

Board of Directors' proposal for guidelines for remuneration and other terms of employment for senior executives

The Board's proposal for remuneration guidelines for the 2025 Annual General Meeting is consistent with the guidelines decided at the 2021 Annual General Meeting, with the exception of minor editorial changes due to, among other things, the change of the company name to HAKI Safety AB.

Guidelines for remuneration and other terms of employment for senior executives

These guidelines apply to members of Group Management. The guidelines are forward-looking, i.e. they are applicable to remuneration and amendments to remuneration agreed after they were adopted by the 2025 Annual General Meeting. These guidelines do not apply to any remuneration decided on or approved by the Annual General Meeting.

HAKI Safety is an international industrial Group, focusing on safety products and solutions that create safe working conditions for everyone working in challenging environments. The company offers a wide range of products and solutions within work zone safety, system scaffolds, and digital and technical solutions that help customers achieve safety and efficiency in their various environments. The products are developed, manufactured and sold to customers active in infrastructure, energy, industry, aviation, rail and construction and civil engineering, mainly in Europe and North America. HAKI Safety strives to develop and strengthen the Group based on seven strategic pillars that individually and collectively contribute to the Group achieving its goals. For more information about the company's strategy, refer to the latest annual report, available at www.hakisafety.com/investors/reports-presentations.

A prerequisite for successfully implementing HAKI Safety's strategy and safeguarding the Group's long-term interests is that HAKI Safety can recruit and retain qualified employees. To this end, it is necessary for HAKI Safety to offer competitive remuneration. These guidelines offer senior executives a competitive total remuneration. The aim of the variable cash salary covered by these guidelines is to promote the Group's strategy and long-term interests, including its sustainability profile.

Types of remuneration

HAKI Safety shall offer a market-based total compensation that enables the recruitment and retention of senior executives. The remuneration of senior executives may comprise a fixed cash salary, a variable cash salary, pensions, and other remuneration and benefits. The General Meeting may also – independently of these guidelines – decide on, for example, share- and share price-related remuneration.

A variable cash salary may be paid to create incentives for achieving specified targets. Fulfilment of criteria for payment of variable cash remuneration shall be measurable over a period of one or several years. The variable cash remuneration shall not exceed 40 percent of the total fixed cash salary during the measurement period for such criteria.

Senior executives shall be entitled to pensions, including health insurance, which shall be defined contribution schemes. Variable cash salary shall not be pensionable. Pension premiums for defined contribution pensions shall amount to a maximum of 35 percent of the fixed annual cash salary.

Other remuneration and benefits must be on market terms and contribute to facilitating senior executives' ability to perform their duties. Examples of other compensation and benefits include health insurance and car benefits. Such benefits may amount to a maximum of 10 percent of the fixed annual cash salary.

Termination of employment

Upon termination of employment, the notice period shall be a minimum of three and a maximum of twelve months. Fixed cash salary during the notice period and severance pay may not exceed an amount equivalent to the fixed cash salary for two years for the CEO and one year for other senior executives.

Criteria for distribution of variable cash salary, etc.

The variable cash salary shall be linked to specified, predetermined, and measurable targets, which may be financial or non-financial. They may also consist of individually tailored quantitative or qualitative targets. The criteria shall be designed to promote HAKI Safety's strategy and long-term interests, including its sustainability profile, by, for example, having a clear link to operating results and strategic acquisitions, as is currently the case.

When the measurement period for fulfilling the criteria for payment of variable cash salary has ended, the extent to which the criteria have been fulfilled shall be determined. The Remuneration Committee is responsible for assessing the variable cash salary of the CEO. Regarding financial targets, the assessment shall be based on the most recent financial information published by HAKI Safety.

Salary and employment conditions for employees

In preparing the Board of Directors' proposal for these remuneration guidelines, current salary and employment conditions for HAKI Safety employees have been taken into account. Information on the employees' total income, the components of the remuneration, and its increase and growth rate over time have been part of the Remuneration Committee and the Board of Directors' decision on whether the guidelines and the limitations set out herein are reasonable.

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 remuneration guidelines for senior executives. The Board of Directors is required to prepare a proposal for new guidelines at least every fourth year and submit it to the Annual General Meeting. The guidelines shall remain in effect until new guidelines are adopted by the Annual General Meeting. The Remuneration Committee shall also monitor and evaluate variable remuneration programs for senior executives, the application of guidelines for remuneration to senior executives, and the current remuneration structures and levels within the Group.

The members of the Remuneration Committee are independent from HAKI Safety and its senior executives. The Board has delegated to the Remuneration Committee the task of negotiating remuneration with the CEO and has authorised the CEO to negotiate remuneration with other members of Group Management. Final agreements are presented to the Board. The CEO, including other Group Management members, do not participate in the Board of Directors' processing of and resolutions regarding remuneration-related matters in so far as they are affected by the same.

Derogation from the guidelines

The Board of Directors may temporarily derogate from the above 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 HAKI Safety's long-term interests, including its sustainability strategy or to ensure Group's financial viability. As set out above, the Remuneration Committee's tasks include preparing the Board of Directors' resolution in remuneration-related matters. This includes any resolution to derogate from the guidelines.

Shareholder's views

The Board of Directors has not received any views from the shareholders on the guidelines of remuneration for senior executives.

This is a translation of the original Swedish version. If there are any differences between this translation and the original Swedish language, the latter shall prevail.