The CEO is responsible for implementation of the business plan and the regular management of the Company's affairs as well as the day-to-day operations of the Company. The Board of Directors evaluates the work of the CEO regularly. Robert Dackeskog has been CEO since 2021.

The Board was updated on an ongoing basis about business planning, sales performance, measures and financing. In addition to the regular and extraordinary Board meetings, the Board receives monthly written information in the form of a monthly report containing updates on the Company's sales, operating income and changes in working capital as well as comments on the performance of each business area and market. This also includes a report on the number of injuries that occurred at the production and converting companies during the month. Prior to each Board meeting, the Board also reviews the most recent balance sheet and the cash flow.

The Board held eight minuted Board meetings in 2024. The regular meetings included the following agenda items in 2024:

The regular meetings and the meetings for organizational matters included the following agenda items in 2024:


- The annual accounts, including the auditors' report, the proposed allocation of earnings and the year-end report
- The annual report and approval of the notice of the Annual General Meeting
- Follow-up of the annual audit with the auditor-in-charge
- Interim reports
- Rules of procedure for the Board and the CEO
- Follow-up on activities within the business areas
- Core activities in the 2030 strategy
- Developments within the BioPak Group
- Evaluation and decisions related to logistics facility in Meppen
- Dealing with lower demand, inventory and volatility in raw material prices
- Acquisitions and M&A processes

	Director	Attendance
	Morten Falkenberg (Chairman)	2/2
	Thomas Gustafsson	2/2
	Sven Knutsson	2/2
	Janne Moltke-Leth	1/1

Remuneration Committee

The Remuneration Committee prepares issues concerning remuneration and other benefits for corporate management, while decisions thereon are made by the Board of Directors. The Remuneration Committee shall also follow and evaluate the guidelines for the remuneration of senior executives adopted by the Annual General Meeting. Remuneration and benefits for company management are evaluated through comparisons with market data provided by external sources. Such data show competitive remuneration levels and that the total remuneration package is reasonable and not excessively high. The Remuneration Committee evaluates bonus policies prior to each new year. Once a year, the Remuneration Committee evaluates senior executives and also certain second-tier managers in accordance with a systematic procedure. What is discussed at each meeting is reported by the committee chair at the next Board meeting.

The Remuneration Committee held two meetings in 2024 and at the time of the Annual General Meeting in May comprised three members: Morten Falkenberg (Chairman), Sven Knutsson and Thomas Gustafsson. At the inaugural meeting following the Annual General Meeting in May, it was decided to increase the committee by one member, and Janne Moltke-Leth became the fourth member of the Remuneration Committee. The CEO attends the meetings, except for matters regarding his own remuneration, as does the EVP People & Culture, who serves as secretary at meetings of the Remuneration Committee.

	Director	Attendance
	Pia Marions (Chair)	4/4
	Thomas Gustafsson	4/4
	Sven Knutsson	4/4
	Viktoria Bergman	2/2

Audit & Sustainability Committee

After the Annual General Meeting in May, the Audit Committee changed its name to the Audit & Sustainability Committee. Here, too, the number of members was increased after the inaugural meeting. The Audit & Sustainability Committee works according to an agenda adopted annually and its activities meet the requirements set out in the Swedish Companies Act and the EU Audit Regulation. The Audit Committee is responsible for ensuring the quality of the Company's financial reporting. The Committee also evaluates internal control processes and the management of financial and commercial risks. There is a special item on the annual agenda for fraud and anti-corruption issues. Each meeting has a fixed agenda item on cyber security. During the year, the focus was on sustainability work, the process around the double materiality analysis, the implementation of ESEF/CSRD and the preparation of a sustainability report, as well as cyber security, financing issues and internal control.

The Committee meets regularly with the Company's auditors in order to obtain information regarding the focus and scope of the external audit and to evaluate the work of the external auditors. The evaluation also covers the scope of any non-audit-related work performed by the auditors, as well as reviewing and monitoring the impartiality and independence of the auditor. When preparing a proposal regarding the election of auditors and remuneration for audit work, the Nomination Committee is assisted by the Audit Committee, which shall monitor whether the auditor's term of office exceeds applicable rules, procure audits and submit a recommendation in accordance with the EU Audit Regulation. What is discussed at each meeting is reported by the Committee's chair at the next Board meeting, which is usually held later on the same day.

The Audit & Sustainability Committee held four meetings in 2024 and consists of four members following the Annual General Meeting in May: Pia Marions (chair), Viktoria Bergman (elected in May), Thomas Gustafsson and Sven Knutsson. The CFO, the Group Accounting Manager, the Treasury Manager and the CEO, as well as the auditors, participate in all meetings.

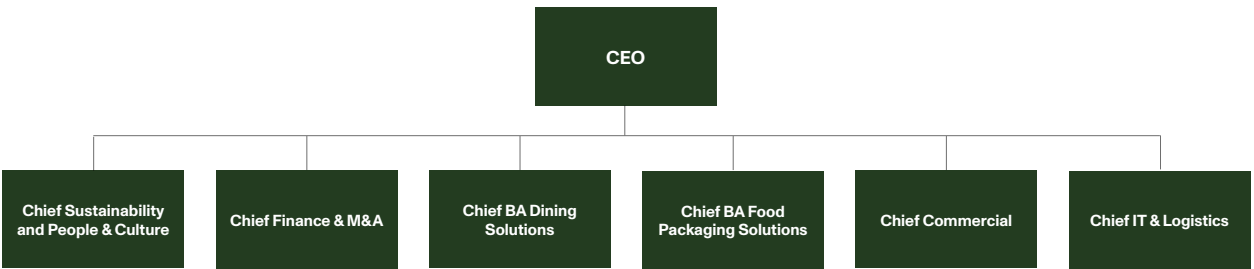
Auditing

At the Annual General Meeting held on May 21, 2024, PricewaterhouseCoopers AB was re-elected as the Company's auditor. Johan Rönnbäck was appointed by PwC as auditor-in-charge. The auditors review the annual financial statements and the Annual Report as well as the Company's ongoing operations and procedures in order to express an opinion regarding the accounts and management by the Board of Directors and the CEO. The audit of the annual financial statements and annual report is conducted in January and February. Thereafter, compliance with the Annual General Meeting's guidelines for remuneration of senior executives is audited. The auditors attended all meetings of the Audit & Sustainability Committee during the year. In October, an interim audit is performed in combination with a general review of the interim report for the third quarter. Alongside Duni AB, Johan Rönnbäck is also auditor-in-charge at companies including Eniro AB and Ascelia Pharma AB, as well as co-authoring auditor at Haldex. Johan Rönnbäck is an authorized public accountant and member of FAR SRS. Apart from the audit engagement, fees to PwC for other engagements during 2024 totaled SEK 2.5 million (2.0). For detailed information about the remuneration of external auditors, see Note 9 Remuneration for auditors.

Board remuneration for the period May 2025 – April 2024

SEK	Board fee	Audit & Sustainability Committee fee	Remuneration Committee fee	Total
Thomas Gustafsson	630,000	68,000	33,000	731,000
Viktoria Bergman	337,000	68,000	–	405,000
Morten Falkenberg	337,000	–	71,500	408,500
Sven Knutsson	337,000	68,000	33,000	438,000
Pia Marions	337,000	138,000	–	475,000
Janne Moltke-Leth	337,000	–	33,000	370,000
Total	2,315,000	342,000	170,500	2,827,500

Group Management 2024



Group Management

The CEO presides over the work of Group Management and adopts decisions in consultation with the other members of the management team, which consists of the heads of business areas and staff functions. During the year, Group Management, including the CEO, consisted of seven persons, one of whom was a woman. Malin Cullin, Chief Sustainability, People & Culture and New Business, left the Company in September. It was decided that her position would be divided into two positions. Katarina Skalare started in September as Interim Chief Sustainability, Communications/IR and New Business. The position of Chief People & Culture was filled on January 1, 2025 by Jenny Bergin, which means that

the management team in 2025 will initially consist of seven people, two of whom are women.

During the year, Group Management held eleven minuted meetings. They also have a brief status meeting every Friday to update each other on current issues. Matters discussed at this year's meetings included M&A and the acquisition of Seti, together with processes and the integration of acquired companies. The evaluation and planning of logistics activities, which led to the decision to collaborate with CEVA Logistics, which will invest in a modern logistics facility in Meppen, Germany, were also prominent on the agenda during the year. There was also a focus on inflation, price

adjustments, sales volumes and inventory management, as well as sustainability issues, legal requirements and EU directives. The annual strategy meeting between the Board and the management team took place in September.

Group Management addresses matters concerning the Group as a whole, as well as individual business areas. The finance department has an item at each meeting to present and review the monthly cash flow, sales and results for each business area, production, logistics and central functions. Regular monitoring of delivery performance, logistics and growth along with other strategic issues, risk management and plans of action were also on the yearly agenda for Group Management.

CEO

Robert Dackeskog has been Chief Executive Officer since January 1, 2021. The Board of Directors has established an instruction for the work and role of the Chief Executive Officer. The CEO is responsible for the day-to-day management of the Group's operations in accordance with guidelines issued by the Board of Directors.

As of December 31, 2024, Robert Dackeskog holds 20,000 shares in Duni AB. He has no ownership interest in companies with which the Group has significant commercial relations. Senior executives between them own 0.1% of the shares in Duni AB as of December 31, 2024. Further information regarding the CEO is provided in Note 16 of the Annual Report.

Remuneration of the Board of Directors

Fees and other remuneration for the Board of Directors, including the Chairman of the Board, are decided upon by the Annual General Meeting. In accordance with a resolution adopted by the Annual General Meeting on May 21, 2024, the annual fee was set at a total of SEK 2,315,000, of which SEK 630,000 is payable to the Chairman of the Board. In addition, a resolution was adopted to set the fee for committee work at a total of SEK 512,500.

The distribution of the remuneration among the members of the Board is shown in the table above.