

ASSA ABLOY remuneration report 2025

Introduction

This remuneration report describes how ASSA ABLOY AB's guidelines for remuneration to senior executives were applied in 2025. The latest version of the remuneration guidelines was adopted by the 2022 Annual General Meeting. The report also provides information on remuneration to the company's President and CEO ("**CEO**") and a summary of the company's outstanding and during the year completed incentive programs. The report has been prepared in accordance with Chapter 8, Sections 53 a and 53 b of the Swedish Companies Act (2005:551) and the Swedish Stock Market Self-Regulation Committee's *Rules on Remuneration of the Board and Executive Management and on Incentive Programs*.

Information required by Chapter 5, Sections 40-44 of the Annual Accounts Act (1995:1554) is available in note 35 (*Employees*) on pages 151–154 in the company's annual report for 2025 (the "**Annual Report 2025**").

Information on the work of the Remuneration Committee in 2025 is set out in the corporate governance report available on pages 55–64 in the Annual Report 2025.

Remuneration of the Board of Directors is not covered by this report. Such remuneration is resolved annually by the Annual General Meeting and disclosed in note 35 (*Employees*) on page 151 in the Annual Report 2025.

Key developments 2025

The CEO summarizes the company's overall performance in his statement on pages 6–7 in the Annual Report 2025.

ASSA ABLOY's remuneration guidelines: scope, purpose and deviations

With the objective that ASSA ABLOY shall continue to be able to recruit and retain competent employees, the basic principle being that remuneration and other employment conditions shall be offered on market conditions and be competitive. The remuneration guidelines enable ASSA ABLOY to offer senior executives a total remuneration that is on market conditions and competitive. Prerequisites are thereby established for successful implementation of the Group's business strategy as well as safeguarding ASSA ABLOY's long-term interests, including its sustainability. Under the remuneration guidelines, the total yearly remuneration to the senior executives shall be on market conditions and be competitive and also reflect each senior executive's responsibility and performance. The total yearly remuneration shall consist of fixed base salary, variable cash remuneration, pension benefits and other benefits. The variable cash remuneration shall be linked to predetermined and measurable financial targets, and can also be linked to strategical and/or functional targets individually adjusted on the basis of responsibility and function. These targets shall be designed so as to contribute to ASSA ABLOY's business strategy and long-term interests, including its sustainability, by for example being linked to the business strategy or promote the senior executive's long-term development within ASSA ABLOY.

The remuneration guidelines are found in note 35 (*Employees*) on pages 151–152 in the Annual Report 2025. During 2025, the company has complied with the applicable remuneration guidelines adopted by the General Meeting. No deviations from the remuneration guidelines have been decided and no deviations from the procedure for implementation of the remuneration guidelines have been made. The auditor's report regarding whether the company has complied with the remuneration guidelines is available

on the company's website www.assaabloy.com/group/en. No variable remuneration has been reclaimed.

In addition to remuneration covered by the remuneration guidelines, the Annual General Meetings of ASSA ABLOY AB have resolved to implement share-based long-term incentive programs ("LTIs") and on remuneration to the Board of Directors.

Table 1 – Total remuneration of the CEO in 2025 (SEK thousands)

Name of Director (position)	Financial year	1 Fixed remuneration		2 Variable remuneration		3	4	5	6
		Base salary	Other benefits	One-year variable ¹	Multi-year variable	Extraordinary items	Pension expense	Total remuneration	Proportion of fixed and variable remuneration
Nico Delvaux (CEO)	2025	28,448	197	20,863	11,146	–	9,700	70,355	Fixed: 55% Variable: 45%

The remuneration stated for the CEO in Table 1 above corresponds to the reported personnel costs for the CEO in note 35 (*Employees*) on page 151 in the Annual Report 2025. The multi-year variable remuneration set out in Table 1, column 2, above, is defined as the company's personnel cost, excluding social charges, related to the CEO for all the existing LTIs for the current year (i.e. IFRS2 cost).

Share-based remuneration

Outstanding and completed incentive programs in 2025

ASSA ABLOY has three outstanding share-based long-term incentive programs (LTI 2023, LTI 2024 and LTI 2025) for senior executives and other key employees in the Group that have been resolved at the Annual General Meetings 2023-2025. In April 2025, vesting of the 2022 share-based long-term incentive program (LTI 2022) took place.

For each Series B share acquired by the CEO within the framework of LTI 2022, LTI 2023, LTI 2024 and LTI 2025, the company has awarded six performance-based share awards. For each Series B share acquired by other members of the Executive Team, the company has awarded five performance-based share awards. For other participants, the company has awarded four performance-based share awards. Each performance-based share award entitles the holder to receive one Series B share in the company free of charge three years after the award date, provided that the holder, with certain exceptions, at the time of the release of the interim report for the first quarter 2025 (LTI 2022), first quarter 2026 (LTI 2023), first quarter 2027 (LTI 2024) and first quarter 2028 (LTI 2025) is still employed by the Group and has maintained the shares acquired within the framework of the respective program. In addition to these vesting conditions, the number of performance-based share awards that entitle the holder to Series B shares in the company depends on the annual development of ASSA ABLOY's earnings per share based on the target levels, as defined by the Board of Directors, during the applicable measurement period: January 1, 2022 – December 31, 2024 (LTI 2022), January 1, 2023 – December 31, 2025 (LTI 2023), January

¹ Variable remuneration earned 2025 and paid in 2026.

1, 2024 – December 31, 2026 (LTI 2024) and January 1, 2025 – December 31, 2027 (LTI 2025), where each year during the applicable measurement period is compared to the previous year. The outcomes are calculated yearly, whereby one third of the performance-based share awards is measured against the outcome for the first year in the measurement period, one third is measured against the outcome for the second year in the measurement period and one third is measured against the outcome for the third year in the measurement period. The outcome for each year is measured linearly. Unless the minimum target level in the interval is achieved for the year, all of the relevant performance-based share awards will lapse. If the maximum target level in the interval is achieved, each performance-based share award linked to the relevant year entitles the holder to one Series B share at the end of the three-year vesting period provided the other vesting conditions are met.

In accordance with the terms of LTI 2022, LTI 2023, LTI 2024 and LTI 2025, employees have acquired a total of 700,688 Series B shares in ASSA ABLOY AB. The CEO, Nico Delvaux, has acquired 12,835 Series B shares in LTI 2022, 13,770 Series B shares in LTI 2023, 12,321 Series B shares in LTI 2024 and 13,388 Series B shares in LTI 2025.

The performance-based condition was fulfilled to 100 percent for LTI 2022. Fulfilment of the performance-based condition for LTI 2023, LTI 2024 and LTI 2025, respectively, is intended to be presented in the annual report for the financial years 2025, 2026 and 2027, respectively.

The total number of outstanding performance-based share awards for LTI 2023, LTI 2024 and LTI 2025 amounted to 2,217,315 on the reporting date of December 31, 2025.

Fair value is based on the share price on the respective award date. The fair value of ASSA ABLOY's Series B share on the award date for LTI 2025 of June 12, 2025, was SEK 305.20. The fair value of ASSA ABLOY's Series B share on the award date for LTI 2024 of June 13, 2024, was SEK 311.30. The fair value of ASSA ABLOY's Series B share on the award date for LTI 2023 of June 9, 2023, was SEK 255.90. The fair value of ASSA ABLOY's Series B share on the award date for LTI 2022 of June 2, 2022, was SEK 242.70.

The total cost of LTI 2022-LTI 2025 excluding social security costs and financing costs and before income tax amounted to SEK 110 million in 2025. The LTI cost is adjusted for performance-based share awards not expected to be realized at the end of the vesting period of the respective program. The company further assesses the probability that the performance-based conditions will be achieved when calculating the cost.

In April 2025, vesting of LTI 2022 took place equivalent of 581,001 Series B shares at a total market value at the time of vesting of SEK 181 million. Please see Tables 2 and 3 b for details regarding the CEO, Nico Delvaux.

Table 2 – Share award plans (LTI)

Name of Director (position)	The main conditions of share award plans					Information regarding the reported financial year 2025					
						Opening balance	During the year		Closing balance		
	1 Name of plan	2 Performance period ²	3 Award date performance awards	4 Vesting Date	5 End of retention period	6 Performance awards held at the beginning of the year	7 Number of performance awards awarded	8 Number of shares vested	9 Performance awards subject performance condition in order to be awarded ³	10 Performance awards awarded and unvested at year end ⁴	11 Performance awards subject to a retention period ⁵
Nico Delvaux (CEO)	LTI 2022	2022-2024	June 2, 2022	As soon as possible after the release of the interim report for Q1 2025	Vesting Date	77,010	-	79,511 ⁶	-	-	-
	LTI 2023	2023-2025	June 9, 2023	As soon as possible after the release of the interim report for Q1 2026	Vesting Date	82,620	-	-	-	82,620	-
	LTI 2024	2024-2026	June 13, 2024	As soon as possible after the release of the interim report for Q1 2027	Vesting Date	73,926	-	-	-	73,926	-
	LTI 2025	2025-2027	June 12, 2025	As soon as possible after the release of the interim report for Q1 2028	Vesting Date	-	80,328	-	-	80,328	-
Total						233,556	80,328	79,511	-	236,874	-

² Measurement period.

³ All performance awards are granted at the launch of the relevant program.

⁴ All performance awards remain unvested until the relevant Vesting Date. To make the participants' interest equal with the shareholders' the company will compensate the participants for distributed dividend during the vesting period ((i.e. until the relevant Vesting Date) by increasing the number of Series B shares that each performance award gives right to after the vesting period for the relevant program. Hence, the final number of Series B shares received at vesting will be adjusted at the time of vesting.

⁵ Neither the performance awards nor the Series B shares received upon vesting are subject to post-vesting retention.

⁶ Compensation included for distributed dividend during the vesting period.

Application of performance criteria

The performance measures for the CEO's variable remuneration have been selected to deliver ASSA ABLOY's business strategy and to encourage behavior, which is in ASSA ABLOY's long-term interest, including its sustainability. In the selection of performance measures, the strategic objectives and short-term and long-term business priorities for 2025 have been taken into account. Please refer to page 163 (*Definitions of key ratios*) in the Annual Report 2025 for a general description of financial performance measurements.

Table 3 a – Performance of the CEO in the reported financial year 2025 - short-term variable compensation (STI)

Name of Director (position)	1 Description of the criteria related to the remuneration component	2 Relative weighting of the performance criteria	3 a) Measured performance and b) actual award/ remuneration outcome, SEK thousands
Nico Delvaux (CEO)	Improvement earnings per share (EPS) ⁷	90%	a) EPS year on year improvement
			b) 18,777 (100% fulfillment of the performance-based condition)
	Operating cash flow/income before tax ⁸	10%	a) Operating cash flow/income before tax ⁹
			b) 2,086 (100% fulfillment of the performance-based condition)

Table 3 b – Performance of the CEO in the reported financial year 2025 - long-term variable compensation (LTI)

Name of Director (position)	Name of the plan	1 Description of the criteria related to the remuneration component	2 Relative weighting of the performance criteria	3 a) Measured performance and b) actual award/ remuneration outcome, SEK thousands ¹⁰
Nico Delvaux (CEO)	LTI 2022	Improvement earnings per share (EPS) ¹¹ over three years	100%	a) EPS year on year improvement (100% fulfillment of the performance-based condition)
				b) 22,366 ¹²
	LTI 2023	Improvement earnings per share (EPS) ¹³ over three years	100%	a) EPS year on year improvement
				b) -
	LTI 2024	Improvement earnings per share (EPS) ¹⁴ over three years	100%	a) EPS year on year improvement
				b) -
	LTI 2025	Improvement earnings per share (EPS) ¹⁵ over three years	100%	a) EPS year on year improvement
				b) -

⁷ Earnings per share is defined as the company's earnings per share after tax and dilution, excluding items affecting comparability and currency effects.

⁸ Operating cash flow in relation to income before tax excluding items affecting comparability.

⁹ Operating cash flow in relation to income before tax excluding items affecting comparability.

¹⁰ The performance awards remain unvested till the end of the relevant vesting period (i.e. until the relevant Vesting Date set out in Table 2). In 2025, no performance awards for LTI 2023, LTI 2024 and LTI 2025 have vested. The cost of LTI 2022-LTI 2025, set out in Table 1, column 2 under multi-year variable remuneration, is allocated over the three year vesting period, calculated in accordance with IFRS2.

¹¹ Earnings per share is defined as the company's earnings per share after tax and dilution, excluding items affecting comparability and currency effects.

¹² The value corresponds to the number of Series B shares for LTI 2022 received on the Vesting Date multiplied with the average share price on the Vesting Date.

¹³ Earnings per share is defined as the company's earnings per share after tax and dilution, excluding items affecting comparability and currency effects.

¹⁴ Earnings per share is defined as the company's earnings per share after tax and dilution, excluding items affecting comparability and currency effects.

¹⁵ Earnings per share is defined as the company's earnings per share after tax and dilution, excluding items affecting comparability and currency effects.

Comparative information on the change of remuneration and company performance

Table 4 – Change of remuneration and company performance over the last five reported financial years

Annual change	2021 vs 2020	2022 vs 2021	2023 vs 2022	2024 vs 2023	2025 vs 2024	2025
CEO remuneration	SEK 15.0 M (43.0%)	SEK 1.9 M (3.9%)	SEK 5.9 M (11.4%)	SEK 6.5 M (11.2%)	SEK 6.3 M (9.8%)	SEK 70.4 M
Group operating income ¹⁶	SEK 1,723 M (13.8%)	SEK 4,351 M (30.7%)	SEK 3,253 M (17.6%)	SEK 2,490 M (11.4%)	SEK -1,124 M (-4.6%)	SEK 23,151 M
Average remuneration on a full-time equivalent basis of employees of the company (ASSA ABLOY AB) ¹⁷	SEK 120 k (13.4%) ¹⁸	SEK 47 k (4.7%) ¹⁹	SEK 41 k (4.0%) ²⁰	SEK 21 k (2.0%) ²¹	SEK 77 k (6.9%) ²²	SEK 1,176 k ²³

Additional information

Call options issued by shareholders to the CEO

Pursuant to an agreement dated February 7, 2018, between the CEO, Nico Delvaux, and Latour Förvaltning AB ("**Latour**") and Melker Schörling AB ("**MSAB**"), Latour and MSAB issued in total 94,787 call options to Nico Delvaux with the right to acquire the same number of Series B shares in ASSA ABLOY AB from Latour and MSAB. The purchase price was SEK 21.10 per call option and the transaction date was February 7, 2018. The call options were sold at market price, ensured through an external independent valuation. On February 8, 2024, Nico Delvaux exercised 50,000 call options and purchased 50,000 Series B shares, and on February 6, 2025, he exercised the remaining 44,787 call options and purchased 44,787 Series B shares. Following the exercise in 2025, Nico Delvaux holds no call options in ASSA ABLOY AB as per December 31, 2025.

CEO's total holdings of shares in ASSA ABLOY AB

The CEO, Nico Delvaux, holds in total 530,372 Series B shares as per December 31, 2025.

Description of how the views of shareholders' have been taken into consideration

A few comments on the remuneration report 2024 have been received in connection with general meeting proceedings. The comments have been reported to the Remuneration Committee and have been considered not to prompt any changes.

¹⁶ Group operating income is defined as income before financial net, and taxes on income, including items affecting comparability.

¹⁷ Excluding members of the Executive Team employed in ASSA ABLOY AB and the CTO.

¹⁸ Average remuneration 2020 calculated on 245 employees.

¹⁹ Average remuneration 2021 calculated on 202 employees.

²⁰ Average remuneration 2022 calculated on 247 employees.

²¹ Average remuneration 2023 calculated on 243 employees.

²² Average remuneration 2024 calculated on 239 employees.

²³ Average remuneration 2025 calculated on 233 employees.