

Experience a safer and more open world

Annual Report 2025

ASSA ABLOY is the global leader in access solutions. Every day we help people feel safe, secure and experience a more open world.



Our vision is to be the global leader in providing innovative access solutions that help people feel safe and secure so that they can experience a more open world.

Securing sustainable, profitable growth

Our targets

10%

Annual growth through a combination of organic and acquired growth over a business cycle

16–17%

Operating margin over a business cycle

25%

Sales from products launched in the last three years





Contents



Introduction	4	Report of the Board of Directors	46
The year in brief	4	Significant risks and risk management.....	50
Statement from the CEO.....	6	The Board of Directors' proposal of guidelines for remuneration to senior executives	53
Highlights in 2025.....	8	Corporate governance	55
Acquisitions in 2025	9	Board of Directors.....	59
Who we are	11	Executive Team	61
The global leader in access solutions.....	12	Internal control – financial reporting.....	64
ASSA ABLOY in your daily life	14	Sustainability statement	65
Value-creating business model.....	16	General information	73
People.....	17	Environmental information	89
Innovation	18	Social information	102
Sustainability	20	Governance information.....	112
ASSA ABLOY as an investment	21	Financial statements	119
How we create shareholder value	22	Accounts.....	120
Good industry to be in	23	Notes.....	132
A leading market position	25	Five years in summary.....	161
A well-proven strategy	27	Comments on five years in summary	162
Divisional overview	34	Definitions of key ratios.....	163
Overview	35	Board of Directors and CEO assurance.....	164
Opening Solutions EMEIA.....	36	Auditor's report.....	165
Opening Solutions Americas.....	38	Auditor's limited assurance report on ASSA ABLOY AB (publ)'s sustainability statement ..	170
Opening Solutions Asia Pacific.....	40	Shareholder information	172
Global Technologies.....	42	The ASSA ABLOY share.....	172
Entrance Systems	44	Information for shareholders	175
		Financial calendar.....	175
		Contact details.....	176

Introduction

→ The year in brief
Statement from the CEO
Highlights in 2025
Acquisitions in 2025

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Financial statements

The year in brief

Strong financial result in an uncertain global market

- Sales increased by 1% to SEK 152,409 M (150,162), driven by strong acquired growth of 5% and good organic growth of 3%, partly offset by negative currency effects of 7%.
- Operating income (EBIT) increased by 2% to SEK 24,664 M (24,296) with an operating margin of 16.2% (16.2).
- Operating cash flow was SEK 22,660 M (23,052) with a cash conversion of 106% (110).
- Earnings per share grew by 2% to SEK 14.34 (14.09).
- The 10th Manufacturing Footprint Program (MFP10) was launched, which will generate savings of SEK 1 bn.
- 23 acquisitions were completed, and one business was divested.

Innovation

- More than 700 new products and solutions were launched.
- Over 230 new patents were registered.
- Approximately 23% of sales were generated by products launched in the past three years.

Sustainability

- The sustainability program to 2025 was completed and we exceeded most targets.
- A new sustainability program was launched for 2030, with increased ambition across all focus areas and a new target related to sustainability-driven innovation.



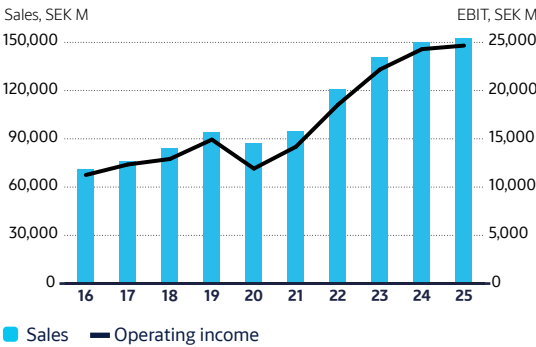
“Customer focus and innovation were key drivers for the strong performance during the year.”

Key figures

	2024	2025	Change
Sales, SEK M	150,162	152,409	+1%
Organic growth, %	−1	+3	
Acquired growth, net total, %	+8	+5	
Exchange rate effects, %	0	−7	
Operating income (EBIT), SEK M ¹	24,296	24,664	+2%
Operating margin, % ¹	16.2	16.2	0 bps
Income before tax (EBT), SEK M ¹	20,914	21,335	+2%
Operating cash flow, SEK M	23,052	22,660	−2%
Return on capital employed, % ¹	14.4	14.2	−20 bps
Dividend, SEK/share	5.90	6.40 ²	+8%

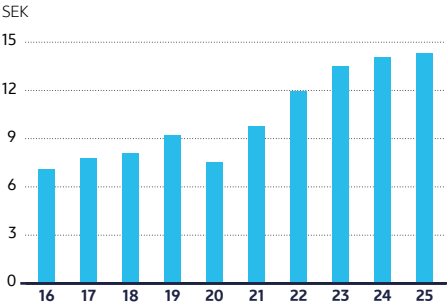
¹ Excluding items affecting comparability.
² As proposed by the Board of Directors.

Sales and operating income (EBIT)¹



¹ Excluding items affecting comparability.

Earnings per share¹



¹ Excluding items affecting comparability.

Introduction

- The year in brief
- Statement from the CEO
- Highlights in 2025
- Acquisitions in 2025

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Financial statements

Targets and outcomes

We have set ambitious targets that reflect our commitment to long-term profitable growth, innovation, and sustainability.

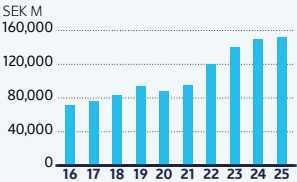
The financial targets are set to balance growth with a return rate that can generate substantial and sustainable value.

The targets set in the sustainability program include ambitious emission-reduction targets, marking an important milestone on our journey toward achieving net-zero emissions no later than 2050.

Over a business cycle

10%

Annual growth through a combination of organic and acquired growth

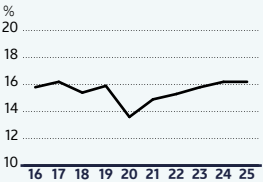


Growth

Sales grew by 1% in 2025, driven by strong net acquired growth of 5% as a result of 23 acquisitions. The organic sales growth was 3%, driven by key strategic priorities such as the transition to electromechanical products and solutions, and growth in service and SaaS solutions. The organic and acquired growth was partly offset by negative currency effects of 7%.

16–17%

Operating margin excluding items affecting comparability

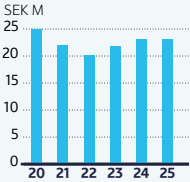


Margin

The adjusted operating margin was stable at 16.2%, in line with the financial target despite dilution of 60 bps from acquisitions and divestments. The operating leverage was strong, driven by price realization, the implementation of MFP10 and other cost-efficiency measures.

25%

New product ratio



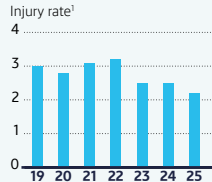
Innovation

The new product ratio, which represents sales generated by products launched in the past three years, was 23% in 2025. The ratio increased across all divisions. Global Technologies has the highest ratio, driven by its technology-focused product portfolio. In 2025, we launched over 700 products.

Target 2025 vs. 2019 base year

–33%

Injury rate



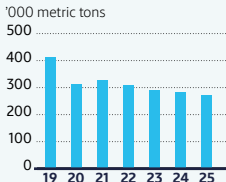
¹ Number of injuries per million hours worked.

Injury rate

The injury rate decreased by 3% in 2025 compared to last year and has decreased by 27% compared to the 2019 base year. If adjusting the 2019 base for acquisitions, the injury rate decreased by 36%. The Group continued to introduce systematic actions throughout the organization and especially in new acquisitions with initiatives and awareness campaigns to reduce the injury rate.

–25%

Carbon footprint



Carbon footprint

Our absolute Scope 1 & 2 carbon emissions decreased by 3% versus last year, driven by installation of more efficient equipment and renewable energy projects. The Scope 1 & 2 carbon emissions have decreased by 34% compared to the 2019 base year.

Introduction

The year in brief

→ Statement from the CEO

Highlights in 2025

Acquisitions in 2025

Who we are**ASSA ABLOY as an investment****Divisional overview****Report of the Board of Directors****Financial statements**

Record year in a challenging market

I am happy to report that ASSA ABLOY has once again delivered record results, with sales reaching SEK 152,409 M with an operating income of SEK 24,664 M. This is a result to be especially proud of given the challenging market conditions on the residential side, tariffs, and global geopolitical uncertainty. Continued investments in product development and local presence have accelerated organic growth, while the completion of 23 acquisitions during the year further strengthened ASSA ABLOY's position. We successfully concluded our sustainability program to 2025, exceeding most targets, and launched a new, ambitious program extending to 2030. ASSA ABLOY is uniquely positioned to continue leading the industry and driving long-term profitable growth.

SEK M
152,409

sales

SEK M
24,664

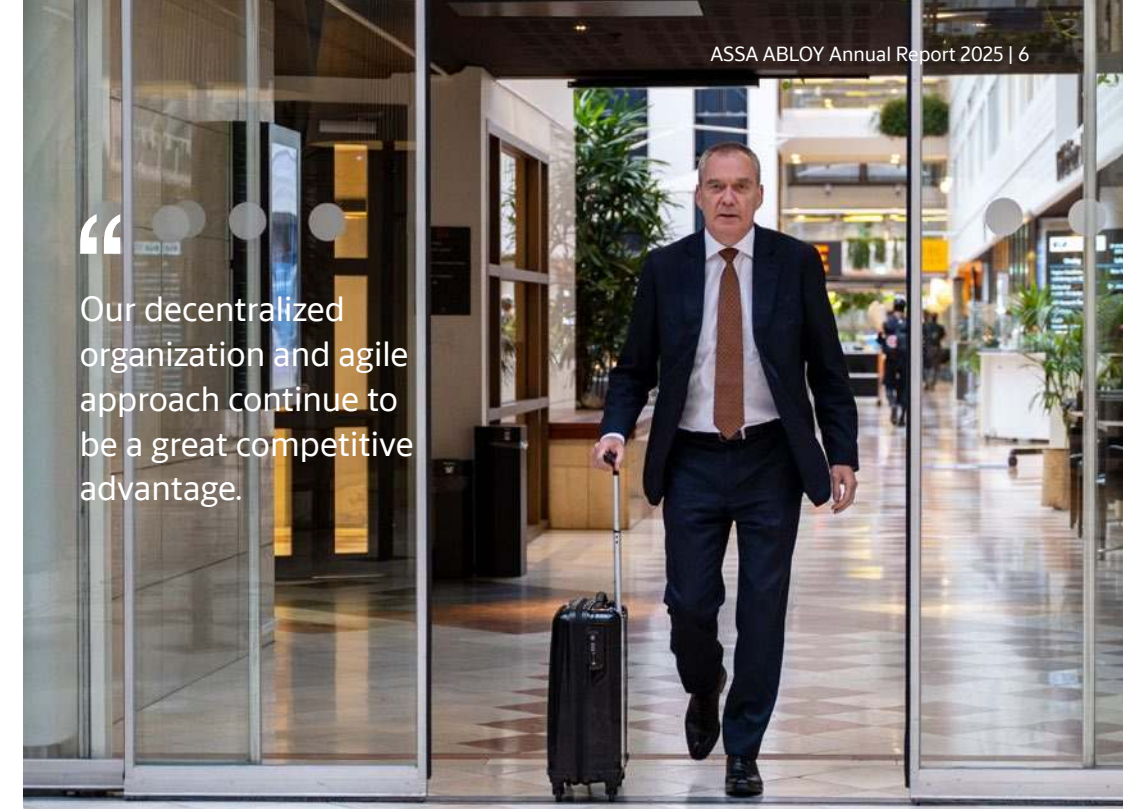
operating income

SEK M
22,660

operating cash flow

While markets were challenging in 2025, particularly on the residential side and under pressure from tariffs and geopolitical uncertainty, our decentralized organization and agile approach continue to be a great competitive advantage. During the year, demand for access solutions gradually increased in most of our core markets. We saw continued strong demand in the non-residential segments, while residential demand started to stabilize.

The sales growth was 1%, driven by 3% organic sales growth and 5% net acquired growth, which was partly offset by negative currency effects of 7%. There is strong demand for upgrades to electromechanical and digital solutions and the transition is gaining momentum. Our electro-mechanical sales in the regional divisions grew



“ Our decentralized organization and agile approach continue to be a great competitive advantage.”

organically by 7% in 2025. ASSA ABLOY is leading this technology shift, thanks to the many years we have invested in and focused on innovation, product development and complementary acquisitions. The transition also drives recurring revenue opportunities, and subscription-based sales now represent nearly 6% of total sales.

We completed 23 acquisitions and divested one business during the year. The largest, InVue, generated SEK 1,790 M in sales in 2025 with retail asset protection solutions.

The operating income grew by 2% to a record SEK 24,664 M, with an operating margin of 16.2% (16.2). The operating leverage was excellent at 46%, supported by price realization, value analysis and value engineering (VA/VE), and more than

SEK 800 M in savings from our Manufacturing Footprint Programs (MFP). During the year, we launched the 10th MFP, which will generate SEK 1 billion in savings through nearly 60 projects, including factory, warehouse, and office consolidations across all divisions.

Positive development in all divisions

Following a period of lower organic growth in EMEIA, overall growth accelerated during the second half of the year. The non-residential market remained strong. Meanwhile, residential demand showed signs of stabilization, driven by renovation and replacement activity. EMEIA delivered good organic growth of 2% and the operating margin improved by 30 bps to 14.5%.

Introduction

The year in brief

→ Statement from the CEO

Highlights in 2025

Acquisitions in 2025

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Financial statements

Americas achieved good organic growth of 3%, fueled by commercial and institutional markets, though the US residential market remained weak. The operating margin was 18.0%, down 50 bps compared to last year due to dilution from acquisitions. We continued to realize synergies according to plan in the North America Residential segment.

Asia Pacific saw mixed development with organic sales declining 3% as the Chinese residential market remained very weak. The operating margin improved substantially by 120 bps to 8.0% as a result of cost reductions in China and improved profitability in the rest of the division.

Global Technologies delivered strong organic growth of 7% with contribution from both HID and Global Solutions. We saw strong development in most of the business areas in the division. The operating margin improved by 30 bps to 17.8%.

Entrance Systems' achieved 2% organic sales growth. Loading dock sales started to recover in the Industrial segment during the second half of the year, and service continued to contribute to good organic growth. The operating margin was stable at 17.2% despite a 100 bps dilution from acquisitions.

Accelerating profitable growth

ASSA ABLOY operates in a good industry where strong trends such as the need for safety and security, new technological developments, urbanization, demand for energy-efficient solutions, and the introduction of more stringent standards and regulations, drive long-term demand for access solutions. As the global leader in access solutions, we are uniquely positioned to capture all these opportunities.



Leadership Summit 2025

We remain strongly customer focused and innovation driven. During the year, we launched more than 700 new products, and 23% of sales were generated from products launched in the past three years. Our financial results show that our R&D investments are paying off and creating sustainable customer value.

Behind these achievements are our people, our most important asset. We invest more than ever in training and coaching our people and leaders, further strengthening our culture, and we continue to make very good progress with internal mobility, diversity and internal promotion. In June, we hosted a global leadership summit themed “Together we reach higher” to share best practices, enhance cross-divisional collaboration, and explore new ways to serve customers more effectively and drive profitable growth.

Strong customer demand for sustainable access solutions

Our sustainability efforts are an important commercial driver, and for many years they have been integrated into our operations and

our product development from the concept stage to end-of-life. Customer demand remains strong for sustainable solutions, and customers increasingly require environmental product declarations (EPD's) for building certifications like LEED and BREEAM. During the year, we developed a new tool to accelerate the number of EPD's offered to customers going forward – a key driver to remain our customer's partner of choice.

Our fourth sustainability program was successfully completed in 2025. I am proud to say that we made significant performance improvements and exceeded most of our targets.

During the year, we launched our new sustainability program to 2030, in which we have yet again raised our ambition level, building on the success and momentum of our previous programs. We will target further reductions in carbon emissions, energy, water, and waste intensity, injury rate, and increase the supplier sustainability audits. We have also introduced a new target for innovation that will focus on further reducing Scope 3 emissions.

Uniquely positioned to continue leading the industry

Looking ahead, we are confident that our strong position will continue, driven by a series of exciting product launches and acquisitions in recent years, our unique decentralized and agile organization and our well-proven strategy. Supported by effective cost control and ongoing efficiency improvements, these strengths position us to accelerate profitable growth. For more information on our strategy, see pages 27–32.

Closing another successful year, it is obvious that ASSA ABLOY continues to make strong progress as the global leader in access solutions. This progress is made possible by our dedicated employees and the trust of our customers, partners, suppliers, and shareholders.

Thank you for your trust.

Stockholm, March 11, 2026

Nico Delvaux
President and CEO

Introduction

The year in brief
Statement from the CEO
→ Highlights in 2025
Acquisitions in 2025

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Financial statements

Highlights in 2025

Cost-efficiency in everything we do

In 2025, we took significant steps to strengthen our cost-efficiency and operational excellence:

- **The 10th Manufacturing Footprint Program (MFP10)** was launched, including nearly 60 projects across all divisions that will deliver annualized efficiency improvements of SEK 1 bn. The restructuring cost for the program of SEK 1,284 M will have a payback period of less than two years.
- The MFP's contributed with **annualized savings** of more than SEK 0.8 bn in 2025.
- Additional **lean and continuous improvement initiatives** generated further savings of approximately SEK 0.4 bn in savings during the year.

Focused sustainability efforts

We continued to invest to reduce costs and support our long-term sustainability goals:

- Installed more than 5.5 MWp of renewable energy across our sites, including our largest solar array of 4.5 MWp at Zhongshan, China – covering 30% of the site's electricity needs and generating significant cost savings.
- At our site in Porto Feliz, Brazil, advanced water recycling technology now allows 98% of water to be reused, reducing consumption and water costs significantly.
- We now have a total of 318 verified Environmental Product Declarations (EPD's) – a key focus area to be the preferred supplier for our customers.

Leading with digital innovation

Our focus on new technologies continues to accelerate the transition to electromechanical and digital solutions across ASSA ABLOY:

7%
organic electromechanical sales growth in the regional divisions

12%
subscription-based sales growth

>15 million
mobile credentials issued in 2025



Major project wins around the world

Every year we secure important project wins. Here are some examples from 2025 that demonstrate the strength of our offering, global reach, and the trust our customers place in us:

- Entrance Systems' biometric speed gates, combined with HID's facial recognition pod, were installed by CLEAR – a leading identity verification provider supporting a TSA-partnered airport program in the US. This advanced solution helps streamline passenger screening, enhancing both security and traveler experience.
- In Germany, we were selected by Syna, a high-voltage grid operator, to convert around 100,000 mechanical locks to our digital eCLIQ system.
- At the Georgia Institute of Technology in the US, we are upgrading 40,000 openings, including 10,500 Wi-Fi locks, to deliver a more secure and efficient campus access system.
- In Australia, our teams supplied door hardware, automated doors, and louvres to the Atlassian Tower – the world's tallest hybrid wooden, steel and glass building – contributing to one of the most sustainable skyscrapers ever built.
- Biosite secured a contract to deliver comprehensive workforce management for phase one of High Speed 2 (HS2), Europe's largest infrastructure project, supporting more than 15,000 workers with biometric access control, mobile access, and fire safety support.

Introduction

The year in brief

Statement from the CEO

Highlights in 2025

→ Acquisitions in 2025

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Financial statements

The acquisition journey continues

During the year, ASSA ABLOY continued to strengthen its portfolio through 23 strategic acquisitions that expand our presence in key markets and grow our offering of innovative access solutions. Together, these investments reinforce the foundation for long-term profitable growth and further align our portfolio with the evolving needs of customers around the world. The following section highlights a selection of the most significant acquisitions from 2025 that broaden our market reach, deepen our technology leadership, and open doors to scalable, sustainable growth.

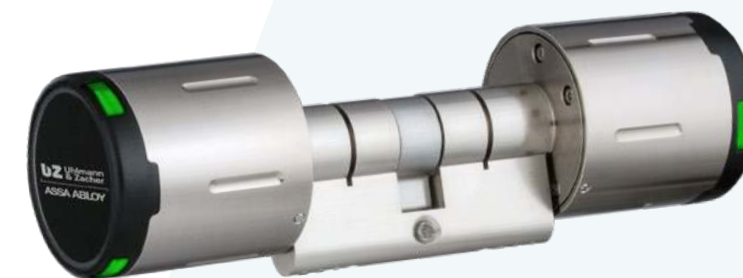
InVue is a US provider of connected retail asset protection and access control solutions. The acquisition enables ASSA ABLOY to enter the adjacent market of connected asset protection – an area experiencing rapid global growth driven by retail security, loss prevention, and remote management needs. With a strong innovation culture, scalable platform and global customer base, InVue positions ASSA ABLOY to serve a broader range of industries and expand into new segments where secure asset control and visibility are increasingly critical.

Senior Architectural Systems is a supplier of aluminum windows, doors, curtain wall systems, and thermally efficient fenestration systems for the commercial sector in the UK. Its innovative and high-performance product portfolio complements ASSA ABLOY's existing commercial OEM (Original Equipment Manufacturer) offering and supports the growing demand for energy-efficient building solutions. The acquisition

expands our presence in the UK specification market and provides opportunities to integrate the high-quality profile systems with our door and hardware solutions, strengthening our value proposition to customers.

Wallace & Wallace is a Canadian manufacturer, distributor and installer of perimeter fencing, and door and gate solutions for the commercial and residential markets. The acquisition reinforces Entrance Systems' strategy to broaden its perimeter security offering and deliver complete, end-to-end solutions. Its strong regional presence and established installation and service capabilities deepen our market penetration in Central Canada. The acquisition also enables cross-selling of ASSA ABLOY's wider portfolio, expanding customer access to high-quality products while strengthening our service network.

Sargent and Greenleaf is a US manufacturer of high-security mechanical and electronic locking solutions and safe hardware. The acquisition adds a recognized leader in high-assurance security technology to our portfolio, strengthening our capabilities in sectors requiring advanced protection, such as banking, critical infrastructure and government. Sargent and Greenleaf's long-standing expertise and trusted performance enhances our ability to offer robust, high-security locking systems that complement our broader access control solutions. Its integration creates opportunities for innovation and cross-segment growth within secure access and high-security applications.



Uhlmann & Zacher, a German supplier of electronic access control and software was acquired in January 2025.

Calmell is a Spanish manufacturer of smart cards, smart paper tickets and magnetic tickets. The company brings deep expertise in secure ticketing technologies, making it a strong addition to HID's fast-growing public transportation portfolio. Calmell enhances our ability to serve transit authorities with integrated ticketing and fare-media solutions, supporting the global shift toward digital, contactless and sustainable mobility. Its long-standing customer relationships and manufacturing capabilities strengthen HID's footprint in Europe and complement our broader secure identity ecosystem.

TeleAlarm Group is a German provider of remote care technology, combining hardware and software solutions to enable independent living in social and home care environments. As a leading provider of remote care systems with strong R&D capabilities, TeleAlarm strengthens ASSA ABLOY's Senior Care business area and supports growth in assisted living technologies. Its scalable platform and device ecosystem enhance our ability to deliver safe, reliable, and user-friendly solutions for care providers and residents, while opening long-term opportunities in connected healthcare and digital monitoring.

Uhlmann & Zacher is a German supplier of electronic access control and software. The company is recognized for its robust electronic locking portfolio and strong position in the German market. It strengthens our offering of digital access solutions, enabling us to serve customers with a comprehensive range of high-quality products and software platforms. Uhlmann & Zacher's strong distribution network and installed base provide an excellent foundation for growth, while the ASSA ABLOY route to market creates opportunities to scale its solutions. The acquisition strengthens our electromechanical offering and deepens our footprint in one of Europe's largest security markets.

23

acquisitions in 2025

5%

net acquired growth in 2025

Introduction

The year in brief
Statement from the CEO
Highlights in 2025
→ Acquisitions in 2025

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Financial statements

Kingspan Door Components is a Belgian manufacturer offering a broad range of door panels for sectional doors for residential and industrial applications. The acquisition expands ASSA ABLOY’s component portfolio and strengthens our manufacturing base in central Europe. Kingspan’s established product lines enable us to offer customers a wider selection of high-quality panels with strong insulation and durability characteristics. The acquisition supports vertical integration, improves supply chain resilience and enhances our ability to deliver complete, competitive sectional door solutions across markets.

3millID and Third Millennium are suppliers of readers and credentials for physical access control based in the US and UK. The acquisition broadens HID’s reader and credential portfolio with secure, modern technologies and strengthens our presence in two strategically important markets. Both companies add strong engineering expertise and well-established customer relationships, enhancing our ability to meet growing demand for high-assurance authentication solutions. Their integration increases customer choice, supports the shift toward interoperable access systems, and reinforces HID’s position as a global leader in trusted identity technologies.

International Door Products is a US manufacturer of standard and custom fire-rated steel door frames. The acquisition strengthens our position in the North American construction market by adding a premium, fast-turnaround door frame offering that complements our

existing hollow metal capabilities. International Door Products’ expertise in custom fabrication and project-specific solutions enhances our ability to meet tight timelines and evolving customer needs. Its addition expands our product offering, increases manufacturing flexibility and supports our strategy to deliver complete, integrated solutions across the region.

Gesellschaft für Sicherheitstechnik (GfS) is a German supplier of emergency exit security solutions for commercial, industrial and public buildings. Its specialized product range enhances ASSA ABLOY’s offering in life-safety and emergency exit technologies, a critical and highly regulated segment of the security market. The acquisition brings additional engineering expertise, strong customer trust and a focused product portfolio that complements our existing solutions. Integrating these capabilities allows ASSA ABLOY to provide a more complete, harmonized emergency exit offering.

Kentix is a German designer and manufacturer of monitoring and access control products for data centers. The acquisition expands ASSA ABLOY’s capabilities for data centers. Kentix’s integrated solutions for environmental monitoring, intrusion detection, and access management complement our existing portfolio, enabling us to offer customers complete, unified security ecosystems. Its strong expertise in critical environments enhances our ability to support data center operators seeking resilience, compliance and operational continuity.



InVue, a US provider of connected retail asset protection and access control solutions was acquired in January 2025.

Acquisitions in 2025

Acquisition	Division	Country	Number of employees	Sales in 2025 (SEK M)
InVue	Global Technologies	USA	260	1,790
Senior Architectural Systems	EMEIA	United Kingdom	150	570
Wallace & Wallace	Entrance Systems	Canada	160	470
Sargent and Greenleaf	Americas	USA	100	430
Calmell	Global Technologies	Spain	100	380
TeleAlarm Group	Global Technologies	Germany	70	280
Uhlmann & Zacher	EMEIA	Germany	110	280
Kingspan Door Components	Entrance Systems	Belgium	70	280
3millID & Third Millenium	Global Technologies	USA & United Kingdom	<50	240
International Door Products	Americas	USA	80	220
Metal Products Inc.	Americas	USA	170	220
Door System	EMEIA	Denmark	80	150
Automated Doors & Access	Entrance Systems	Canada	<50	130
GfS	EMEIA	Germany	<50	130
Pedestal PRO	Americas	USA	50	120
Kentix	EMEIA	Germany	<50	90
Rhinotek Entrance Solutions	Entrance Systems	Canada	<50	60
ePark	Entrance Systems	Sweden	<50	<50
IDmelon	Global Technologies	Canada	<50	<50
Intelligent Observation	Global Technologies	USA	<50	<50
Multi Acces	Entrance Systems	Canada	<50	<50
SiteOwl	Americas	USA	<50	<50
Skidata India	Entrance Systems	India	100	<50

Introduction

Who we are

The global leader in access solutions

ASSA ABLOY in your daily life

Value-creating business model

People

Innovation

Sustainability

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Financial statements

Who we are

Founded in 1994, ASSA ABLOY is the global leader in access solutions. We are 64,000 employees in more than 70 countries around the world with a uniquely decentralized business model. We have leading positions in areas such as efficient door openings and locks, trusted identities and entrance automation. Our innovative access solutions help people feel safe and secure so that they can experience a more open world.



Introduction

Who we are

- The global leader in access solutions
- ASSA ABLOY in your daily life
- Value-creating business model
- People
- Innovation
- Sustainability

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Financial statements

The global leader in access solutions

ASSA ABLOY is the global leader in access solutions. Every day, we help billions of people experience a more open world with innovative solutions that enable safe, secure and convenient access to physical and digital places.

Access solutions for every need

ASSA ABLOY offers the world's most comprehensive range of access solutions. Our portfolio includes a complete range of solutions in areas such as mechanical and electromechanical locking, access control systems, identification technology, entrance automation, security doors, hotel security, mobile access, and much more. Our offerings are delivered separately or combined to form a complete, full-service access solution. Through customer focus and significant investments in innovation, we ensure that our products and solutions meet the evolving needs of our customers.



A decentralized organization

We are a global Group with a uniquely decentralized and customer-centric business model. This approach enables us to stay agile, quickly adapt to market changes, and deliver solutions tailored to specific markets and segments. Our local business units understand regional standards in depth and optimize resources and products according to the local demand.

The regional divisions manufacture and sell mechanical and electro-mechanical locks, security doors, and much more, adapted to the local market's standards and security requirements which often differ from country to country. The global divisions manufacture and sell access solutions, identification technology and entrance automation that are more standardized across continents or have a global reach. Read more on pages 34–45.

ASSA ABLOY

Soft-endorsed brands



Strong-endorsed brands



Strong brands

We use a multi-brand strategy to make the most of our global and local presence. The brands play an important role in our strategy and in building trust, loyalty and differentiation in the markets where we operate. The strength of more than 250 global, regional and local brands helps us make ASSA ABLOY the global leader in access solutions.

ASSA ABLOY is our company and employer brand and our main business brand. We also have strong global and regional brands such as Yale and Kwikset covering the residential market, and HID for identification and access management solutions.

Introduction

Who we are

- The global leader in access solutions
- ASSA ABLOY in your daily life
- Value-creating business model
- People
- Innovation
- Sustainability

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Financial statements

We are truly global and uniquely local

ASSA ABLOY has operations in more than 70 countries and sales in over 180 countries. Our operations extend across more than 1,100 sites, including about 200 R&D sites and more than 200 production facilities¹. Other sites include distribution centers and offices. In many countries, our operations have been built upon one of the nearly 400 acquisitions we have made of leading access businesses over the past 31 years.

Top 10 countries by sales

1	US 48%	6	Sweden 3%
2	UK 5%	7	Australia 3%
3	France 4%	8	Netherlands 2%
4	Germany 4%	9	Mexico 2%
5	Canada 4%	10	Brazil 1%



¹ Production and configuration facilities larger than 1,000 m².

Introduction

Who we are

The global leader in access solutions
→ ASSA ABLOY in your daily life
Value-creating business model
People
Innovation
Sustainability

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Financial statements

ASSA ABLOY in your daily life

Around the globe, billions of people come across our products in their daily lives. We provide access solutions from the perimeter to the core of buildings. From doors to access control, locks to keycards, reliable hardware to smart software, customers can find our products and solutions in all corners of the world. In homes and hotels, stores and hospitals, warehouses, airports and more, we are there to make everyday life more safe and convenient.

Enterprise

1. At the perimeter of buildings our bollards, high security fences and other safety devices protect pedestrians from motor vehicles. These models can be permanently installed, portable, or retractable, and can be seamlessly integrated into security and alarm systems.

2. We provide automatic sliding and revolving doors, ideal for entrances and indoor areas with high pedestrian traffic. These allow people to enter buildings conveniently without having to manually open doors.

3. We offer a complete range of customer services for the maintenance and upgrading of automatic entrances and loading docks to enable a more seamless customer experience.

4. Inside and outside the building, electromechanical locks and other hardware such as security-rated doors, frames and delivery lockers, work in conjunction with physical access control systems (including readers and controllers) to manage access and package deliveries. We also offer systems and solutions for secure issuance and management of identities with specific security requirements, such as employee ID cards.

5. We offer mobile keys and physical access control systems, including readers and controllers, to efficiently manage access in buildings.

Multi-family housing

6. We provide complete solutions for multi-family housing, ranging from mechanical locks to sophisticated, customized access control systems and garage doors. Our digital door locks can easily be opened using a code or a mobile app. The app enables convenient remote control to unlock doors for authorized people.

Hotel/retail

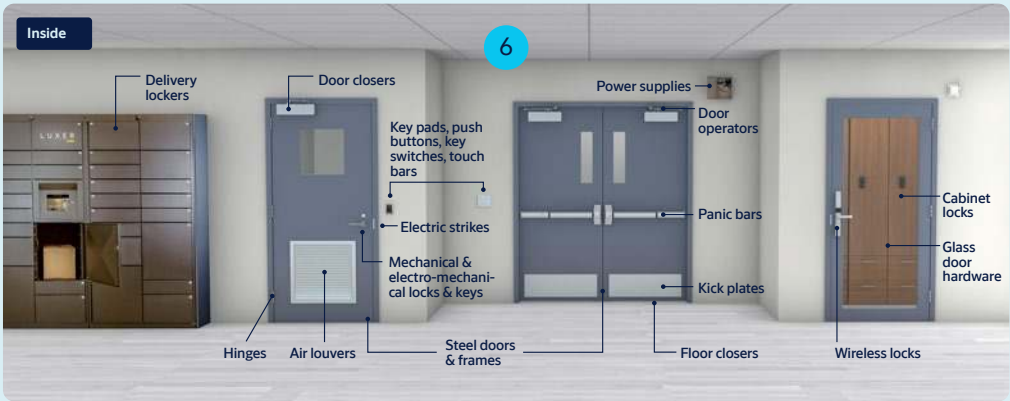
7. We provide complete access solutions for retail and hotel establishments. For the hospitality industry, our offerings include mobile access solutions, access management systems, staff safety, in-room safes, and energy control.

8. With our mobile access solutions, hotel guests can book a room directly from their smartphones. Secure Seos technology sends a digital key to the guest's mobile phone, enabling the guest to bypass the front desk and go directly to the room and unlock the door.

9. Our revolving doors create spacious and welcoming entrances, making them ideal for areas where climate control is a priority. Advanced sensor technology ensures smooth functionality, safe traffic flows, and superior separation of indoor and outdoor climates. Side doors are added for increased accessibility and faster evacuation.

10. We offer safe and simple-to-connect garage doors and gates that integrate seamlessly with the building's access control system.

In addition, ASSA ABLOY offers access solutions using a range of different mechanical and digital technologies for senior care, construction, stadiums and events, data centers, critical infrastructure, high security authorities and other customers.



Introduction

Who we are

The global leader in access solutions
→ ASSA ABLOY in your daily life
Value-creating business model
People
Innovation
Sustainability

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Financial statements

ASSA ABLOY in your daily life



Case facts

Project: Frauenkirche
Dresden, Germany

**ASSA ABLOY
products and
solutions:**
eCLIQ master key
system from the
IKON brand



The discreet eCLIQ digital locks blend seamlessly into the historic architecture of the Frauenkirche in Dresden.

Frauenkirche Dresden:

Preserving heritage with modern security

With over two million visitors annually, the Frauenkirche in Dresden, Germany, stands as a symbol of architectural beauty and spiritual significance. Originally built in the 18th century and reconstructed after World War II, the church required a modern security solution that could meet the needs of diverse user groups, without compromising its historic character. ASSA ABLOY delivered a tailored electronic locking system that seamlessly blends innovation with preservation.

Tell us about the project!

The Frauenkirche Dresden is a landmark of baroque architecture and a major cultural and spiritual hub. With a wide range of users including tradespeople, clergy, staff, and volunteers – the church needed a secure, flexible, and minimally invasive access system. The challenge was to implement a modern solution that respected the building’s historic integrity while meeting contemporary access control needs.

What solution did ASSA ABLOY provide to meet the security needs?

ASSA ABLOY, in collaboration with Frauenkirche’s long-standing security partner FELGNER Sicherheitstechnik GmbH & Co. KG, provided the eCLIQ digital locking system with smart keys from the IKON brand. This electronic locking solution allows for programmable access rights, easy key management, and quick installation without complex cabling. The system uses battery-powered keys and discreet cylinders that visually integrate with the church’s architecture.

Why did you choose ASSA ABLOY?

The Frauenkirche Dresden Foundation chose ASSA ABLOY based on expert advice. The eCLIQ system was selected for its:

- Flexible access control for different user groups
- Simple key management, including deprogramming of lost keys
- Ease of installation with minimal disruption
- Discreet design that complements the historic environment

Chief Architect Dipl.-Ing. Thomas Gottschlich praised the solution, noting that the eCLIQ cylinders “fit in perfectly with the historic appearance” and ensure the landmark is “very well protected.”

Introduction

Who we are

The global leader in access solutions

ASSA ABLOY in your daily life

→ Value-creating business model

People

Innovation

Sustainability

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Financial statements

How we create value

Our resources

64,000

employees in more than 70 countries

~4,400

employed in R&D

>250

strong brands in our diversified product portfolio

>10,500

patents

>200

efficient production and assembly facilities

~50,000

suppliers for direct material and indirect services

Our business model and how we operate

ASSA ABLOY combines the scale and innovation resources of a global organization with the strength of a uniquely decentralized structure, which enables us to operate efficiently across markets while remaining close to our customers. We have a unique local footprint of more than 1,100 sites and manufacture and sell access solutions through a multi-channel distribution network. With 4,400 product developers we lead the industry in innovation.

Strategic acquisitions is a key growth driver that complements and strengthens our solutions offering and local presence. Through a multi-brand strategy, we leverage our global and local strengths to serve diverse markets and customer segments. Our decentralized organization enables us to execute our strategy locally, guided by our shared vision: to be the global leader in providing innovative access solutions.

Strategic objectives

Growth through customer relevance
is about understanding the ever-shifting needs of our customers so that we can provide them with the most appropriate solutions.

Cost-efficiency in everything we do
is our continuous focus on how we can improve our cost efficiency to fuel investments for innovation and future growth.

Product leadership through innovation
is a key driver of differentiation and organic growth.

Evolution through people
is our mission to be a world-leading organization where people succeed.

Our offering

ASSA ABLOY offers the largest range of access solutions in the world. Our portfolio includes a complete range of solutions in areas such as mechanical and electro-mechanical locking, access control, identification technology, entrance automation, security doors, hotel security, mobile access, and much more. Our products and solutions are delivered separately or combined to form a complete, full-service access solution.

23%

Mechanical locks

31%

Electro-mechanical products

16%

Security doors and hardware

30%

Entrance automation

Sustainability

Sustainability is part of everything we do throughout ASSA ABLOY's value chain.

Value creation to stakeholders in 2025

Shareholders and investors

- Dividends and capital appreciation

SEK bn 6.6

dividend paid

Employees

- Professional development
- Safe and inclusive workplace with equal opportunities

SEK bn 48

in salaries and other remuneration

Customers

- Increased safety and security
- More convenient and efficient access control

>700

new products launched

Suppliers and partners

- Technological development
- Stable partner

SEK bn 70

in supplier spend

Society

- Increased safety and security
- Reduced environmental impact
- Paid taxes and employment

SEK bn 5.1

in income tax

Experience a safer and more open world

Introduction

Who we are

The global leader in access solutions

ASSA ABLOY in your daily life

Value-creating business model

→ People

Innovation

Sustainability

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Financial statements

People make it happen

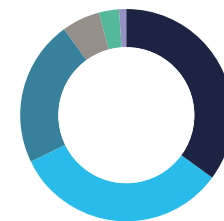
Our people are the foundation of everything we do. With 64,000 employees in more than 70 countries, our decentralized structure empowers agility and responsiveness to local needs, while enabling collaboration at scale to realize synergies. We are committed to our people, knowing that when they develop and grow, the business will too.



+40%

internal applications per open position (level 2–5) vs 2022

Average number of employees by region



Europe	23,406
North America	21,526
Asia	12,845
South America	3,418
Pacific	1,836
Africa	856

Our people are our greatest asset. Our collective expertise is the foundation for our innovation and sustained growth. We operate across multiple regions in a decentralized organization with a mix of local products, services and global platforms. We encourage collaboration across divisional borders for best practice sharing and innovation to offer our customers the best access solutions. Successful collaboration builds on a strong common culture. Through our “Together we” program, we defined our common cultural foundation which was built on a shared value of empowerment, innovation and integrity. These values unite our global workforce and guide us in how we work together and with our customers. We continue to invest in this culture, embedding our values into leadership programs and activating them through local initiatives.

Social responsibility is a cornerstone of our people strategy. We act with integrity, commit to a safe and secure workplace, and ensure fair rewards. Our health and safety program is designed to ensure that all our workplaces adhere to the highest safety standards, protecting our most valuable asset – our people. Through rigorous training, preventive improvement processes and focus on behavior and culture, we strive to create the safest possible working conditions. We are also committed to building a diverse and inclusive workplace where all employees can grow and thrive. Our diversity principles aim to embrace a broad spectrum of perspectives across our global workforce and leverage diversity of thought as a business advantage, grounded in a discrimination free work environment and a merit based talent management approach.

Talent is a key driver of our business and central to our long-term success. Our ambition is to empower employees to reach their full potential by making growth and development a top priority. We continuously strengthen our employee value proposition to deliver an exceptional employee experience – one that attracts extraordinary talent and nurtures it through meaningful career opportunities. We focus on expanding our leadership pipeline by cultivating a growth mindset and promoting internal mobility. By building a learning organization, we ensure our workforce remains resilient, adaptable, and ready to meet future challenges.

The way we integrate acquisitions is an example of our focus on autonomy and empowerment. Welcoming and integrating new colleagues into ASSA ABLOY is key to a successful acquisition. Many company founders continue their journey within ASSA ABLOY, which is something we take great pride in. Throughout the integration process, we encourage our new colleagues to continue working with their products and customers in their already successful ways. In addition to investing in newly acquired businesses, we provide a greater network and new career paths. This provides individuals with opportunities to advance and diversify their professional journeys.

Together, these efforts enhance the performance and scope of our Group and ensure that our employees are empowered to reach their full potential. By evolving our people strategy, we are building a resilient, customer-focused, and innovative company prepared for long-term success. All of this is aligned with our people mission: to be a world-leading organization where people succeed.

Introduction

Who we are

The global leader in access solutions

ASSA ABLOY in your daily life

Value-creating business model

People

→ Innovation

Sustainability

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Financial statements

A culture of innovation

At ASSA ABLOY, innovation is a defining characteristic of our culture. It is embedded in how we think, how we operate, and how we lead.



Our commitment to innovation is a key enabler for our growth and leadership in access solutions. By consistently strengthening our offerings with new technology and maintaining an optimal balance between price and performance, we are able to directly support our strategic priorities: actively upgrade installed base, increase service penetration, generate more recurring revenue, grow in emerging markets, and achieve pricing excellence.

Innovation driven by customer proximity

ASSA ABLOY's decentralized business model is a powerful engine for innovation. By positioning R&D teams close to the markets they serve, we ensure that our solutions are rooted in real customer needs. This proximity enables faster feedback, agile development, and offerings that are finely tuned for local requirements. In 2025, we advanced this model by integrating many central R&D functions into our divisional organizations, bringing our global engineering

community to close to 4,400 people. With design and development now aligned even more closely with sales and product management, we are accelerating the delivery of customer-centric innovations that drive meaningful growth.

Collaboration across divisions and platforms

While local teams develop products tailored for their markets, innovation at ASSA ABLOY also thrives through cross-divisional collaboration. Shared R&D resources and modular platforms enable technologies developed in one part of the Group to be rapidly scaled and adapted across others. This not only strengthens integration of new acquisitions but also maximizes the impact of our R&D investments. By combining local agility with global synergies, we are building a stronger, more connected innovation ecosystem capable of meeting the diverse and evolving needs of our customers worldwide.

This truly global presence provides us with an unparalleled platform to deploy solutions across diverse local markets and thereby maximize innovation synergies. By connecting our broad expertise with the specific needs of customers in each region, we transform core inventions into impactful, market-ready solutions, tailored to unique local requirements.

Innovation focus in 2025

During the year, we have seen significant progress in both incremental and disruptive innovation. From the continued evolution of mobile credentials and biometric access to the integration of AI-driven predictive maintenance, our portfolio reflects a sophisticated blend of hardware and software innovation. These advancements not only enhance security and user experience but also create new service opportunities and recurring revenue streams.



A Baldwin engineered with Level smart lock collection was launched in late 2025, blending Baldwin's classic designs with Level's invisible smart lock technology, featuring Matter/Thread, Apple HomeKit and sleek brass hardware for seamless home integration.

Introduction

Who we are

The global leader in access solutions

ASSA ABLOY in your daily life

Value-creating business model

People

→ Innovation

Sustainability

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Financial statements

“

With design and development now aligned even more closely with sales and product management, we are accelerating the delivery of customer-centric innovations that drive meaningful growth.

For example, touchless access solutions and antimicrobial finishes address growing hygiene concerns, while energy-efficient hardware supports sustainability goals and contributes to pricing excellence through differentiated value. Our investment in digital training platforms and installer certification programs ensures that customers and partners can fully leverage these innovations, further strengthening loyalty and market leadership.

We also focus on complementing in-house technologies with acquired innovation. A good example of this is the launch of our new Baldwin locks with built-in digital technology from Level. This partnership gives our customers mobile-based remote access with smart home integration without sacrificing design or security.

From incremental to breakthrough innovation

While disruptive innovations like facial recognition and cloud-connected systems capture headlines, it's the steady stream of incremental improvements – longer battery life, easier installation, smarter diagnostics – that deliver consistent value to customers. This dual-track approach ensures we remain agile and competitive while building a solid foundation for long-term success.

Investing in the future

Our R&D investments are not just about technology – they are about transformation. We are building platforms that unify our smart door lock ecosystem, enabling faster deployment, easier integration, and better user experiences across all markets. These investments are already paying off, with increased sales, stronger customer relationships, and a growing footprint in emerging markets.

An example of this approach in the digital area is our shared Seos Trusted Service Manager platform, which enables businesses across ASSA ABLOY to securely issue mobile credentials to millions of users every year. By reusing this common platform, we can bring mobile access solutions to diverse markets quickly and drive significant growth in recurring revenue through subscription services.

As we look ahead, our focus remains on embedding innovation into every layer of our organization, from product design and sustainability to customer service and employee training. By fostering a culture where every team member is empowered to challenge the status quo, we ensure that innovation is not just something we do – but who we are.



HID's industry-leading Signo readers provide flexible, reliable performance with support for an unmatched range of credentials and deliver a smarter, more connected access control experience

Introduction

Who we are

The global leader in access solutions
ASSA ABLOY in your daily life
Value-creating business model
People
Innovation
→ Sustainability

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Financial statements

Taking our next step in sustainability

ASSA ABLOY is committed to lead our industry towards a more sustainable future. Integrating sustainability into everything we do enables us to decrease costs, reduce risk exposure and develop more sustainable products and solutions, supporting our customers’ sustainability goals and ambitions.

In 2025, we successfully completed our fourth sustainability program, with positive results. Our Scope 1 & 2 carbon emissions have reduced by 34% vs the 2019 base year, exceeding the –25% target. We exceeded our targets across energy, water, and waste intensity. Leveraging our mature supplier sustainability audit process, we were able to carry out 761 supplier audits. We continued to make good progress on our health and safety targets, ending the program with an injury rate reduction of 27% compared to the 2019 base year. Please find further details on our fourth sustainability program on pages 66–69.

Launch of our 5th sustainability program
We are proud to launch our fifth sustainability program to 2030, where we have again raised our ambition level to the next step in our sustainability journey. The new program comprises five focus areas: climate, operations, supply management, innovation and people. Innovation is an important addition to the program, which will help us to reduce our Scope 3 emis-

sions through optimizing material usage in our products. Our long-term climate commitment to science-based targets is at the core of the new program. Please find further details on our fifth sustainability program on pages 70–71.

Progress on our Science Based Targets
We are making progress with our science-based targets, which supports our strategic objective to be cost-efficient in everything we do. Scope 1 & 2 carbon emissions are generated from our own operations, where our absolute target is to reduce emissions by 2030 by 50% below a 2019 base year. Scope 3 accounts for all other carbon emissions from our value chain, outside our own operations, where our target is to reduce emissions by 2030 by 28% below a 2019 base year. To realize our science-based targets, we have a standardized four-pronged strategic approach each for our Scope 1 & 2 emissions, and our Scope 3 emissions. Scope 3 accounts for 95% of our total emissions, where more than 72% comes from our purchased goods and materials in our supply chain.

For more information on our 2030 sustainability targets, please visit pages 70–71. [→](#)

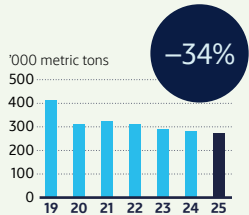
2025 target

2025 outcome

Carbon footprint

–25%

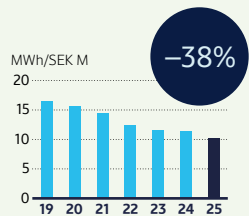
Carbon footprint (Scope 1 & 2, '000 metric tons absolute)



Energy intensity

–25%

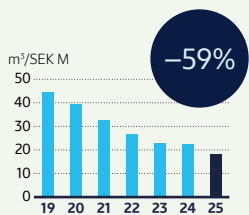
Energy intensity (MWh/SEK M)



Water intensity

–25%

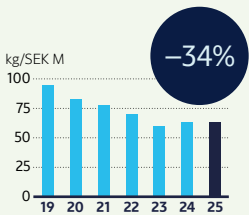
Water intensity (m³/SEK M)



Hazardous waste intensity

–25%

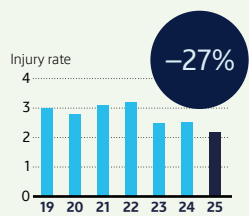
Hazardous waste intensity (kg/SEK M)



Injury rate

–33%

Injury rate (number of injuries per million hours worked)



Introduction

Who we are

ASSA ABLOY as an investment

How we create shareholder value

Good industry to be in

A leading market position

A well-proven strategy

Divisional overview

Report of the Board of Directors

Financial statements

ASSA ABLOY as an investment

ASSA ABLOY is the global leader in access solutions. We create significant customer and shareholder value by continuously optimizing our production and developing new, innovative products that meet our customers' needs and demands.

+114%

sales growth
in 10 years

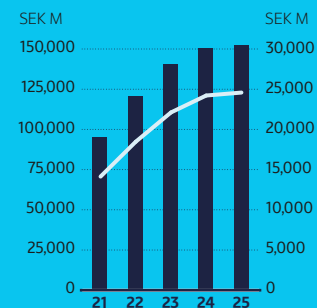
+102%

EPS growth
in 10 years

SEK bn 45

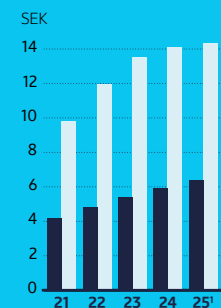
dividend paid last
10 years

Sales and operating income



■ Sales
— Operating income

Dividend and earnings per share



■ Dividend per share
■ Earnings per share after dilution²

¹ Dividend proposed by the Board of Directors.

² Excluding items affecting comparability.



Introduction

Who we are

ASSA ABLOY as an investment

→ How we create shareholder value

Good industry to be in

A leading market position

A well-proven strategy

Divisional overview

Report of the Board of Directors

Financial statements

How we create shareholder value

1 We are part of an industry with strong fundamental long-term growth drivers

The ever-evolving global access solutions industry, which we estimate to be worth more than USD 150 billion, is subject to strong underlying trends that support long-term demand for our products and solutions. The demand for safe, secure and convenient access solutions is constantly increasing driven by rising security threats, public safety concerns, an increased regulatory environment, demographic changes and increased focus on sustainability. The ongoing shift to electromechanical and digital access solutions brings many opportunities, including new recurring revenue streams.

2 Our leading position in this industry and focus on innovation makes the difference

We have a leading position in our industry with the largest installed base of products and solutions and a solid commitment to customer excellence, which comes with many competitive advantages. We have the greatest innovation resources in the industry, the deepest know-how of locks and access solutions, strong relationships with our customers and channel partners, and well-known brands. In addition, our decentralized organization gives us the agility to stay close to our markets and customers, enabling faster decision-making and stronger local presence.

3 A well-proven strategy that has delivered consistent profitable growth

ASSA ABLOY has a well-proven strategy that gives clear direction and guidance across the organization. It enables us to take advantage of the various opportunities generated by being a leader in a good industry. The strategy has helped us deliver consistent profitable growth. Our currency adjusted revenue growth has been close to 9% annually during the last 15 years, and our adjusted operating margin (EBIT) has, over the same period, been stable at about 16%. Within our strategy, we have nine priorities that will help us continue to deliver profitable growth in line with our financial targets.

Introduction

Who we are

ASSA ABLOY as an investment

How we create shareholder value

→ Good industry to be in

A leading market position

A well-proven strategy

Divisional overview

Report of the Board of Directors

Financial statements

Trends driving our industry

The security industry is subject to strong underlying trends that create long-term demand for ASSA ABLOY's products and solutions. At the core of these trends is the universal need for safety and security, which drives persistent demand for access solutions in an ever-changing world. Additional opportunities emerge as customers increasingly seek more convenient and smarter solutions, supported by technological advancements and a growing need to improve energy efficiency in buildings. Together, these factors are accelerating sustained and profitable growth in our industry over the long term.

Market overview

We estimate that the global market for access solutions exceeds USD 150 billion annually. Historically, the industry has experienced steady growth, characterized by a sizeable and reliable aftermarket, and driven by secure, innovative solutions that focus on both convenience and improved sustainability performance of buildings.

People have always had the need to protect themselves. As welfare and societal systems have evolved, access solutions have also undergone continuous evolution to meet region-specific requirements across diverse markets. This has resulted in a wide variety of local standards and, consequently, a fragmented market, especially evident in emerging markets. Although ASSA ABLOY is the world's largest provider of access solutions, market fragmentation means that our overall global share remains relatively modest, leaving significant potential for further growth.

1 Demand for safety and security

Demand for safe and secure access solutions is constantly increasing, largely due to four key reasons:

- Rising security threats. There is an increased need for strengthened access solutions to safeguard buildings and their occupants.
- Public safety concerns. Public emergency events, natural disasters, and other emergency events highlight the importance of implementing effective physical security in public spaces.
- An increased regulatory environment. Compliance with regulations regarding access control systems, access logs, monitoring, and emergency response protocols, drives demand for robust physical and digital security solutions.
- Evolving work environments. The rise of remote work, more flexible office arrangements and coworking spaces, has increased the need for access and security solutions adapted to different occupancy and access requirements.

ASSA ABLOY's response:

ASSA ABLOY provides state-of-the-art products and services related to openings, entrance automation, and trusted identities, always with customer safety and security as our top priority. We have the largest R&D resources in our industry, and develop products and solutions adapted to local safety and security needs. Our offering enables people to experience a more open world without compromising safety.

2 Movement of people and demographic shifts

As people move and demographics change, the need for new buildings and access solutions grows. It is estimated that 75% of the buildings required by 2050 have not yet been built. According to the UN, 70% of people are likely to live in urban areas by 2050. This trend is particularly strong in emerging markets, with Asia and Africa representing the largest share of urbanization. These demographic changes will require construction of new residential, commercial and

institutional buildings in urban areas, which will contribute to growth within access solutions in the long term. At the same time, in certain developed economies, a countertrend of deurbanization has emerged following the pandemic. The move to more rural areas creates demand for residential and commercial buildings away from the cities. Other demographic factors influencing demand include an aging population in need of more efficient care, as well as younger generations now entering the housing market.

ASSA ABLOY's response:

With strong local presence and market knowledge, we can act with agility and proactively invest in regions where demographic changes are creating new opportunities. We have developed a vast product offering adapted to emerging markets to capture urbanization-related growth. To meet the growing demand driven by an aging population, we are strengthening our Senior Care segment organically as well as through acquisitions to increase market presence and expand the product offering. We



Introduction

Who we are

ASSA ABLOY as an investment

- How we create shareholder value
- Good industry to be in
- A leading market position
- A well-proven strategy

Divisional overview

Report of the Board of Directors

Financial statements



are also investing in our smart and digital home solutions to meet the increasing demand from homeowners.

3 Digitalization and new technologies

The rapid development of digital solutions continues to transform all areas of society, ultimately increasing the importance of new technologies in access solutions. We see the shift towards more electromechanical products continuing and bringing with it many business opportunities to develop new, more convenient and secure access solutions. We also see the emergence of new business models such as shared economies, everything as a service (XaaS), and ecosystems, which create recurring revenue opportunities for our products and solutions.

An example of a vertical that has expanded quickly recently as a result of digitalization is data centers. The rapid growth in AI and data-driven services has increased investments in data center infrastructure, and heightened

requirements for reliability and security. These environments need advanced, integrated access solutions for both physical and digital systems.

ASSA ABLOY’s response:

With our sizeable R&D organization, we are at the forefront in developing new products and solutions to meet the ever-changing needs for secure and safe access solutions. As a Group, ASSA ABLOY is well positioned to address the growing data center vertical through the broadest product offering in the industry, combining the strengths of our divisions into a joint, highly secure, and convenient solution. Our electromechanical products and solutions in the regional divisions have had a organic compounded annual growth rate of about 9% over the past decade. Advancements in biometrics, mobile credentials, IoT and cloud-based services allow us to deliver smarter and more seamless solutions while expanding on recurring revenue opportunities. To benefit from new business models, we continue to invest in strategic products and solutions, and enter partnerships specifically targeting these new business models.

4 Sustainability

As concerns for the environment grow, customers are increasingly looking for sustainable products and solutions, increasing the demand for green buildings and access systems. Forecasts from leading analysts and consultants consistently indicate strong growth across various segments of the global green building and construction materials markets, with the sector expected to grow with a compounded annual growth rate of 11% from 2025 to 2030. There is increased demand for transparency regarding the impact of products and production on people and the environment. There is also increasing regulation for more energy-efficient buildings and access solutions.

ASSA ABLOY’s response:

We continuously innovate and develop new products to help our customers reduce their environmental impact. One example of how we meet customer demand is by offering Environmental Product Declarations (EPDs). EPDs make our products more attractive as they help our customers achieve higher ratings in their green building certifications. Another example is the climate control feature we have developed for our smart automatic doors, which helps our customers to manage buildings in a more energy efficient way. Our efforts within sustainability are paying off. In Europe, for example, the demand for green specifications has increased by more than 200% since 2021.

5 Local regulations

The regulations for access solutions vary between markets. This diversity, combined with constantly changing regulations, standards, and requirements, generates great complexity in our industry. The EU’s NIS2 Directive on cybersecurity is a recent example which imposes stricter security and risk management requirements. This evolving regulatory landscape underscores the importance of flexibility and innovation in ensuring both compliance and competitive advantage.

ASSA ABLOY’s response:

We are one of the few global players in the industry capable of supplying access solutions that comply with the constantly changing regulations in local markets. We have a strong local presence with local operations and product development in both mature and emerging markets. Having a decentralized organization enables us to quickly deliver and respond to local customer needs and obtain relevant certifications to comply with legislation. This fosters good customer relations and increases market demand for our products and services.

Introduction

Who we are

ASSA ABLOY as an investment

How we create shareholder value
Good industry to be in
→ A leading market position
A well-proven strategy

Divisional overview

Report of the Board of Directors

Financial statements

A leading market position

With a strong foundation of innovation, successful acquisitions, the largest installed base, unique local expertise and a solid commitment to customer excellence, ASSA ABLOY is truly the global leader in access solutions. These combined strengths provide a strong competitive advantage and continue to drive long-term profitable growth.

Market leadership with strong customer relationships

ASSA ABLOY is the global leader in access solutions with a unique local market presence in over 70 countries. We have the deepest knowledge of locks and access solutions in the world, and the largest installed base which is continuously maintained and upgraded with new solutions. We segment our customers and end users into specific vertical markets to better understand their unique needs and provide customized and targeted products and solutions.

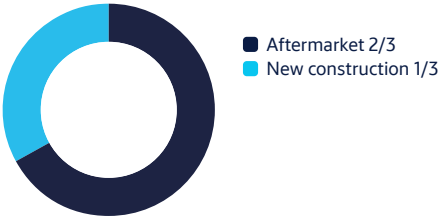
We continuously strengthen our customer relationships, as well as the processes and systems that support them.

Institutional and commercial customers represent about 2/3 of total sales, while the residential market constitutes about 1/3. Electromechanical and digital products and solutions are key growth drivers across all customer segments. Our large installed base is important in our efforts to transition to electromechanical products and solutions.

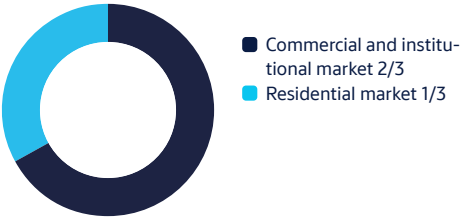
The aftermarket represents 2/3 of total sales. Renovations, replacements, upgrades, and services continue to generate revenue irrespective of the economic environment. This reduces ASSA ABLOY’s exposure to the cyclical demand that impacts many other companies and industries.



Sales breakdown



Sales breakdown



Introduction

Who we are

ASSA ABLOY as an investment

How we create shareholder value
Good industry to be in
→ A leading market position
A well-proven strategy

Divisional overview

Report of the Board of Directors

Financial statements

We have a long-standing history of strong relationships with our channel partners, working with the best in an extensive global and local network of distributors and other sales partners. Our network enables us to reach customers quickly and distribute our products and solutions with exceptional efficiency.

Truly global and uniquely local brands

We design products, services, and solutions that provide access and help people feel safe and secure. Growing strong, trusted brands is essential to retain and attract new customers.

ASSA ABLOY is our company, employer, and leading commercial brand. During 2025, we introduced a new brand strategy and visual identity for ASSA ABLOY that simplifies how we interact with customers and better reflects our values and decentralized go-to-market model.

We have more than 250 global, regional and local brands, including Yale, Kwikset, and PANPAN in the residential markets, HID in identity and access solutions, and VingCard in the hospitality segment. By combining trusted local product brands with the strength of the global, industry-leading corporate ASSA ABLOY brand, we stay close to our customer’s unique needs while delivering long-term reliability and peace of mind for which ASSA ABLOY is renowned.

Investing in sustainable innovation to secure long-term growth

ASSA ABLOY’s position as the global leader in access solutions is built on a strong commitment to innovation. As the industry evolves through digitalization, sustainability, and shifting customer needs, we continuously invest to stay ahead and create lasting value.

In 2025, we invested 4% of revenue in R&D, launched more than 700 new products, and registered more than 230 patents. With about 200 R&D sites worldwide, we combine global expertise with local knowledge, working closely with customers to deliver solutions that are relevant, sustainable, and future-ready.

Our agile and collaborative approach, embracing a “fail fast, learn fast” mindset, ensures we create the most relevant, sustainable and future-ready access solutions, securing ASSA ABLOY’s position as the world-leading innovator in access solutions.



Sales channels

To be the brand of choice and have loyal customers we must offer world-class customer experiences. Our goal is to improve the customer experience across all touch-points with our brands, and we are dedicating resources and directing investments to better understand our customers’ journeys with us and to identify opportunities for improvement.

We continuously engage in partner feedback dialogues and NPS evaluations (Net Promoter Score). These conversations help us focus on what matters most to customers and allow us to remain the partner of choice in our industry.

Create demand through management of sales channels and channel partners →



← Create demand-pull through specifications, brand loyalty and recurring revenue

Introduction

Who we are

ASSA ABLOY as an investment

How we create shareholder value

Good industry to be in

A leading market position

→ A well-proven strategy

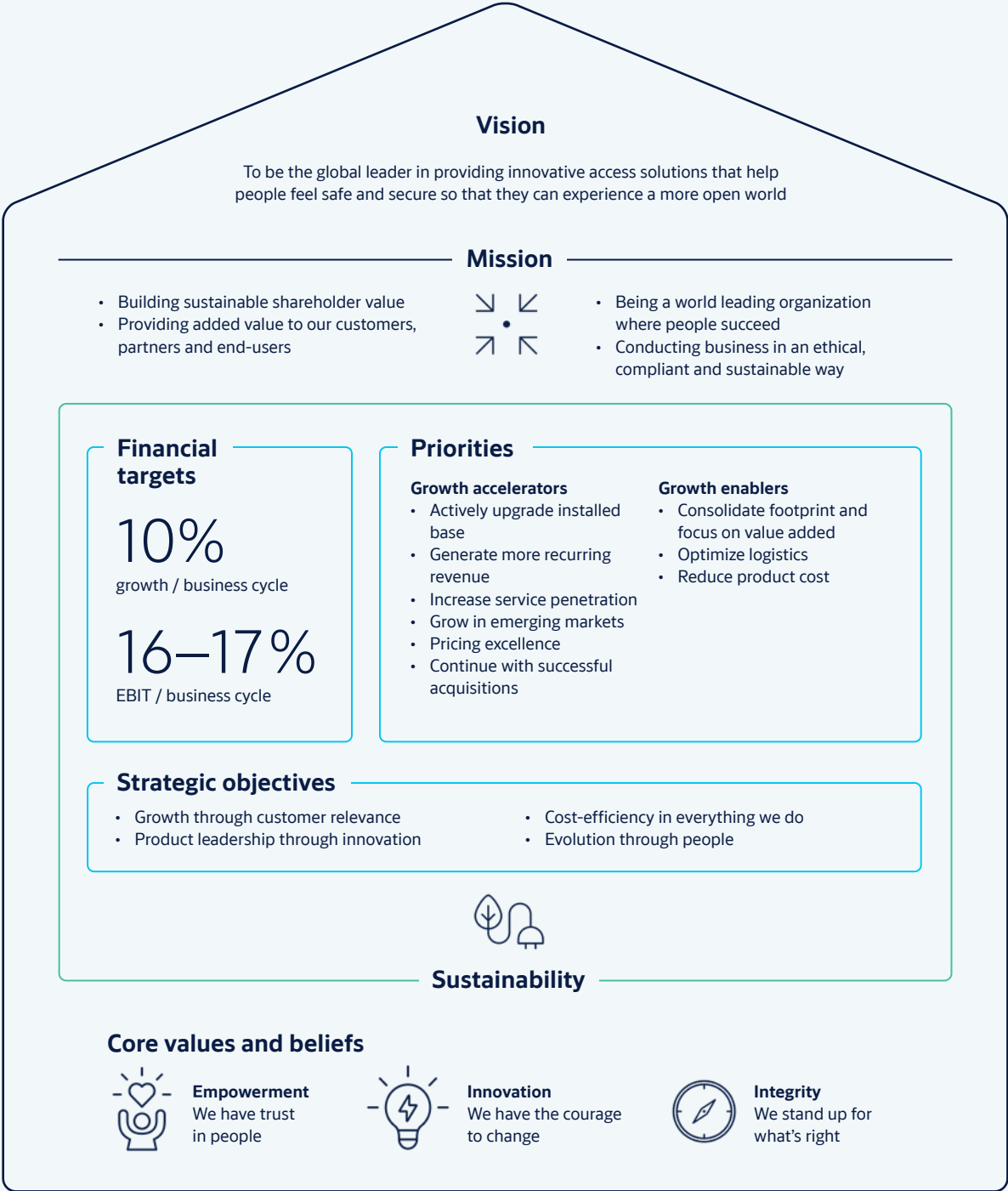
Divisional overview

Report of the Board of Directors

Financial statements

A foundation for long-term, profitable growth

ASSA ABLOY holds a strong position in an attractive and growing industry, and our proven strategy has delivered strong results over time. The ASSA ABLOY strategy house serves as our common strategic framework, bringing together all the key elements that guide our direction. It provides a solid foundation to accelerate profitable growth, strengthen market leadership, and deliver sustainable, long-term value to our stakeholders.



Introduction

Who we are

ASSA ABLOY as an investment

How we create shareholder value

Good industry to be in

A leading market position

→ A well-proven strategy

Divisional overview

Report of the Board of Directors

Financial statements

Vision and mission

Our vision provides direction and describes what we want to achieve as an organization: to be the global leader in providing innovative access solutions that help people feel safe and secure, so they can experience a more open world.

Our mission defines our role as a company, our reason for being, and how we aim to serve our stakeholders.

Financial targets

Our financial targets are what we aim to achieve over the business cycle. Our sales growth target of 10% per year is based on 5% organic growth and 5% growth through acquisitions. Our operating margin target is 16–17%.

Priorities

Our priorities are the key value-adding activities to enable and accelerate profitable growth. The priorities are further described on pages 29–32.

Strategic objectives

Our four strategic objectives guide us in running ASSA ABLOY. “Growth through customer relevance” means understanding the ever-shifting needs of our customers so that we can provide the most appropriate solutions. “Product leadership through innovation” is a key driver of differentiation and organic growth. “Cost-efficiency in everything we do” is about continuously improving efficiency to fuel investments in innovation and future growth. “Evolution through people” is how we strive to be a world-leading organization where people succeed.

Sustainability

Sustainability is integrated into everything we do. We view it as a journey of continuous improvement, built on a foundation of transparency and integrity. As the industry leader, we take responsibility to mitigate climate change and ensure the health and safety of our people.

Our commitment to science-based targets demonstrates our determination to improve our competitiveness with sustainable products, solutions, and operations. Supporting our customers in fulfilling their sustainability agendas is essential to accelerate growth through customer relevance.

Core values and beliefs

Our core values – empowerment, innovation, and integrity – express what we stand for as an organization and form the foundation for how we treat each other and work with stakeholders. These values foster a sense of security and trust, as well as community and collaboration. They guide our daily decisions, inspire us to act, and create opportunities for all employees to develop and grow. Our values and beliefs are reflected in the “Together We” program.



Introduction

Who we are

ASSA ABLOY as an investment

How we create shareholder value
Good industry to be in
A leading market position
→ A well-proven strategy

Divisional overview

Report of the Board of Directors

Financial statements

Priorities

Our priorities define the key activities that drive profitable growth. They are organized into six growth accelerators and three growth enablers. The accelerators define our most important focus areas for driving growth, while the enablers are our continuous activities to improve efficiency and provide the foundation to invest in the accelerators.

Growth accelerators

1 Actively upgrade the installed base

The transition from mechanical to electromechanical and digital access solutions is well underway and gaining momentum across markets. Combined with our extensive installed base, this creates significant opportunities to deliver more digital solutions that meet customers' growing needs for secure, reliable, and sustainable access.

To remain the global partner of choice for dependable access solutions, we have intensified our focus on innovation, emphasizing modularity, security, and reliability. With the industry's most comprehensive digital offering, we are laying a robust foundation for future profitable growth. With prevailing penetration rates still low, the shift to electromechanical solutions continues to be a long-term growth driver for profitable growth. We actively support this transformation by investing in innovation of electromechanical products and digital access technologies. For example, in Quimper, France,

municipal authorities have implemented the eCLIQ electronic locking system to enhance security in public buildings, including schools, while significantly reducing maintenance through minimal on-site interventions.

This transformation is driven by demand for enhanced safety, security, efficiency, and convenience. Our digital solutions deliver high-level protection through advanced authentication methods, encryption technologies, remote monitoring and control, audit trails, and access logs. All new solutions undergo rigorous end-to-end testing against both physical and digital threats, ensuring the highest standards of security.

We are also advancing innovations in energy harvesting and management which reduces battery dependency, enhancing both customer experience and sustainability. Customers are leading the way in adopting these solutions. In Esbjerg, Denmark, for example, a 400-apartment building project recognized by the Green Building Council Denmark uses PULSE self-powered technology to run door systems without external energy sources.

2 Generate more recurring revenue

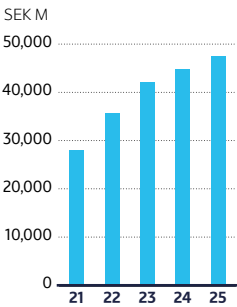
The shift toward electromechanical and digital solutions, including SaaS integrations, combined with our extensive installed base, presents significant opportunities to unlock recurring revenue streams. By introducing innovative solutions that integrate seamlessly with existing systems, we encourage customers to upgrade their installations and adopt subscription-based models.

We design complete solutions that naturally support recurring revenue, ensuring the transition is easy and hurdle-free for our customers. In HID, we are accelerating reader upgrades across our customer base to increase our mobile-compatible installed base, while connecting digital system access and physical access to deliver unified credentials across both digital and physical environments. We also actively shape open standards to influence interoperability and lead the industry.

To support these initiatives, we invest in infrastructure, tools, and processes, while strengthening training programs, sales, pricing, and marketing efforts to ensure our teams can deliver and sustain recurring revenue growth. Connected platforms and cloud-based solutions allow us to provide ongoing value to customers and end users.

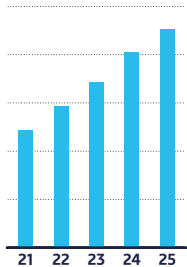
Recurring revenue from service agreements is driven through customer-specific products and solutions. Leveraging value-based pricing and IoT-enabled services, we improve conversion rates while guaranteeing uptime and extending product lifecycles. These efforts drive sales and profitability, strengthen customer loyalty, and support long-term sustainability.

Electromechanical sales



14%
compounded annual growth rate since 2021

Subscription-based sales



17%
compounded annual growth rate since 2021

Introduction

Who we are

ASSA ABLOY as an investment

How we create shareholder value
Good industry to be in
A leading market position
→ A well-proven strategy

Divisional overview

Report of the Board of Directors

Financial statements

3 Increase service penetration

Growing our service business, primarily within Entrance Systems, is a key driver for long-term growth. By engaging proactively throughout the product and building lifecycle, from planning and installation to operations, upgrades, and renovation, we help customers keep their systems reliable, efficient, and sustainable.

Our services cover everything from high-quality installations and preventive maintenance to remote support and modernization, minimizing downtime and extending product lifecycles.

With global reach and strong local expertise, we service most doors and brands and leverage our scale to deliver innovative solutions utilizing cloud-based tools, AI, and GenAI, empowering teams to deliver efficient service. For example, we have developed the Technician CoPilot using the latest GenAI technologies to help technicians quickly resolve issues. Instead of digging through lengthy manuals, installation guides, or troubleshooting documents, technicians can now ask a question and instantly receive precise, relevant answers, spending less time searching and more time adding value to the customer. Our ecoLOGIC solution uses AI to optimize door parameters, balancing energy efficiency with people flow and comfort. In 2025, TÜV and Green Circle certifications confirmed the measurable impact of these solutions on energy consumption.

Connected offerings like ASSA ABLOY Insight further improve door intelligence, enabling remote control, real-time monitoring, service planning, and critical insights designed to save time and money for our customers. For example, it can automatically assign trucks to the correct docking doors in distribution centers, turning us from maintenance providers into strategic partners and improving operational efficiency.

To support this growth, we continue to expand our service capacity by recruiting and training new technicians, acquiring service and distribution providers, and optimizing efficiency through our @yourservice program, ensuring our teams have the skills, tools and processes needed to deliver industry-leading service.

4 Grow in emerging markets

Emerging markets represent significant growth potential, driven by rapid population growth, rising GDP, accelerating urbanization, construction development, and increasing demand for security and safety solutions. These factors are fueling strong demand for our products and services.

Our strategic objective is to become one of the leading players in each of the most significant emerging markets. To achieve this, we follow a clear roadmap combining targeted acquisitions with strong organic growth. Acquisitions become an important platform from which we can grow organically by launching products tailored to local needs while leveraging our global brand and product portfolio.

We also continue to invest in people and capabilities to deepen our local presence. This includes setting up local assembly and manufacturing facilities, specifying products across divisions to deliver full solutions, and offering local installation and service to meet customer needs more effectively.

5 Pricing excellence

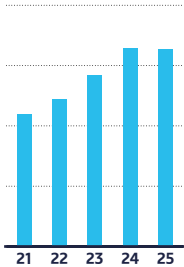
Our pricing strategy reflects our position as a leading company in many markets, emphasizing our commitment to innovation and customer satisfaction. By understanding what our customers value most, we set prices that align with these benefits, enhancing customer satisfaction and profitability. Thus, we use a



value-based pricing strategy, ensuring that our prices reflect the unique benefits and high quality of our products and solutions.

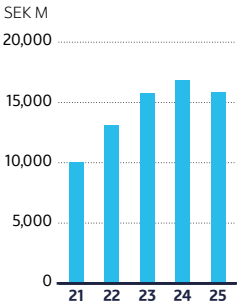
Our approach is decentralized and close to each local market, designed to ensure competitive advantage while meeting the diverse needs of our customer base. We continuously monitor and adjust our pricing and discount strategies to align with our objectives and deliver value to customers and shareholders. This approach has proven particularly effective throughout the year to manage the impact of tariffs and other external factors, enabling us to maintain our margins and market position.

Service sales



10%
compounded annual growth rate since 2021

Emerging markets sales



12%
compounded annual growth rate since 2021 excluding China

Introduction

Who we are

ASSA ABLOY as an investment

- How we create shareholder value
- Good industry to be in
- A leading market position
- A well-proven strategy

Divisional overview

Report of the Board of Directors

Financial statements

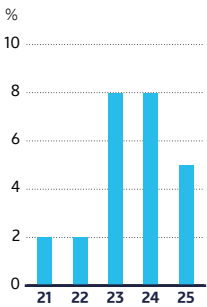
6 Continue with successful acquisitions

We have acquired almost 400 companies globally since ASSA ABLOY was established in 1994. In many cases, the businesses are leading access providers in their respective markets with a well-established customer base, channels to market and brands. We aim to realize synergies while growing the businesses and increasing their profitability. The strategic rationale for each acquisition falls into one of four pillars of our acquisition strategy: grow the core, extend the core, service and distribution, and new technologies.

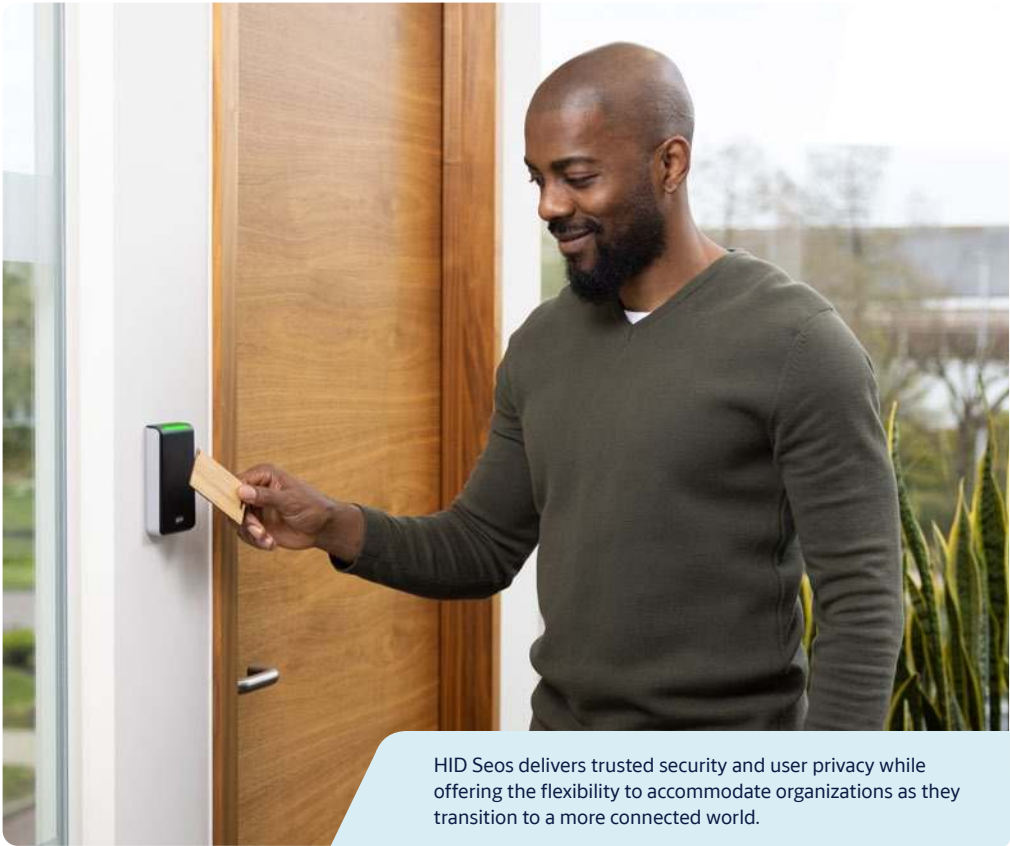
Our well-structured acquisition strategy ensures a seamless process from target identification to integration and follow-up. Key elements include our decentralized operating model, where each division has its own M&A team to enable many parallel processes and to leverage their strong local knowledge. We also have standardized procedures for agile and efficient decision-making. Clear criteria for business characteristics and financial conditions, paired with solid integration plans, enable us to realize strong synergies. Recognizing the importance of people, we prioritize cultural and competence alignment to ensure successful integration. Our acquired businesses have generated significant value following integration.

In 2025, 23 acquisitions were completed. In the year, acquisitions net of divestments contributed with sales of about SEK 6.6 bn. With our target pipeline of more than 900 potential acquisitions globally, and a solid financial position with a strong cash flow, we are well positioned to continue our successful acquisition journey.

Acquired growth



SEK bn
33
acquired sales net of divestments since 2021



The four pillars of our acquisition strategy



Grow the core
Strengthening our traditional core, such as locks, doors and related access solutions, to expand geographically, grow the installed base, and strengthen our market position.



Extend the core
Broadening our core offering by adding complementary products and solutions that increase our relevance and value to customers across key markets.



Service and distribution
Expanding our direct access to customers through strong service, distribution, and after-market channels, allowing us to deepen customer relationships and strengthen recurring revenue opportunities.



New technologies
Advancing our portfolio with complementary technologies that expand our solution offering and unlock new market segments and verticals.

Introduction

Who we are

ASSA ABLOY as an investment

How we create shareholder value
Good industry to be in
A leading market position
→ A well-proven strategy

Divisional overview

Report of the Board of Directors

Financial statements

Growth enablers

To accelerate our profitable growth through the growth accelerators, we focus on three growth enablers across the organization. These enablers form the foundation for our growth, efficiency, and sustainability.

1 Consolidate footprint and focus on value added

We optimize our manufacturing footprint through consolidation of and improvements to our production structure and overall efficiency. Our Manufacturing Footprint Programs (MFP) have delivered total accumulated savings of SEK 8.7 bn, reflecting the impact of continuous efforts to streamline operations. In 2025, our restructuring initiatives contributed to savings of SEK 0.8 bn and a net employee reduction of almost 1,900 employees.

We typically manufacture key components, such as cylinders, rim locks, door closers, and electro-mechanical products, in our own facilities, while sourcing other components from trusted external partners to maintain flexibility and quality. Our strategy emphasizes assembly operations in sophisticated plants located close to our customers, enabling us to tailor products to local requirements and respond quickly to market needs. We invest in automation and robotics, not only to improve manufacturing efficiency but also to enhance product consistency and support sustainable, scalable growth.

At the beginning of 2025, we launched our 10th MFP. This program will further improve operational efficiency, strengthen our competitiveness, and generate annual savings of about SEK 1 bn with a payback period of less than two years. The program comprises 10 factory

closures, 16 office and warehouse closures, and 27 “conversion to assembly” projects that further streamline our footprint. By optimizing resources and facilities, we increase efficiency in our operations and improve coordination across ASSA ABLOY, creating a more agile and resilient organization.

2 Optimize logistics

Optimizing our logistics network is key to improving cost-efficiency, shortening delivery times, strengthening our supply chain resilience, and ultimately improving the customer experience. During the year, we created a connected network of strategically located warehouses in EMEIA. The warehouses are created in the centers of gravity from our customers’ perspective so we can serve them within 24 to 48 hours. The network includes hubs in the UK, Nordics, and Central Europe, with the South Europe hub currently under development.

To optimize the network, we have implemented an Integrated Business Planning (IBP) solution that spans demand planning, inventory optimization, supply planning, and sales and operations planning. This solution is fully integrated with the ERP system, providing planners with up-to-date information. The IBP system digitally connects our strategic warehouses, enabling inventory to be repositioned across the network to improve availability and reduce overall stock levels.

3 Reduce product cost

Professional sourcing plays a key role in reducing both the cost and environmental impact of our products and solutions. Through global sourcing activities, we improve quality, competitiveness, delivery times and cost-efficiency. We continuously review our supply

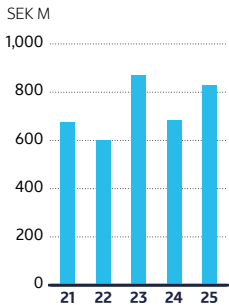


With employee badge in Apple Wallet, staff and guests can use their iPhone or Apple Watch to access doors, elevators, printers, and more – just tap to unlock. It’s easy, convenient, and private.

base and streamline our component assortment to leverage volumes effectively. We apply practices such as multi-tendering, should-cost analysis, benchmarking, and Group-wide contracts.

Value analysis and value engineering (VA/VE) methodology optimizes costs for our products and components. Value engineering is applied to products not yet launched to examine where costs can be reduced or value can be added, without compromising quality or functionality. After the product is launched, we continuously conduct value analysis for continued optimization. Through product reengineering, material standardization and optimization, and scrap optimization, we systematically reduce costs and improve resource utilization while increasing customer value.

Annual MFP savings



Annual MFP savings 2021–2025.

Introduction

Who we are

ASSA ABLOY as an investment

- How we create shareholder value
- Good industry to be in
- A leading market position
- A well-proven strategy

Divisional overview

Report of the Board of Directors

Financial statements

ASSA ABLOY in your daily life



Case facts

Customer: Zermatt Bergbahnen AG & Gornergrat Bahn
Location: Zermatt, Switzerland
Products & Solutions: >200 sMove access gates with Wave barrier, radar sensors, smartphone ski pass

“

We wanted to move away from the traditional path of turnstiles, and sMove represents a new generation of access gates.

Matthias Amacker, Head of IT, Zermatt Bergbahnen AG

sMove access gate:

Redefining barrier-free access in the Alps

Zermatt/Matterhorn, one of Europe’s highest alpine resorts, partnered with SKIDATA to modernize access for nearly two million annual visitors. The Gornergrat Railway, serving a vast cross-border ski area, now features sMove – SKIDATA’s sleek access gate with radar sensors, smartphone ticketing, and a soft “wave” barrier. Winner of the prestigious Red Dot Best of the Best and other design awards, sMove sets a new benchmark for seamless, guest-friendly access year-round.

Tell us about the project!

After about 10 years with the existing access system, we decided to replace it entirely. And when you do that, you want something innovative, something new — and we saw that in sMove. We also wanted to contribute to developing the solution to address shortcomings in other systems.

What were your specific needs?

We wanted to move away from the traditional path of turnstiles, and sMove represents a new generation of access gates. Smartphone ticketing was essential for us, enabling

faster, more convenient access. In addition, the gates use radar sensor technology to reliably detect different customer groups. This ensures smooth, accurate entry, whether guests are on skis, carrying strollers, or riding mountain bikes — all without staff assistance.

What makes sMove so different for you?

The flexible ‘Wave’ barrier makes the system feel open and welcoming. With its combination of modern design, smartphone access, and radar precision, sMove creates a simple, smooth, and future-oriented access experience. In the end, an access system is simply the point where the experience starts, and it should not be a barrier but instead open the doors.

Why did you choose SKIDATA?

An access system must run smoothly, especially for our employees. Since this installation was the world premiere on such a large scale, there were naturally some challenges at the start, but now the gates are running very well, and our teams recognize the advantages. We also value the ability to test something new and provide feedback. With SKIDATA, we had a partner open to innovation, and together we developed a system that fits our needs better than before.

Introduction**Who we are****ASSA ABLOY as an investment****Divisional overview**

Overview

Opening Solutions EMEA

Opening Solutions Americas

Opening Solutions Asia Pacific

Global Technologies

Entrance Systems

Report of the Board of Directors**Financial statements**

Divisional overview

ASSA ABLOY is a decentralized organization with empowered local businesses that quickly can take action in response to developments in the local market. Our businesses are organized in three regional and two global divisions.



Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

→ Overview

Opening Solutions EMEIA

Opening Solutions Americas

Opening Solutions Asia Pacific

Global Technologies

Entrance Systems

Report of the Board of Directors

Financial statements

Regional divisions

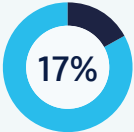
The three regional divisions manufacture and sell mechanical and electromechanical locks, digital door locks and smart home access solutions, high-security doors, fire doors and hardware adapted to the local market's standard and security requirements. The regional divisions account for about 50% of Group sales, with Americas being the largest division, followed by EMEIA and Asia Pacific.

Opening Solutions EMEIA

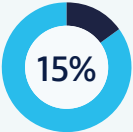
Financials in brief 2025

- Sales: SEK 25,822 M (25,098) with 2% organic growth.
- Operating income (EBIT): SEK 3,748 M (3,552).¹
- Operating margin: 14.5% (14.2).¹

Share of sales



Share of operating income



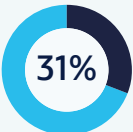
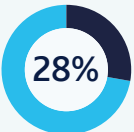
Sales by product group



- Mechanical locks, lock systems and fittings, 44%
- Electromechanical and electronic, 37%
- Security doors and hardware, 19%

Opening Solutions Americas

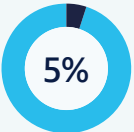
- Sales: SEK 43,489 M (44,340) with 3% organic growth.
- Operating income (EBIT): SEK 7,844 M (8,207).¹
- Operating margin: 18.0% (18.5).¹



- Mechanical locks, lock systems and fittings, 47%
- Electromechanical and electronic, 24%
- Security doors and hardware, 29%

Opening Solutions Asia Pacific

- Sales: SEK 8,145 M (9,120) with 3% organic sales decline.
- Operating income (EBIT): SEK 652 M (619).¹
- Operating margin: 8.0% (6.8).¹



- Mechanical locks, lock systems and fittings, 56%
- Electromechanical and electronic, 18%
- Security doors and hardware, 25%

Global divisions

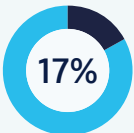
The two global divisions manufacture and sell access solutions, identification products and entrance automation in the global market. Global Technologies accounts for about 17% of the Group sales and Entrance Systems for about 33%.

Global Technologies

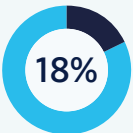
Financials in brief 2025

- Sales: SEK 26,077 M (24,179) with 7% organic growth.
- Operating income (EBIT): SEK 4,635 M (4,224).¹
- Operating margin: 17.8% (17.5).¹

Share of sales



Share of operating income



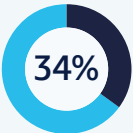
Sales by product group



- Access solutions, 78%
- Hospitality, 19%
- Service, 4%

Entrance Systems

- Sales: SEK 50,715 M (49,451) with 2% organic growth.
- Operating income (EBIT): SEK 8,699 M (8,493).¹
- Operating margin: 17.2% (17.2).¹



- Products, 72%
- Service, 28%

¹ Excluding items affecting comparability.

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Overview

→ Opening Solutions EMEIA

Opening Solutions Americas

Opening Solutions Asia Pacific

Global Technologies

Entrance Systems

Report of the Board of Directors

Financial statements

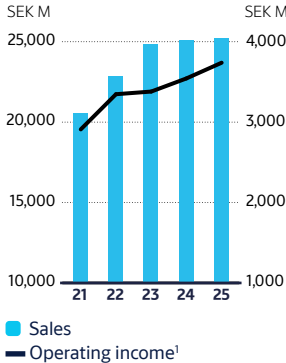
Opening Solutions EMEIA

Demand recovered gradually and margin improved

Development in 2025

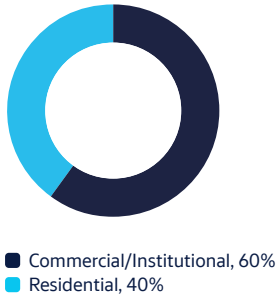
EMEIA delivered good growth of 2% in 2025, supported by strong digital product and security door sales in commercial and high security sectors. This offset weak but stabilizing residential markets, which remain at a low level in most countries. We experienced strong growth in the Nordics with our electromechanical portfolio, driven by the upgrades of the installed base and increased security needs. We had strong growth in Central Europe, primarily driven by Germany, where our significant exposure to critical infrastructure positioned us well. The NIS2 Directive drove increased demand, and we supported customers through electromechanical upgrades that strengthened the physical security of critical infrastructure. Sales declined in the UK/Ireland and South Europe mainly due to weak development in France. Despite strong growth in India, sales in the Middle East declined leading to overall sales declines in the MEIA region. Acquired net growth for the year was 4%.

The operating income improved by 6% to SEK 3,748 M (3,552). Through a strong cost focus, the corresponding operating margin improved by 30 bps to 14.5% (14.2). The operating cash flow was SEK 4,277 M (3,872) with a conversion rate of 114%. New products launched in the past three years accounted for 25% of sales.



¹ Excluding items affecting comparability.

Proportion of sales



The Yale Linus® Smart Lock L2 Lite was launched to expand our smart lock portfolio to residential customers in Europe.

Overview EMEIA

- Divisional headquarters in Woking, UK.
- EMEIA is organized in five geographical business areas: the Nordics (Scandinavia and Finland); Central Europe (Germany, Austria, Switzerland, Benelux and East Europe); UK/Ireland; South Europe (France, Iberia, Italy and Greece); and MEIA (Middle East, India, and Africa).
- Products include mechanical and electromechanical locks, hardware, and security doors, adapted to the standards and requirements of local markets.
- The commercial and residential products are sold under the ASSA ABLOY brand and brands endorsed by ASSA ABLOY, such as Yale, ABLOY, Vachette, and TESA.
- EMEIA has leading market positions in Europe, the Middle East, India, and Africa.
- EMEIA has about 12,400 employees.

“By delivering innovative and sustainable digital access solutions, we enable customers to digitalize their access with confidence and flexibility.”

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Overview

→ Opening Solutions EMEA

Opening Solutions Americas

Opening Solutions Asia Pacific

Global Technologies

Entrance Systems

Report of the Board of Directors

Financial statements

Strategic priorities

In 2025, we focused on strengthening our position as the preferred customer choice by delivering solutions that create real value and long-term trust. As part of this, we completed several strategic acquisitions, including Kentix, a German designer and manufacturer of monitoring and access control products for data centers.

Generating more recurring revenue continued to be a key strategic action, and we offer our customers a variety of subscription models in connection with sales of electromechanical solutions. This provides sustained profitable growth and ensures our customers can spread their investments over the entire solution life cycle.

Growth in emerging markets also remained a priority, where we have collaborated with other divisions, enabling us to deliver integrated all-in-one solutions for developers and other key customers.

Highlights

Market activities

- Grew our digital and access solutions portfolio for the data center market with the acquisition of Kentix.
- Strengthened retrofit opportunities through Professional End Users (PEU) teams working directly with end users to develop tailored specifications that meet performance and compliance needs, supported by Openings Studio and close collaboration with contractors.
- Proactively supported customers in meeting the NIS2 Directive, Data Act, and Cyber Resilience Act requirements through targeted education initiatives, including tailored NIS2 white papers, and offering a compliant product portfolio.

Cost-efficiency

- Leveraged divisional and global scale through cross-segment sourcing and partnerships with preferred suppliers to improve cost, quality and sustainability.
- Optimized our production footprint, investing in centres of excellence, automation, and smart factory initiatives to drive efficiency.
- Enhanced our connected logistics network and expanded the use of digital tracking tools to improve service and lower cost-to-serve.

Innovation

We launched 40 new products in 2025, for example:

- Yale Linus L2 Lite: A next-generation smart lock featuring KeySense technology for intuitive keyless access at a more accessible pricing.
- CLIQ Multi-Tenant: A new CLIQ Web Manager feature that securely divides access management between landlords and tenants — ideal for multi-residential housing, offices, and public buildings — ensuring seamless control over shared and private access points.
- New Aperio Wireless Wall Reader: Extends access control to high-traffic entry points without cabling. Easy to install with features like secure installation mode and three relay outputs.

Sustainability

- Installed the largest photovoltaic (PV) system at the Albstadt site in Germany, generating about 1,150 MWh of renewable electricity annually and covering 30% of the site's power needs. The remaining electricity continues to be sourced from renewable providers, meaning Albstadt is already 100% powered by renewable electricity.
- Reached a key milestone with 37 Environmental Product Declarations (EPDs) published in 2025, up from 13 in 2024, reinforcing our commitment to responsible manufacturing, transparency, and supporting greener buildings.



Comments by Divisional Head

Neil Vann

Executive Vice President
and Head of EMEA division

How did the markets develop in 2025?

– Although some markets remained challenging throughout the year, we saw overall improvement across Europe in the second half of the year. New construction remained weak in key markets, particularly on the residential side. Interest rates, though still elevated, have eased from peak levels and are driving a recovery in renovation and retrofit activity, particularly in the Nordics, even as the residential sector remains under pressure from elevated inflation and interest rates. We have also seen markets continuing to shift from mechanical to digital solutions in both the residential and commercial space, which is fueling growth of our smart ecosystems and cloud-based solutions that allow us to deliver the best performance for our customers. The commercial segment has remained strong in EMEA, and we have seen an increase in the demand for our full-door solutions and the growth of green specifications and green buildings certifications due to the industry's decarbonization efforts, and we continue to support our customers by providing Environmental Product Declarations.

How is the electromechanical transition developing in the non-residential segment?

– The electromechanical transition is accelerating, moving from early adoption to maturity in some markets where digital, wireless, and mobile solutions have become industry standard. Driven by demands for safety, security, compliance, sustainability, and efficiency, this shift remains a long-term growth driver. The increasing demand for energy-efficient solutions has led to increased engagement in advanced technologies like energy harvesting and energy management, replacing the need for batteries or significantly improving battery life. By delivering innovative and sustainable digital access solutions, we enable customers to digitalize their access with confidence and flexibility.

What efforts have been made to improve the operating margin?

– We have continued to improve our operating margin through our operational excellence program, which includes footprint consolidation, logistics improvements, and investments in significant automation projects in our major factories across Eastern Europe. This is freeing up resources for more innovation and long-term growth. The 2023 reorganization into five geographical business areas is delivering scale, speed, and efficiency in our decentralized structure, while price actions have helped offset raw material and inflationary pressures.

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Overview

Opening Solutions EMEA

→ Opening Solutions Americas

Opening Solutions Asia Pacific

Global Technologies

Entrance Systems

Report of the Board of Directors

Financial statements

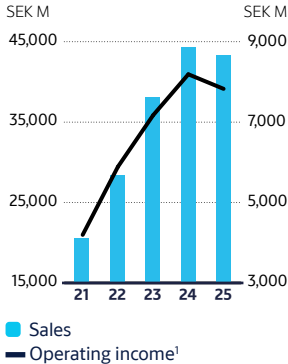
Opening Solutions Americas

Strong growth in healthcare, education and data centers

Development in 2025

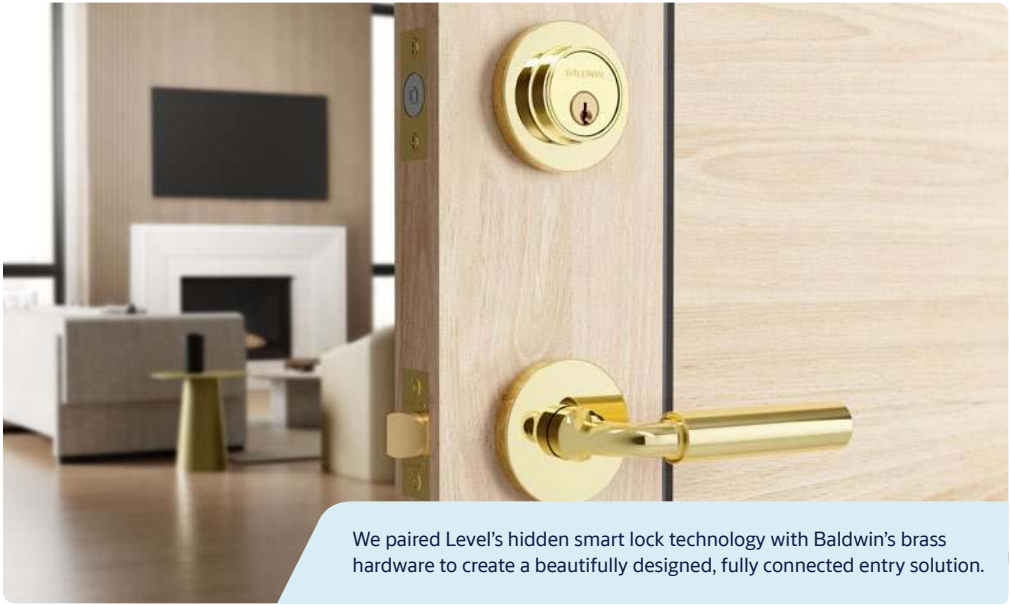
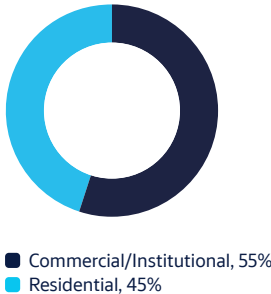
Americas delivered good organic growth of 3%, primarily driven by strong sales growth in the North America Non-Residential segment as demand remains very strong in institutional sectors such as education and healthcare. Market conditions remained mixed in Latin America where we delivered good growth in 2025, as strong sales growth in Brazil more than offset declines in Mexico. Sales declined organically in the North America Residential segment as persistently high interest rates continued to dampen activity levels. Pricing adjustments to compensate for tariffs contributed to the organic growth in the US. Acquired net growth for the year was 2%.

The operating income declined by 4% to SEK 7,844 M (8,207), driven by the weakening of the US dollar, which negatively impacted profitability. The corresponding operating margin was 18.0% (18.5). The operating cash flow was SEK 8,171 M (7,581) with a conversion rate of 104%. New products launched in the past three years accounted for 20% of sales.



¹ Excluding items affecting comparability.

Proportion of sales



We paired Level's hidden smart lock technology with Baldwin's brass hardware to create a beautifully designed, fully connected entry solution.

Overview Americas

- Divisional headquarters in New Haven, Connecticut, US.
- Americas is organized into three business segments: North America Non-Residential, North America Residential and Latin America.
- Products include mechanical and electromechanical locks, hardware, secure lockers, access control devices, security doors, and plumbing.
- In North America, with strong residential brands such as Kwikset, Baldwin, and Weiser, and strong commercial brands like Sargent, Curries, and NortonRixson. Strong local brands are used in South America, like Papaiz, Odis, Philips, and Yale.
- Americas has a leading position in the US, Canada, Mexico and South America.
- Americas has about 17,100 employees.

“The adoption of advanced technologies and the expansion of our product portfolio enabled us to meet evolving customer needs and capture new opportunities.”

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

- Overview
- Opening Solutions EMEA
- Opening Solutions Americas
- Opening Solutions Asia Pacific
- Global Technologies
- Entrance Systems

Report of the Board of Directors

Financial statements

Strategic priorities

During 2025, we continued to expand our professional service offerings to end users and leverage digital tools for partners and clients. Our acquisition of SiteOwl in July reflects this approach and enhances how we support the access control industry. In 2025, we opened a new service center and FlashShip location in Phoenix to serve the US Southwest region and continued our investments in R&D and innovation. We are growing our retail footprint in the US and Canada and expanding access control in Latin America by broadening our hardware and software ecosystem.

We have consolidated our footprint through the Manufacturing Footprint Program (MPF) in Brazil and optimized logistics with the UPS initiative in the commercial segment. We invested in hub-and-spoke facilities to serve customers faster, opening new sites in the US, Puerto Rico, Ecuador, and the Dominican Republic. Additionally, we deployed a new AI tool to enhance specification writing and drive further efficiencies.

Highlights

Market activities

- Strengthened customer relationships through marketing activities including partnership programs, events, and tradeshow such as ISC West, KBIS, Expo Revestir, and Global Security Exchange.
- Used NPS insights to drive efficiencies and continuous business improvements.

Cost-efficiency

- Synergies through the HHI acquisition in 2023 continue to be realized and reflected in our results.
- Dual sourcing and supplier negotiations generated significant savings across the division. Several businesses focused on logistics and supply chain optimization initiatives.
- Other cost savings activities included robotics deployment, automation, smart factory initiatives, lean and kaizen initiatives, VA/VE, and quality improvement.

Innovation

We launched 277 new products in 2025, for example:

- Kwikset FLEX garage door opener with Halo Select.
- Face recognition digital door lock from Yale in Latin America.
- Various wood and marble Opticoat™ finishes for customizing metal glass door hardware.
- New shelter-in-place function for exit devices from Sargent and Corbin Russwin.
- Smart technology luxury lock solution from Baldwin and Level.

Sustainability

- Implementation of water recirculation systems at various sites, significantly increasing water efficiency.
- Improvements through air compressors, electroplating, and heaters to reduce emissions.
- Multisite safety initiatives were launched to proactively prevent incident occurrences.



Comments by Divisional Head

Lucas Boselli
Executive Vice President
and Head of Americas division

How did the markets develop in 2025?

– In 2025, the Americas region experienced a range of market dynamics. The commercial market in North America demonstrated notable strength, with institutional segments in both the US and Canada driving strong growth. This was supported by increased activity in sectors such as education, healthcare, and data centers. However, the residential market continued to reflect the slow pace seen in 2024, with subdued levels of new construction, repair, and remodeling. Persistent high interest rates and a larger inventory of homes remained significant headwinds, impacting demand and delaying recovery. In Latin America, market performance was mixed: Mexico faced ongoing economic challenges, while Central and South America showed improvement, with both residential and commercial construction activities increasing as the year progressed.

What drove the strong development in the North America Non-Residential segment during the year?

– The North America Non-Residential segment benefited from robust momentum in new construction and retrofit projects, as well as a continued migration from mechanical to electromechanical solutions. This transition was particularly evident in key verticals such as data centers, healthcare, and education, which performed exceptionally well and contributed to overall growth. The adoption of advanced technologies and the expansion of our product portfolio enabled us to meet evolving customer needs and capture new opportunities in these sectors.

What synergies were realized in the North America Residential segment during the year?

– We delivered strong cost and operational synergies in line with plan, capturing significant efficiencies through increased automation and streamlined operations. We also continued to see positive outcomes from the strengthened R&D organization. For example, leveraging the Kwikset brand, we introduced a new garage door opener, expanding our offering. Collaboration between Baldwin and Level led to increased specification activities for residential products in multifamily and hospitality projects, strengthening our market position.

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Overview

Opening Solutions EMEA

Opening Solutions Americas

→ Opening Solutions Asia Pacific

Global Technologies

Entrance Systems

Report of the Board of Directors

Financial statements

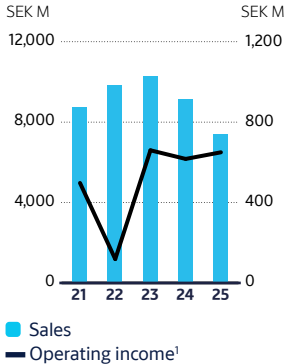
Opening Solutions Asia Pacific

Targeted cost initiatives drove margin improvement

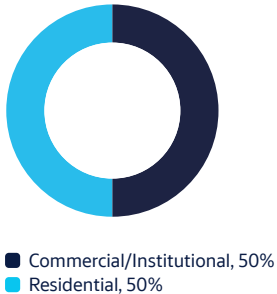
Development in 2025

Asia Pacific's organic sales declined by 3% in 2025. We saw growth across several markets in the region, with good growth in Southeast Asia and the Pacific region despite persistently high interest rates. Sales declined in South Korea due to weak new construction development. Sales in China declined, reflecting the ongoing weakness in the residential market with no clear signs of a near-term recovery. Overall, the decline in China was significant enough to offset the positive development in other markets.

The operating income increased by 5% to SEK 652 M (619) and the corresponding operating margin increased strongly by 120 bps to 8.0% (6.8). The operating cash flow was SEK 537 M (997) with a conversion rate of 63%. New products launched in the past three years accounted for 27% of sales.



Proportion of sales



Overview Asia Pacific

- The division is organized into two business units: Greater China & Southeast Asia and Pacific & Northeast Asia.
- The local organizations in Asia Pacific are organized according to market segments and/or country.
- Products include mechanical and electromechanical locks, hardware, and security doors adapted to the standards and requirements of local markets.
- ASSA ABLOY is the main brand for products in the commercial markets. The residential products are sold under various strong local and global brands such as Yale, PANPAN, Gateman and Lockwood.
- Asia Pacific has a leading position in Australia and New Zealand, as well as in some Asian countries.
- Asia Pacific has about 6,500 employees.

“The improved margin was driven by a combination of manufacturing efficiency gains, targeted cost savings, and disciplined sourcing strategies with collaboration across Asia Pacific and with EMEA.”

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Overview
Opening Solutions EMEIA
Opening Solutions Americas
→ Opening Solutions Asia Pacific
Global Technologies
Entrance Systems

Report of the Board of Directors

Financial statements

Strategic priorities

In 2025, we focused on accelerating the shift from mechanical to electromechanical and digital solutions across commercial and residential markets. In the commercial segment, we have focused on our technology platform Aperio to grow enterprise access control projects, and SMARTair to target standalone wireless applications. We have also launched new pricing through collaboration with EMEIA with the focus on end-to-end margin, which has enabled us to meet more competitive price points.

On the residential side, we remained focused on new product development to accelerate growth. In New Zealand, the newly launched Yale Unity® Slim Smart Lock has exceeded expectations. In South Korea, we have seen exceptional growth in online sales which is particularly effective for smart digital products. In China, we are broadening points of sale to shift from residential new construction exposure to replacement.

Operational excellence remains a priority with pricing optimization, cost-competitive sourcing in China, and footprint optimization. Lastly, we have launched AI specification writing tools for multi-residential specifications, allowing for greater penetration into a segment that traditionally is time consuming for the lower value of the projects.

Highlights

Market activities

- Reorganized the South Korean business into residential and commercial business units to better serve our customers, providing them with a unified product offering.
- Consolidated the door businesses activities in New Zealand.
- Strengthened brand awareness through product roadshows, pop-up stores, consumer expos, and in-app Yale Home campaigns.

- Conducted the third consecutive Net Promoter Score (NPS) survey in Greater China & South-east Asia, covering 80% of sales revenue, with follow-up interviews to identify root causes and address customer needs.

Cost-efficiency

- Streamlining costs by consolidating buying power across similar products and maximizing the opportunity of our manufacturing capabilities in China.
- Delivered significant savings through alternative sourcing, VA/VE programs, optimized designs, improved processes, and carbon reduction initiatives.
- Implemented automation to streamline material flows, improve processing efficiency, and drive continuous lean improvements.

Innovation

We launched 210 new products in 2025, for example:

- GM900S smart door lock for the high-end market in South Korea. It detects fire and will automatically open to allow for easy emergency exit.
- Yale Luna Elite+ smart lock with PalmScan and FaceScan.
- Aperio H100 Handle, the first Aperio product specified for Greater China & Southeast Asia.
- Unity Slim smart door lock available in customizable colors launched in New Zealand.

Sustainability

- In Australia, a supplier management program was piloted to assess upstream business partners’ sustainability practices, uncovering significant opportunities to improve sustainability outcomes across our supply chain.
- Ongoing activities continued such as building out solar panels, optimizing footprint, and process upgrades, to reduce carbon footprint and improve energy and water efficiency.



Simon Ellis
Executive Vice President and Head of business unit Pacific & North-east Asia



Martin Poxton
Executive Vice President and Head of business unit Greater China & Southeast Asia

Comments by Business Unit Heads

How did the markets develop in 2025?

– Market conditions remained challenging in 2025, particularly on the residential side as higher interest rates prevailed. Residential new build experienced negative growth in nearly all markets, with our business in China facing the hardest headwinds as investments and housing prices continued to fall. Commercial construction remained buoyant, above all in the Pacific region, supported by significant government infrastructure projects like Western Sydney Airport and numerous new hospitals across Australia. Demand for data centers was strong in almost all regions.

Mature markets such as Hong Kong, Taiwan, and Singapore, saw growing demand for digital products, while government investments in public housing drove construction activity. Emerging Southeast Asian markets are experiencing strong growth driven by diversification of Chinese supply chains and rising levels of foreign direct investments. Vietnam leads this trend, followed by Malaysia and Thailand.

What were the drivers behind the improved margin in 2025?

– The improved margin was driven by a combination of manufacturing efficiency gains, targeted cost savings, and disciplined sourcing strategies with collaboration across Asia Pacific and with EMEIA. Proactive price adjustments and continued price realization offset inflation, and tailored product offerings in China have enabled us to compete on value instead of price. Strategic focus on high-potential verticals, such as data centers in emerging markets, and strong replacement demand in key markets, further supported margin improvement. Additionally, active re-sourcing across Southeast Asia has reduced product costs and lead times, with Malaysia and Singapore realizing tangible benefits alongside disciplined cost controls across operations.

What are your focus areas to improve the performance in China?

– Our focus areas include strengthening our commercial business by investing in talent and expanding geographic coverage, with a focus on vertical markets and regional penetration to drive growth despite the overall market contraction. We are also shifting toward replacement demand, with PANPAN upgrading sales points to accelerate growth in the replacement market.

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Overview

Opening Solutions EMEIA

Opening Solutions Americas

Opening Solutions Asia Pacific

→ Global Technologies

Entrance Systems

Report of the Board of Directors

Financial statements

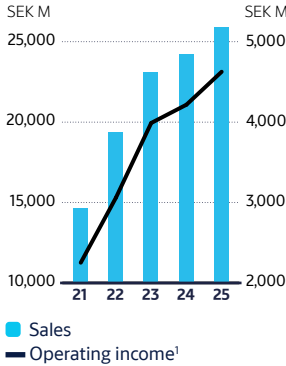
Global Technologies

Driving mobile credential adoption

Development in 2025

Global Technologies ended the year with strong organic growth of 7%, driven by strong growth in both Global Solutions and HID. Physical Access Control Solutions (PACS) was back to normalized growth following years of supply chain shortages and backlog catch-up, and the remaining business areas in HID delivered strong or very strong growth. The Hospitality segment in Global Solutions grew strongly in 2025. Acquired net growth for the year was strong at 7%.

The operating income increased by 10% to SEK 4,635 M (4,224) and the corresponding margin increased by 30 bps to 17.8% (17.5). The operating cash flow was SEK 5,390 M (4,585) with a conversion rate of 116%. New products launched in the past three years accounted for 35% of sales.



¹ Excluding items affecting comparability.

Proportion of sales



Overview Global Technologies

- The division comprises HID (about 60%) and Global Solutions (about 40%).
- HID is organized into six business areas, with the largest being Physical Access Control Solutions (PACS). HID has leading market positions in trusted identity solutions providing secure and convenient access to physical and digital places and connecting things that can be accurately identified, verified and tracked digitally.
- Global Solutions is organized into eight business areas, with the largest being Hospitality. Global Solutions has a leading market position in Hospitality, Marine, Senior Care, Construction, Key and Asset Management, Critical Infrastructure, Self Storage, and Retail.
- Global Technologies has about 9,000 employees.

“The software revenue share increased, which means that we are delivering on our strategic objective to move into solution selling and becoming a full solution provider in Global Solutions.”

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

- Overview
- Opening Solutions EMEIA
- Opening Solutions Americas
- Opening Solutions Asia Pacific
- Global Technologies
- Entrance Systems

Report of the Board of Directors

Financial statements

Strategic priorities

During the year, we focused on market expansion in access control through investments in innovation and new technologies. Investment continued in subscription models to increase the recurring revenue share of sales. HID is focusing on upgrading the installed base to mobile-ready readers, which will create an easier path for mobile credential adoption. Investments in biometrics have increased to strengthen fingerprint hardware and grow contactless solutions. We have also leveraged strategic acquisitions in RFID components to provide more product options for customers and grow market share.

By integrating advanced tools such as 3D printing, AI-driven design support, and digital prototyping, we enable earlier, more iterative concept development, allowing faster validation, shorter lead times, and improved cross-functional collaboration.

In 2025, we focused on sales execution and enablement, including the use of data to become more relevant to customers. Product management is a source of accelerated innovation, allowing us to better understand customer needs and align those insights into sales and R&D. We are constantly optimizing our organizational set-up to increase customer centricity and leverage a stronger direct customer impact.

Highlights

Market activities

- Focus on customer relevance and customer centricity by inviting customers to steering groups and product development workshops.
- Attended multiple trade shows such as HITEC, Digital Construction Week and Sea-Trade, to strengthen customer relationships.
- M&A focus in the Radio Frequency Identification (RFID) and Real-time Locating System (RTLS) space.

Cost-efficiency

- Consolidating the footprint in several markets, opening new joint offices in Dallas, Texas, US, and Landskrona, Sweden, to increase cost-efficiency and collaboration across ASSA ABLOY.
- Cost-out design efforts and supplier management drove strong cost improvements in HID.
- Deeper supply chain management into tier two and three suppliers to increase cost-efficiency.
- Leveraging common platforms in R&D to boost productivity and reduce costs.

Innovation

We launched 102 new products in 2025, for example:

- The HID Facepod, a contactless facial recognition terminal with multispectral imaging, is used with speedgates from Entrance Systems in airport environments and beyond.
- The MultiVision sensor by Phoniro enhances safety in Senior Care through AI-powered detection of falls and other risks in real time.
- The Mercury embedded application environment, an open platform for partners and OEMs to develop and deploy custom apps on Mercury MP controllers.
- Introduction of Mobile Credentials for Event Management, an NFC-based pass utilized for event access.

Sustainability

- Released module-based product range from PTI Security Systems, enabling easy exchange and repair in the field, reducing waste and extending product lifetime.
- Expanded sustainable design training for all HID engineering sites.
- Introduced Seos paper-based card, a sustainable option for high-security, temporary physical access control. Made from FSC-certified paper and PLA (polylactic acid), it degrades naturally and is non-toxic.



Björn Lidfelt
Executive Vice
President and
Head of business
unit HID



Stephanie Ordan
Executive Vice
President and
Head of business
unit Global Solu-
tions

Comments by Business Unit Heads

How did the markets develop in 2025?

– The markets had solid growth despite geopolitical turbulence and tariff impacts. Core segments such as hospitality in the Americas and retail remained strong with steady demand. The unstable geopolitical situation is also driving demand for security solutions. Demand for identity management and access solutions – particularly mobile and cloud-based solutions – continued to grow, and the market is also moving towards new form factors for identification. One of these includes biometrics, which is becoming a critical form of identity across verticals, with contactless as the primary modality. The software revenue share increased, which means that we are delivering on our strategic objective to move into solution selling and becoming a full solution provider in Global Solutions. Supply chain resilience has been enhanced to mitigate market volatility and support sustained growth.

What initiatives are you taking to accelerate the adoption of mobile technologies?

– Accelerating mobile adoption remains a key priority across Global Technologies. After successfully introducing mobile credentials in Wallet for hospitality, we’re now scaling the solution to more hotels and expanding features like Pre-Check-In and Pre-Arrival to enhance the guest experience. We also plan to bring Wallet to new verticals such as built-to-rent, off-campus student housing, and the marine segment. In HID, dedicated mobile and end-user engagement teams have been added, the Technology Partner Program has expanded to over 200 partners, and Mobile Wallet programs with tech giants have been expanded, all of which have allowed mobile access deployments to scale to over 170 countries.

In 2025 you acquired InVue, how has that business developed and what is the plan going forward?

– InVue, acquired in January, has been successfully integrated as the new Retail business area within Global Solutions. The company is proving a strong strategic fit, with good cultural alignment and clear opportunities to collaborate across the Group such as Key Asset Management, the Opening Solutions divisions, and HID. Performance is solid, with a large share of revenue coming from recent product launches, including the new OnePOD Max. Going forward, the focus is on sustaining rapid innovation and maximizing synergies across ASSA ABLOY.

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

- Overview
- Opening Solutions EMEA
- Opening Solutions Americas
- Opening Solutions Asia Pacific
- Global Technologies
- Entrance Systems

Report of the Board of Directors

Financial statements

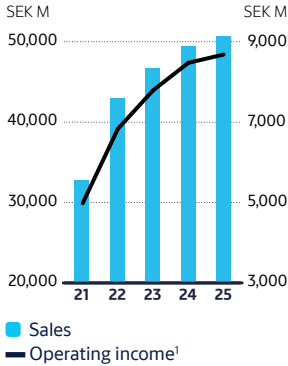
Entrance Systems

Transitioning to a proactive service model

Development in 2025

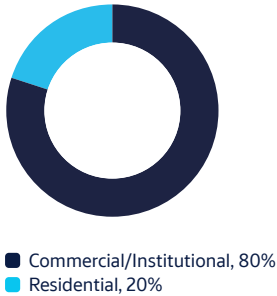
Entrance Systems had good organic growth of 2%. The Perimeter Security segment delivered strong growth driven by increased demand as data center construction accelerated. The Pedestrian segment also delivered strong growth, while the Doors & Automation segment achieved good growth. The Industrial segment continued to decline in the first half of the year but rebounded to growth in the second half as distribution and logistics center construction started to recover, ending the year with a small sales decline. Acquired net growth for the year was strong at 7%.

The operating income increased by 2% to SEK 8,699 M (8,493) and the corresponding margin was unchanged at 17.2% (17.2) as acquisition-related costs and dilution from the acquisition of SKIDATA was offset by excellent organic drop-through of 89%. The cash flow was SEK 8,612 M (10,017) with a conversion rate of 99%. New products launched in the past three years accounted for 18% of sales.



¹ Excluding items affecting comparability.

Proportion of sales



The BG100 Airport Speedgate enhances airport security and passenger flow with biometric screening, improving both safety and traveler experience while driving growth in this key vertical.

Overview Entrance Systems

- Divisional headquarters in Zürich, Switzerland.
- Entrance Systems manufactures and sells entrance automation products and solutions, service and perimeter security.
- Entrance Systems is a global organization with four business segments: Pedestrian, Industrial, Doors & Automation, and Perimeter Security. Pedestrian and Industrial are the largest business segments.
- ASSA ABLOY is the main brand within the direct channels, while several additional brands are used in the indirect channels.

“By offering preventive maintenance, service agreements, and connected solutions, we not only improve customer satisfaction and loyalty but also secure predictable, higher-margin revenue streams.”

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

- Overview
- Opening Solutions EMEIA
- Opening Solutions Americas
- Opening Solutions Asia Pacific
- Global Technologies
- Entrance Systems

Report of the Board of Directors

Financial statements

Strategic priorities

Growing our market share organically remains a core priority. We continue to leverage our multi-brand, multi-channel strategy to broaden customer reach and reinforce our competitive position. A key focus is increasing our service conversion rate. By converting more customer interactions into long term service relationships, we aim to grow recurring revenue and improve margins. We are also executing a targeted growth strategy in emerging markets, tailored to local dynamics and opportunities.

Alongside organic growth, we are actively pursuing bolt-on acquisitions to expand our capabilities and geographic coverage. To capitalize on fast-growing sectors, we are building on existing strengths in areas with strong market momentum.

To support these priorities, we are optimizing our operational footprint to streamline logistics and enhance efficiency. Product management remains a critical enabler, ensuring we deliver the right products and solutions at the right cost. In the digital space, we are elevating our e-business platforms and customer touchpoints to make it easier to engage with us, improve satisfaction, and drive conversions across all channels.

Highlights

Market activities

- Accelerated growth in the airport vertical by partnering with CLEAR to deploy biometric speed gates with facial recognition for TSA-partnered airport program across the US.
- Strengthened product portfolio through strategic acquisitions, including Kingspan Door Components, enhancing our sectional door offering in Europe.
- SKIDATA entered a partnership with Samsung Electronics to deliver seamless access solutions for sports and entertainment venues.

Cost-efficiency

- Continued optimization of our manufacturing footprint, including consolidation efforts in China to drive operational efficiency.
- Launched an AI-driven platform to improve productivity and streamline service operations.
- Leveraged ASSA ABLOY’s office footprint to reduce overhead costs, including the relocation of Entrance Systems into an EMEIA office in Romania.

Innovation

We launched 88 new products in 2025, for example:

- Developed a smart garage door opener, engineered fully in-house and launched in North America and Europe via leading regional brands.
- Introduced a new biometric speedgate, developed in collaboration with HID and featuring its FacePod technology, recognized with the Red Dot Product Design Award 2025.
- Launched SKIDATA sMove access gate, featuring a unique wave barrier. This was awarded the Red Dot Best of the Best Award 2025 for outstanding design and user experience.

Sustainability

- Launched ecoLOGIC globally, an AI powered automatic door solution that reduces energy use, certified by GreenCircle for environmental impact and validated by TÜV SÜD for reliability.
- Ameristar Perimeter Security and Jerith Manufacturing in the Perimeter Security segment achieved ISO 14001 certification.
- New Swing Door Operator launched with ECO-Mode, cutting energy use and CO₂ emissions for greener, more sustainable operations.



Comments by Divisional Head

Massimo Grassi
Executive Vice President
and Head of Entrance Systems division

How did the markets develop in 2025?

– We operated in a market shaped by uncertainty, with tariff-related volatility in North America, which impacted both customer sentiment and supply chains. The North American residential door market remained under pressure, though early signs of recovery began to emerge. The commercial doors business showed growth potential, and several verticals demonstrated resilience, highlighting the strength of our diversified portfolio. The pedestrian business performed well, and the integration of SKIDATA added complementary products, creating opportunities for synergies. Our European industrial business faced headwinds, with customers taking a more cautious approach. The Distribution & Logistics vertical in North America was weak in the first half of the year but returned to growth in the second half. The perimeter security business operated in a stable market, delivering a solid performance. Additionally, we successfully leveraged our direct material sourcing strategy, helping to mitigate external pressures and maintain our competitive positioning.

What has driven the strong performance in the Pedestrian business segment over the last couple of years?

– The strong performance is driven by strategic execution, operational excellence, and favorable market dynamics. Our focus on innovation and customer-centric design ensures our product portfolio remains competitive and aligned with market needs. The acquisition and integration of Record continued to progress successfully, with synergies contributing to improved earnings. Global demand for automated pedestrian access solutions remained strong across both developed and emerging markets. While we captured significant value during the period, untapped growth opportunities remain, positioning us well for continued expansion.

What efforts have you made during the year to grow the service business?

– A key priority has been retaining and developing our service technicians, to ensure we have the capacity and competence to increase our market presence and capture more opportunities. At the same time, we are transitioning from a reactive service model to a more proactive and customer-centric approach. By offering preventive maintenance, service agreements, and connected solutions, we not only improve customer satisfaction and loyalty but also secure predictable, higher-margin revenue streams. These initiatives expand our service footprint and reinforce our position as a trusted partner.

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Significant risks and risk management

The Board of Directors' proposal of guidelines for remuneration to senior executives

Corporate Governance Report

Board of Directors

Executive Team

Internal control – financial reporting

Sustainability statement

General information

Environmental information

Social information

Governance information

Financial statements

Report of the Board of Directors



Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Significant risks and risk management
The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate Governance Report

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
- Social information
- Governance information

Financial statements

Report of the Board of Directors

The Annual Report of ASSA ABLOY AB (publ), corporate identity number 556059-3575, contains the consolidated financial statements for the fiscal year January 1 through December 31, 2025, including the nature and focus of the business. ASSA ABLOY is the global leader in access solutions, dedicated to satisfying end-user needs for security, safety and convenience.

Significant events
Sales and income

Market conditions were challenging during the year, characterized by factors including trade barriers and continued general geopolitical uncertainty, while the residential market was generally weak in most market areas. Organic growth was strong for ASSA ABLOY in North America and Latin America, driven by continued strong demand in the commercial market. In Europe, organic growth was good, with signs of stabilization in the residential market. Organic growth was good for Oceania and stable for Africa and the Middle East, while organic growth was negative for Asia.

Sales increased by 1 percent for the full year 2025 and amounted to SEK 152,409 M (150,162). Organic growth was 3 percent (–1) and net acquired and divested growth was 5 percent (8). The exchange rate effect on sales was –7 percent (0).

Operating income (EBIT) was SEK 23,151 M (24,275), equivalent to an operating margin of 15.2 percent (16.2). The decline in income was mainly attributable to costs for restructuring

programs and divestments, as well as negative currency effects. The underlying operating income remained very strong, driven by strong sales growth of 8 percent in fixed currency, good leverage from sales prices in relation to material costs, and continuous efficiency improvements and savings.

Net financial items were SEK –3,329 M (–3,382), positively affected by slightly lower interest expenses for the year. Income before tax totaled SEK 19,823 M (20,893). The effective tax rate amounted to 25.8 (25.2) percent. The increase in the effective tax rate for the year was mainly due to items affecting comparability.

Earnings per share before and after dilution decreased by 6 percent to SEK 13.23 (14.08), strongly affected by negative currency effects and items affecting comparability. Earnings per share excluding items affecting comparability increased by 2 percent to SEK 14.34 (14.09).

Operating cash flow for the year remained very strong and amounted to SEK 22,660 M (23,052), corresponding to cash conversion of 1.06 (1.10).

Items affecting comparability

Items affecting comparability for 2025 and 2024 are presented below:

2025: Restructuring costs. A new restructuring program was launched in the first quarter of 2025. Operating expenses amounted to SEK 1,284 M. The corresponding cost after tax was SEK 1,061 M.

2025: Divestment effects. Emtek and the Smart Residential business in the US and Canada were divested in 2023. Exit costs in 2025 related to the divestment amounted to a cost of SEK 228 M. The corresponding cost after income tax amounted to SEK 170 M.

2024: Divestment effects. Emtek and the Smart Residential business in the US and Canada were divested in 2023. Adjusted purchase price and exit costs in 2024 related to the divestment amounted to a cost of SEK 21 M. The corresponding cost after income tax amounted to SEK 15 M.

Restructuring

A new restructuring program was launched in early 2025. Plants and offices are expected to be closed over a two-year period in the program. The operating expenses of the program are expected to be SEK 1,284 M and were fully expensed 2025. The expected payback period including investments is less than two years.

All ongoing restructuring programs progressed well in 2025 with very good savings effects. Around 1,800 employees left the Group during

the year in conjunction with changes in the production and office organization. Five plant closures and a number of office closures were implemented during the year, along with a number of other activities, including conversion from production to final assembly in production units.

Payments for all restructuring programs totaled SEK 645 M (748) for the year. At year-end 2025, the remaining provisions for restructuring measures amounted to SEK 622 M (39).

Organization

No material operations were transferred between divisions during the year. Any transfers of operations are recognized from the time of the transfer as internal acquisitions/divestments between the divisions without any retroactive financial translation.

Acquisition

In January 2025, 3millID and Third Millennium, companies within readers and credentials for physical access control based in the US and UK, were acquired. 3millID and Third Millennium have their headquarters in Colorado, US, and Wales, UK, respectively. Sales in 2025 totaled about SEK 240 M.

In January 2025, InVue, a US provider of precision-engineered connected asset protection and access control solutions, was acquired. The company enables tailor-made security solutions to a broad spectrum of industries and retailers. The main office is located in Charlotte, US. Sales in 2025 totaled about SEK 1,790 M.

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Significant risks and risk management

The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate Governance Report

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
- Social information
- Governance information

Financial statements

In January 2025, Uhlmann & Zacher, a German supplier of access control handles and knobs and corresponding software, was acquired. The main office is located in Bavaria, Germany. Sales in 2025 totaled about SEK 280 M.

In February 2025, Wallace & Wallace, a Canadian manufacturer, distributor and installer of perimeter fencing, door and gate solutions for the commercial and residential markets, was acquired. The main office is located in Winnipeg, Canada. Sales in 2025 totaled about SEK 470 M.

In March 2025, Gesellschaft für Sicherheitstechnik, a German innovative player in emergency exit security solutions for commercial, industrial and public buildings, was acquired. The main office is located in Hamburg, Germany. Sales in 2025 totaled about SEK 130 M.

In March 2025, Senior Architectural Systems, an independent supplier of innovative aluminum windows, doors and curtain wall systems and thermally efficient fenestration systems into the commercial construction sector in the UK, was acquired. The main office is located in Yorkshire, UK. Sales in 2025 totaled about SEK 570 M.

In April 2025, Pedestal PRO, a US manufacturer of access control pedestals, bollards, and innovative mounting solutions, was acquired. The main office and factory are located in Utah, US. Sales in 2025 totaled about SEK 120 M.

In May 2025, TeleAlarm Group, a European provider of remote care technology that combines hardware and software solutions, enabling independent living across the social care and home care segment, based in Germany, was acquired. The main office is located in Leipzig, Germany. Sales in 2025 totaled about SEK 280 M.

In June 2025, Kingspan Door Components, a Belgian manufacturer offering a large range of high-quality door panels for sectional doors for both residential and industrial applications, was acquired. The main office is located in Leuze-En-Hainaut, Belgium. Sales in 2025 totaled about SEK 280 M.

In July 2025, Calmell, a Spanish manufacturer of smart cards, smart paper tickets and magnetic tickets, was acquired. The main office is located in Barcelona, Spain. Sales in 2025 totaled about SEK 380 M.

In August 2025, SiteOwl, a leading cloud-based platform that modernizes physical security lifecycle management, was acquired. The main office is located in Texas, US.

In October 2025, Kentix, a German designer and manufacturer of monitoring and access control products for datacenters, was acquired. The main office is located in Idar-Oberstein, Germany. Sales in 2025 totaled about SEK 90 M.

In October 2025, Metal Products, a US manufacturer of custom made hollow metal doors and frames, was acquired. The main office is located in Kentucky, US. Sales in 2025 totaled about SEK 220 M.

In November 2025, Door System, a Danish manufacturer of high-quality fire-rated doors with particular expertise in the pharmaceutical industry, food industry, and retail sector, was acquired. The main office is located in Hørning, Denmark. Sales in 2025 totaled about SEK 150 M.

In November 2025, International Door Products, a US manufacturer of standard and custom fire-rated steel door frames, was acquired. The main office is located in Michigan, US. Sales in 2025 totaled about SEK 220 M.

In December 2025, Sargent and Greenleaf, a US manufacturer of high-security mechanical and electronic locking solutions and safe hardware, was acquired. The main office is located in Kentucky, US. Sales in 2025 totaled about SEK 430 M.

The total purchase price of the 23 companies acquired during the year, including adjustments for acquisitions from previous years, was SEK 12,828 M. The preliminary acquisition analyses indicate that goodwill and other intangible assets with an indefinite useful life amounted to SEK 10,015 M. Estimated deferred considerations for acquisitions for the year totaled SEK 1,205 M. Additional acquisitions of non-controlling interests totaled SEK 1 M (33).

Divestments

In January 2025, ASSA ABLOY divested its Citizen ID business outside the US to TOPPAN. The capital gain on the divestment was not material.

Citizen ID manufactures, designs, and implements physical and mobile identity solutions for government-to-citizen programs around the globe. Sales in 2024 for the divested business totaled about SEK 1,100 M. The number of employees was approximately 400, with manufacturing units in Ireland and Malta.

Research and development

ASSA ABLOY’s expenditure on research and development during the year totaled SEK 6,883 M (6,101), equivalent to 4.5 percent (4.1) of sales. The pace of innovation remained high during the year thanks to the continued commitment to invest in research and development. The number of research and development posts increased during the year as a result of both recruitment and acquisitions. The number of posts was around 4,300 (4,100) at year-end.

Intangible key resources

ASSA ABLOY’s operations depend on a number of intangible key resources that are central to the Group’s long-term value creation. These resources relate primarily to the Group’s technology, innovation, brands, and digital security solutions. 23 percent of sales come from products launched in the last three years, which highlights the importance of innovation and relevant expertise in maintaining a leading market position in access solutions.

ASSA ABLOY’s internal expertise, production processes, and systematic approach to security, innovation, and sustainability are also intangible key resources where we see that investments in innovation and efficient processes are crucial to creating long-term value and maintaining competitiveness.

Sustainable development

A number of ASSA ABLOY units outside Sweden carry on licensable activities and hold equivalent licenses under local legislation. ASSA ABLOY’s units worldwide are working systematically and purposefully to reduce their environmental impact.

ASSA ABLOY completed its 2025 sustainability program and achieved or exceeded most of its set targets. A new sustainability program for 2030 was launched during the year, setting ambitious new targets, including a new target for innovation.

ASSA ABLOY decided to make the sustainability statement an integral part of the annual report starting in 2024. See the sustainability statement in the report of the Board of Directors for more detailed information about this year’s sustainability activities.

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Significant risks and risk management

The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate Governance Report

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
- Social information
- Governance information

Financial statements

Internal audit and internal control

ASSA ABLOY’s internal audit and internal control function has dedicated internal auditors employed in all divisions. The internal audit function continued its work to enhance financial reporting, internal control in relation to financial reporting and sustainability as well as compliance in the company in general. The number of audits remained high during the year.

Transactions with related parties

There were no transactions between ASSA ABLOY and related parties that materially affected the company’s financial position and earnings, other than ordinary transactions in operating activities such as the payment of dividends to shareholders.

Proposed appropriation of earnings

The following earnings are at the disposal of the Annual General Meeting:

Share premium reserve:	SEK 787,314,216
Retained earnings brought forward:	SEK 9,682,609,743
Net income for the year:	SEK 10,163,829,510
Total:	SEK 20,633,753,470

The Board of Directors proposes that these earnings be appropriated as follows:

dividend to shareholders SEK 6.40 per share	SEK 7,108,968,538
to be carried forward to the new financial year	SEK 13,524,784,932
Total:	SEK 20,633,753,470¹

The Board of Directors’ proposal for a dividend of SEK 6.40 (5.90) per share corresponds to an increase of 8 percent. The dividend is proposed to be paid in two equal installments, the first with the record date April 30, 2026 and the second with the record date November 11, 2026. If the proposal is adopted by the Annual General Meeting, the first installment is estimated to be paid on May 6, 2026 and the second installment on November 16, 2026.

Outlook

Long-term outlook

Various geopolitical risks, such as military conflicts and wars, terrorist threats, trade conflicts etc. can affect the global economy and demand for the Group’s goods and services in both the short and long terms, but the direct commercial impact on ASSA ABLOY is currently considered to be limited.

ASSA ABLOY anticipates an increase in demand for security solutions in the long term. A focus on customer value and innovations as well as leverage on the Group’s strong position will accelerate growth and increase profitability. Organic sales growth is expected to continue at a good rate. The operating margin (EBIT) and operating cash flow are expected to develop well.

¹ The dividend and retained earnings to be carried forward to the new financial year are calculated on the number of outstanding shares at February 4, 2026. No dividend is payable on ASSA ABLOY AB’s holding of treasury shares, the exact number of which is determined on each record date for payment of dividend. ASSA ABLOY AB’s holding of treasury shares amounted to 1,800,000 Series B shares at February 4, 2026.



Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

→ Significant risks and risk management
The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate Governance Report

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
- Social information
- Governance information

Financial statements

Significant risks and risk management

Risk management

Uncertainty about future developments and the course of events is a natural risk for any business. Risk-taking in itself provides opportunities for continued economic growth, but the risks may also have a negative impact on business operations and company goals. It is therefore essential to have a systematic and efficient risk assessment process and an effective risk management program in general. The purpose of risk management at ASSA ABLOY is not to avoid risks, but to take a controlled approach to identifying, managing and minimizing the effects of these risks. This work is based on an assessment of the probability of the risks and their potential impact on the Group.

ASSA ABLOY is an international Group with a wide geographical spread, involving exposure to various forms of strategic, operational and financial risks. Strategic risks refer to changes in the business environment with potentially significant effects on ASSA ABLOY’s operations and business objectives. Operational risks comprise risks directly attributable to business operations, entailing a potential impact on the Group’s financial position and performance, such as risks related to acquisitions of companies, legal risks, environmental and climate risks, and cyber and information security risks. Financial risks mainly comprise financing risk, currency risk, interest rate risk, credit risk, and risks associated with the Group’s pension obligations.

Organization

ASSA ABLOY’s Board of Directors has overall responsibility for risk management within the Group and determines the Group’s strategic focus based on recommendations from the Executive Team. In view of the decentralized

structure of ASSA ABLOY, and to keep risk analysis and risk management as close as possible to the actual risks, a large proportion of operational risk management takes place at division and business unit levels.

Responsibility

ABLOY’s Board of Directors has overall responsibility for the Group’s strategic direction in close consultation with the Executive Team. Divisions and business units have overall responsibility for management of operational risks in accordance with ASSA ABLOY’s decentralized approach to organization, responsibility and authority. In the case of financial risks, allocation of responsibilities and control of the Group’s financing activities are regulated in a financial policy adopted by the Board of Directors. A centralized Treasury function then has the main responsibility for financial risks within the framework established in the financial policy, with the exception of credit risks relating to operational business activities, which are managed locally at company level and monitored at division level.

Review process

Strategic risks, such as competitors and brand positioning, are regularly reviewed at ASSA ABLOY AB’s Board meetings. The Group’s operational risk management is continuously monitored by the Executive Team through divisional reporting and divisional board meetings. Financial operations are centralized in a Treasury function, which manages most financial transactions as well as financial risks with a Group-wide focus. ASSA ABLOY’s Treasury monitors the Group’s short- and long-term financing, financial cash management, currency risk and other financial risk management.

Strategic risks

The risks of this nature encountered by ASSA ABLOY include various forms of business environment risks with an impact on the security market in general, mainly changes in customer behavior, competitors, brand positioning, reputational risks, geopolitical risks and country-specific risks. Worldwide health risks posed by pandemics can significantly impact societies and global demand around the world.

Geopolitical risks

ASSA ABLOY manufactures and supplies access solutions, secure identities and other goods and services in a large number of countries around the world. Various geopolitical risks, such as military conflicts and wars, terrorist threats, trade conflicts etc. can affect the global economy and demand for the Group’s goods and services. The introduction of various types of tariffs between countries may have a negative impact on the business in both the short and long term, even though ASSA ABLOY’s manufacturing is mainly done locally. The decentralized organization and agile working method also enable faster adaptation at the local level.

Country-specific risks

ASSA ABLOY has global market penetration, with sales and production in a large number of countries. The focus is on mature markets such as North America and Western Europe, but the Group also has some exposure to emerging markets. Some countries may have a higher risk profile for country-specific risks in the form of inadequate compliance, policy decisions, overall changes in regulations etc.

Customer behavior

Changes in customer behavior in general and the actions of competitors affect demand for different products and their profitability. Customers and suppliers, including the Group’s relationships with them, are subject to continuous local review.

Competitors

As regards competitors, risk analyses are carried out both centrally and locally.

Brand positioning

The Group owns a number of the strongest brands in the industry, including several global brands that complement the ASSA ABLOY master brand. Local product brands are also linked to the master brand.

Reputational risk

Activities to maintain and further strengthen ASSA ABLOY’s good reputation are constantly ongoing. These include ensuring compliance with ASSA ABLOY’s Code of Conduct for employees and the Code of Conduct for Business Partners. These codes express the Group’s values relating to business ethics, human rights and working conditions, as well as the environment, health and safety.

Operational risks

Operational risks comprise risks directly attributable to business operations, with a potential impact on the Group’s financial position and performance. They include legal risks and environmental and climate risks, tax risks, acquisition of new businesses, restructuring measures, price fluctuations and availability of raw materials, and credit losses. This category also

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

→ Significant risks and risk management
The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate Governance Report

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
- Social information
- Governance information

Financial statements

includes risks relating to compliance with laws and regulations, cyber and information security risks, and internal control and financial reporting. See page 52 for a more detailed description of the management of these risks.

Financial risks

The Group’s financial risks mainly comprise financing risk, currency risk, interest rate risk, credit risk, and risks associated with the Group’s pension obligations. A large number of financial instruments are used to manage these risks. Accounting principles, risk management and risk exposure are described in more detail in Notes 1 and 36, as well as Note 25, Post-employment employee benefits.

Financing risk

Financing risk refers to the risk that financing the Group’s capital requirements and refinancing outstanding loans become more difficult or more expensive. It can be reduced by maintaining an even maturity profile for borrowing and a solid credit rating. The risk is further reduced by substantial unutilized confirmed credit facilities.

Currency risk

Since ASSA ABLOY sells its products in countries worldwide and has companies in a large number of countries, the Group is exposed to the effects of exchange rate fluctuations. These fluctuations affect Group earnings when the income statements of foreign subsidiaries are translated to Swedish kronor (translation exposure), and when products are exported and sold in countries outside the country of production (transaction exposure). Translation exposure is primarily related to earnings in USD and EUR. This type of exposure is not hedged. Currency risk in the form of transaction exposure, i.e. the relative values of exports and imports of goods, is expected to increase over time due to rationalization of production and sourcing. In accordance with its

financial policy, the Group only hedged a very limited part of current currency flows in 2025. As a result, exchange rate fluctuations had a direct impact on business operations.

Exchange rate fluctuations also affect the Group’s debt-equity ratio and equity. The difference between the assets and liabilities of foreign subsidiaries in the respective foreign currency is affected by exchange rate fluctuations and causes a translation difference, which affects the Group’s comprehensive income. A general weakening of the Swedish krona leads to an increase in net debt, but at the same time increases the Group’s equity. At year-end, the largest foreign net assets were denominated in USD and EUR.

Interest rate risk

With respect to interest rate risks, interest rate changes have a direct impact on ASSA ABLOY’s net interest expense. The net interest expense is also impacted by the size of the Group’s net debt and its currency composition. Net debt was SEK 64,277 M (70,253) at year-end 2025.

Operating cash flow remained very strong, positively affecting net debt, but the level of debt was also affected by continued high acquisition activity. Currency effects significantly reduced net debt during the year. Debt was mainly denominated in USD, EUR and SEK. Group Treasury analyzes the Group’s interest rate exposure and calculates the impact on income of interest rate changes on a rolling 12-month basis. In addition to raising variable-rate and fixed-rate loans, various interest rate derivatives are used to adjust interest rate sensitivity.

Credit risk

Credit risk arises in ordinary business activities and as a result of financial transactions. Trade receivables are spread across a large number of customers, which reduces credit risk. Credit risks relating to operational business activities are managed locally at company level and monitored at division level. Financial risk management exposes ASSA ABLOY to certain counterparty risks. Such exposure may arise, for example, as a result of the placement of

surplus cash, borrowings and derivative financial instruments. Counterparty limits are set for each financial counterparty and are continuously monitored.

Pension obligations

At year-end 2025, ASSA ABLOY had obligations for pensions and other post-employment benefits of SEK 8,627 M (9,800). The Group manages pension assets valued at SEK 7,491 M (8,322). Provisions in the balance sheet for defined benefit and defined contribution plans and post-employment medical benefits totaled SEK 1,136 M (1,478). Changes in the value of assets and liabilities from year to year are due partly to the development of equity and debt capital markets and partly to the actuarial assumptions made. Significant remeasurement of obligations and plan assets is recognized on a current basis in the balance sheet and in other comprehensive income. The assumptions made include discount rates and anticipated inflation and pension increases.

ASSA ABLOY’s risks

Strategic risks

Changes in the business environment with potentially significant effects on operations and business objectives.

- Geopolitical risks
- Country-specific risks
- Customer behavior
- Competitors
- Brand positioning
- Reputational risk
- Pandemics and other global health risks

Operational risks

Risks directly attributable to business operations with a potential impact on financial position and performance.

- Legal risks and environmental and climate risks
- Cyber and information security risks
- Tax risks
- Acquisition and divestment of companies
- Restructuring measures
- Price fluctuations and availability of raw materials
- Credit losses
- Insurance risks
- Risks relating to internal control

Financial risks

Financial risks with a potential impact on financial position and performance.

- Financing risk
- Currency risk
- Interest rate risk
- Credit risk
- Risks associated with pension obligations

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

- Significant risks and risk management
- The Board of Directors’ proposal of guidelines for remuneration to senior executives
- Corporate Governance Report

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
- Social information
- Governance information

Financial statements

ASSA ABLOY’s operational risks and risk management

Operational risks	Risk management	Comment
Legal risks	The Group continuously monitors anticipated and implemented changes in legislation in the countries in which it operates. Ongoing and potential disputes are regularly reported to the Group's central legal function. Policies and guidelines on compliance with applicable competition, anti-corruption, export control/sanction and data protection legislation and AI have been implemented.	At year-end 2025, there are considered to be no ongoing legal disputes with a material impact on the Group's earnings.
Environmental and climate risks	Ongoing and potential environmental and climate risks are regularly monitored in operations. External expertise is brought in for environmental assessments when necessary.	Prioritized environmental activities and other information on sustainability are presented in the sustainability statement in the report of the Board of Directors. At year-end 2025, climate change was considered not assessed as having a material impact on the financial statements or on the estimates and assumptions made in the preparation of the annual report. See also the section Climate-related issues in Note 1.
Risks relating to cyber and information security	The cybersecurity governance model is closely linked to overall risk management and supports the identification and prioritization of each risk area. Preventive measures are in place to protect business-critical operations from unauthorized individuals and organizations.	Cyber threats are evolving rapidly, with new attack methods and increasingly sophisticated techniques challenging traditional defenses. Cybersecurity is a high priority area at ASSA ABLOY through constant efforts to maintain and strengthen the level of security for the Group's business processes. Protecting our digital environment requires proactive security with continuous monitoring and rapid response capabilities.
Tax risks	Ongoing and potential tax cases are regularly reported to the Group's central tax function.	At year-end 2025, there are considered to be no ongoing tax matters with a significant impact on the Group's earnings.
Acquisition and divestment of companies	Acquisitions and divestments are carried out by a number of people with considerable experience in the field and with the support of, for example, legal and financial consultants. Acquisitions are carried out according to a uniform and predefined Group-wide process. This consists of four documented phases: strategy, evaluation, implementation and integration.	During the year, acquisition activity remained very high at ASSA ABLOY, with 23 (26) acquisitions of businesses. There was also one divestment. The Group's acquisitions and divestments in 2025 are reported in greater detail in the report of the Board of Directors and, where acquisitions are concerned, in Note 34, Business combinations.
Restructuring measures The restructuring programs mainly entail some production units being closed or changing their focus to mainly performing final assembly, combined with office closures.	The restructuring programs are carried on as a series of projects with stipulated activities and schedules. The various projects in the respective restructuring program are systematically monitored on a regular basis.	A new restructuring program was launched in early 2025. A number of plants and offices are expected to be closed over a two-year period. The level of activity in all ongoing programs was high during the year, with very good cost savings. The scope, costs and savings of the programs are presented in more detail in the report of the Board of Directors.
Price fluctuations and availability of raw materials	Raw materials are purchased and handled primarily at division and business unit level. Regional committees coordinate these activities with the help of senior coordinators for selected material components.	The market prices of raw material components, for example steel, that are important to the Group varied during the year. For further information about procurement of materials, see Note 7, Expenses by nature and function.
Credit losses	Trade receivables are spread across a large number of customers in many markets. Commercial credit risks are managed locally at company level and monitored at division level.	Receivables from each customer are relatively small in relation to total trade receivables. The risk of significant credit losses for the Group is deemed to be limited.
Insurance risks	A Group-wide insurance program is in place, mainly relating to property, business interruption and liability risks. This program covers all business units. The Group's exposure to the risk areas listed above is regulated by means of its own captive insurance company.	The Group's insurance cover is considered to be generally adequate, providing a reasonable balance between assessed risk exposure and insurance costs.
Risks relating to internal control	The organization is considered to be relatively transparent, with a clear allocation of responsibilities. A well-established controller organization at both division and Group level monitors financial reporting quality. To maintain and further develop a structured and well-established process for reliable financial reporting and internal control over critical business processes, as well as to continuously identify and manage risks, ASSA ABLOY has an established internal control framework that is continuously maintained and further developed. An annual self-assessment is carried out at selected companies to ensure compliance.	ASSA ABLOY's internal audit and internal control function has dedicated internal auditors employed in all divisions. The number of audits remained high during the year. Internal control and other related issues are reported in more detail in the report of the Board of Directors, section on corporate governance. Further information on risk management relating to financial reporting can be found in the report of the Board of Directors, section on corporate governance. See also the section Key estimates and assessments for accounting purposes in Note 1.

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Significant risks and risk management
→The Board of Directors' proposal of guidelines for remuneration to senior executives

Corporate Governance Report

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
- Social information
- Governance information

Financial statements

The Board of Directors’ proposal of guidelines for remuneration to senior executives

Scope

The Board of Directors proposes that the Annual General Meeting adopts the following guidelines for the remuneration and other employment conditions of the President and CEO and other members of the ASSA ABLOY Executive Team (the “Executive Team”).

These guidelines are applicable to remuneration agreed, and amendments to remuneration already agreed, after adoption of the guidelines by the 2026 Annual General Meeting. These guidelines do not apply to any remuneration decided or approved by the General Meeting.

Employment conditions of a member of the Executive Team that is employed or resident outside Sweden or that is not a Swedish citizen, may be duly adjusted for compliance with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of these guidelines.

Promotion of ASSA ABLOY’s business strategy, long-term interests and sustainability

One of the strategies for value creation followed by ASSA ABLOY is “Evolution through people”. 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, taking into account both global

remuneration practice and practice in the home country of each member of the Executive Team. These guidelines enable ASSA ABLOY to offer the Executive Team a total remuneration that is on market conditions and competitive. Prerequisites are thereby established for successful implementation of the Group’s business strategy, which on overall level is to lead the trend towards the world’s most innovative access solutions, as well as safeguarding ASSA ABLOY’s long-term interests, including its sustainability. More information about ASSA ABLOY’s business strategy and ASSA ABLOY’s sustainability statement, which is included in the annual report, is available on ASSA ABLOY’s website assaabloy.com.

ASSA ABLOY has on-going share-based long-term incentive programs in place that have been resolved by the General Meeting and which are therefore excluded from these guidelines. Future share-based long-term incentive programs proposed by the Board of Directors and submitted to the General Meeting for approval will be excluded for the same reason. The purpose of the share-based long-term incentive program is to strengthen ASSA ABLOY’s ability to recruit and retain competent employees, to contribute to ASSA ABLOY providing a total remuneration that is on market conditions and competitive, and to align the interests of the shareholders with the interests of the employees concerned. Through a share-based long-term incentive program, the employees’ remuneration is tied

to ASSA ABLOY’s future earnings and value growth. At present the performance criteria used is linked to earnings per share. The programs are further conditional upon the participant’s own investment and holding period of several years. More information about these programs is available on ASSA ABLOY’s website assaabloy.com.

Types of remuneration

The total yearly remuneration to the members of the Executive Team shall be on market conditions and be competitive and also reflect each member of the Executive Team’s responsibility and performance. The total yearly remuneration shall consist of fixed base salary, variable cash remuneration, pension benefits and other benefits (which are specified below excluding social security costs). Additionally, the General Meeting may – and irrespective of these guidelines – resolve on, among other things, share-related or share price-related remuneration.

The variable cash remuneration shall be linked to predetermined and measurable targets, which are further described below, and may amount to not more than 75 percent of the yearly base salary. In order to ensure that the remuneration levels are in line with market conditions and competitive, taking into account the current market conditions in the US, the variable cash remuneration for members of the Executive Team employed in the US may amount to not more than 100 percent of the yearly base salary.

Additional variable cash remuneration may be paid in specific cases in the form of remuneration with lump sums, provided that such remuneration is only provided at an individual basis for the purpose of recruiting senior executives. Such remuneration may not exceed an amount corresponding to 100 percent of the yearly base salary and the maximum variable cash remuneration, and may not be paid more than once per year and individual.

The members of the Executive Team shall be covered by defined contribution pension plans, for which pension premiums are based on each member’s yearly base salary and is paid by ASSA ABLOY during the period of employment. The pension premiums shall amount to not more than 35 percent of the yearly base salary.

Other benefits, such as company car, life insurance, extra health insurance or occupational healthcare, should be payable to the extent this is considered to be in line with market conditions in the market concerned for each member of the Executive Team. Premiums and other costs relating to such benefits may totally amount to not more than 10 percent of the yearly base salary. Furthermore, housing allowance benefit may be added in line with ASSA ABLOY’s policies and costs relating to such benefit may totally amount to not more than 25 percent of the yearly base salary. Premiums and other costs relating to other benefits and housing allowance benefit may, however, totally

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Significant risks and risk management
→The Board of Directors' proposal of guidelines for remuneration to senior executives

Corporate Governance Report

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
- Social information
- Governance information

Financial statements

amount to not more than 30 percent of the yearly base salary.

Criteria for awarding variable cash remuneration

The variable cash remuneration shall be linked to predetermined and measurable financial targets, such as earnings per share (EPS), earnings before interest and taxes (EBIT), cash flow and organic growth, 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 Committee shall for the Board of Directors prepare, monitor and evaluate matters regarding variable cash remuneration to the Executive Team. Ahead of each yearly measurement period for the criteria for awarding variable cash remuneration the Board of Directors shall, based on the work of the Remuneration Committee, establish which criteria that are deemed to be relevant for the upcoming measurement period. To which extent the criteria for awarding variable cash remuneration has been satisfied shall be determined when the measurement period has ended. Evaluations regarding fulfilment of financial targets shall be based on determined financial basis for the relevant period.

Variable cash remuneration can be paid after the measurement period has ended or be subject to deferred payment. Paid variable cash remuneration can be claimed back when such right follows from general principles of law.

Duration of employment and termination of employment

The members of the Executive Team shall be employed until further notice. If notice of termination is made by ASSA ABLOY, the notice period may not exceed twelve months for the CEO and six months for the other members of the Executive Team. If the CEO is given notice, ASSA ABLOY is liable to pay, including severance pay and remuneration under the notice period, the equivalent of maximum 24 months’ base salary and other employment benefits. If any other member of the Executive Team is given notice, ASSA ABLOY is liable to pay a maximum of six months’ base salary and other employment benefits plus severance pay amounting to a maximum of an additional twelve months’ base salary. If notice of termination is made by a member of the Executive Team, the notice period may not exceed six months, with no right to severance pay.

A member of the Executive Team may, for such time when the member is not entitled to severance pay, be compensated for non-compete undertakings. Such compensation shall amount to not more than 60 percent of the monthly base salary at the time of the termination and shall only be paid as long as the non-compete undertaking is applicable, at longest a period of twelve months.

Remuneration and employment conditions for employees

In the preparation of the Board of Directors’ proposal for these remuneration guidelines, remuneration and employment conditions for employees of ASSA ABLOY have been taken into account by including information on the employees’ total remuneration, 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 Remuneration Committee’s tasks include preparing the Board of Directors’ decision to propose guidelines for remuneration to the Executive Team. The Board of Directors shall prepare a proposal for new guidelines at least every fourth year and submit it to the Annual 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 to the Executive Team, the application of the guidelines for remuneration to the Executive Team as well as the applicable remuneration structures and remuneration levels in ASSA ABLOY. The members of the Remuneration Committee are independent of the company and its management. The CEO and other members of the Executive Team 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.

Deviation from guidelines

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

Description of material changes of the guidelines and how the views of shareholders’ have been taken into consideration

Other than editorial changes, the proposed guidelines correspond to the remuneration guidelines adopted by the 2022 Annual General Meeting. A few comments on the remuneration guidelines adopted by the 2022 Annual General Meeting 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.

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

- Significant risks and risk management
- The Board of Directors' proposal of guidelines for remuneration to senior executives
- Corporate Governance Report

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
- Social information
- Governance information

Financial statements

Corporate Governance Report

ASSA ABLOY AB is a Swedish public limited liability company with its registered office in Stockholm, Sweden, whose Series B share is listed on Nasdaq Stockholm.

ASSA ABLOY's corporate governance is based on the Swedish Companies Act, the Swedish Annual Accounts Act, the Nasdaq Nordic Main Market Rulebook for Issuers of Shares, the EU Market Abuse Regulation, and the Swedish Corporate Governance Code (the Code), as well as other applicable external laws, rules and regulations, and internal rules and regulations.

This corporate governance report has been prepared in accordance with the Swedish Annual Accounts Act and the Code and reports on ASSA ABLOY's corporate governance during the 2025 fiscal year. ASSA ABLOY had no deviations from the Code in 2025. The corporate governance report is examined by ASSA ABLOY's auditor.

ASSA ABLOY's objective is that its operations should generate good long-term returns for its shareholders and other stakeholders. An effective scheme of corporate governance for ASSA ABLOY can be summarized in a number of interacting components, which are described to the right.

1 Shareholders
At year-end 2025, ASSA ABLOY had 60,700 shareholders. ASSA ABLOY's principal shareholders are Investment AB Latour (9.5 percent of the share capital and 29.4 percent of the votes) and Melker Schörling AB (3.1 percent of the share capital and 10.9 percent of the votes).

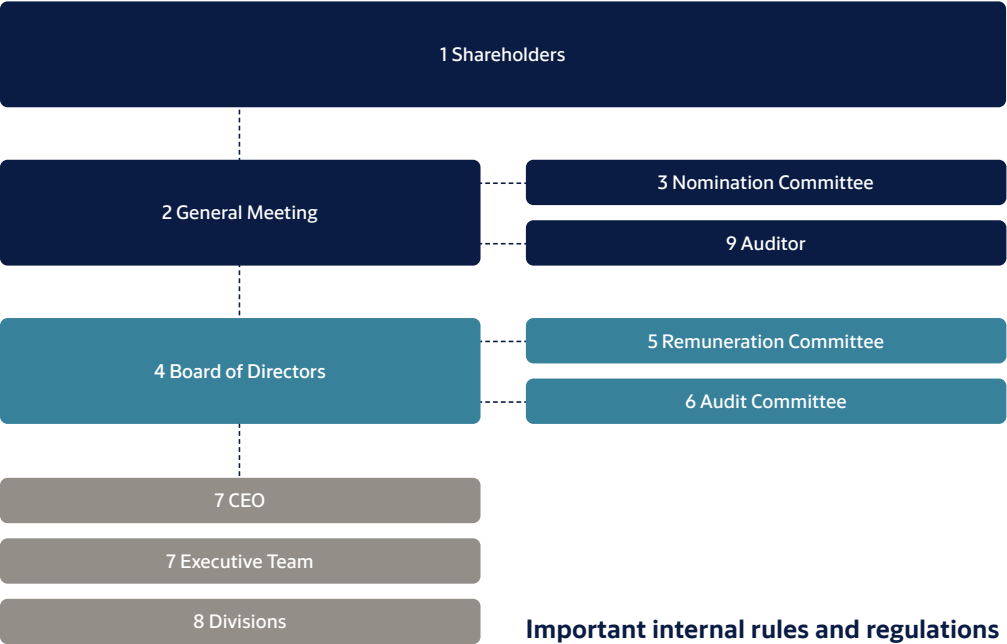
Foreign shareholders accounted for 66.7 percent of the share capital and 45.5 percent of the votes. The ten largest shareholders accounted for 35.9 percent of the share capital and 56.3 percent of the votes. For further information about shareholders, see page 173.

ASSA ABLOY's Articles of Association contain a pre-emption clause for owners of Series A shares regarding Series A shares. A shareholders' agreement exists between the Douglas and Schörling families and their related companies that includes an agreement on right of first refusal if any party disposes of Series A shares. The Board of Directors of ASSA ABLOY is not aware of any other shareholders' agreements or other agreements between shareholders in ASSA ABLOY.

Share capital and voting rights
At year-end 2025, ASSA ABLOY's share capital amounted to SEK 370,858,778, distributed among a total of 1,112,576,334 shares, comprising 57,525,969 Series A shares and 1,055,050,365 Series B shares. All shares have a par value of around SEK 0.33 and give shareholders equal rights to the company's assets and earnings. The total number of votes was 1,630,310,055. Each Series A share carries ten votes and each Series B share one vote.

Repurchase of own shares
Since 2010, the Board of Directors has requested and received a mandate from the Annual General Meeting to repurchase and transfer ASSA ABLOY Series B shares. The aim has been, among other things, to secure the

Corporate governance structure



Important external rules and regulations

- The Swedish Companies Act
- The Swedish Annual Accounts Act
- Nasdaq Nordic Main Market Rulebook for Issuers of Shares
- EU Market Abuse Regulation
- Swedish Code of Corporate Governance (www.bolagsstyrning.se)

Important internal rules and regulations

- Articles of Association
- Board of Directors' rules of procedure
- Financial policy
- Accounting manual
- Communication policy
- Insider policy
- Internal control framework
- Code of Conduct
- Policies and guidelines regarding anti-corruption, trade compliance and other compliance
- Policies and guidelines regarding cyber and information security and digital compliance

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

- Significant risks and risk management
- The Board of Directors’ proposal of guidelines for remuneration to senior executives
- Corporate Governance Report
 - Board of Directors
 - Executive Team
 - Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
- Social information
- Governance information

Financial statements

company’s undertakings in connection with its long-term incentive programs (LTI). The 2025 Annual General Meeting authorized the Board of Directors to acquire, during the period until the next Annual General Meeting, a maximum number of Series B shares so that after each repurchase ASSA ABLOY holds a maximum 10 percent of the total number of shares in the company, and to transfer a maximum of as many Series B shares as are held by the company at the time of the Board of Directors’ decision.

ASSA ABLOY holds a total of 1,800,000 Series B shares after repurchase. The purchase consideration for these shares amounted to SEK 103 million. These shares account for around 0.2 percent of the share capital and each share has a par value of around SEK 0.33. No shares were repurchased or transferred in 2025.

2 General Meeting Shareholders’ rights to decide on the affairs of ASSA ABLOY are exercised at the General Meeting. Shareholders who are registered in the share register on the record date and have duly notified their intent to attend are entitled to take part in the General Meeting, either in person or by proxy. Resolutions at the General Meeting are normally passed by simple majority. For certain matters, however, the Swedish Companies Act prescribes that a proposal should be supported by a higher majority. Individual shareholders who wish to submit a matter for consideration at the General Meeting can send such request to ASSA ABLOY’s Board of Directors at a special address published on the company’s website well before the Meeting.

The Annual General Meeting should be held within six months of the end of the company’s financial year. Matters considered at the Annual General Meeting include: dividend; adoption of the income statement and balance sheet; discharge of the members of the Board of Directors and the CEO from liability; election of members of the Board of Directors, Chairman of

the Board of Directors and auditor; and fees for the Board of Directors and auditor. An Extraordinary General Meeting may be held if the Board of Directors considers this necessary or if ASSA ABLOY’s auditor or shareholders holding at least 10 percent of the shares so request.

- 2025 Annual General Meeting** At the Annual General Meeting on April 23, 2025, shareholders representing 61.4 percent of the share capital and 73.7 percent of the votes participated. The Annual General Meeting’s resolutions included the following.
- Dividend of SEK 5.90 per share, paid in two equal installments.
 - Johan Hjertonsson, Carl Douglas, Erik Ekudden, Sofia Schörling Högberg, Lena Olving, Victoria Van Camp and Susanne Pahlén Åklundh were re-elected as members of the Board of Directors.
 - Johan Hjertonsson was re-elected as Chairman of the Board of Directors, and Carl Douglas was re-elected as Vice Chairman.
 - The audit firm Ernst & Young AB was re-elected as the company’s auditor.
 - Remuneration of the Board of Directors
 - Approval of the Board of Directors’ report on remuneration as per Chapter 8, Section 53 a, of the Swedish Companies Act (remuneration report).
 - Authorization of the Board of Directors regarding repurchase and transfers of own Series B shares.
 - A long-term incentive program for senior executives and other key staff in the Group (LTI 2025).

For more information about the Annual General Meeting, including the minutes, see ASSA ABLOY’s website at assaabloy.com.

2026 Annual General Meeting ASSA ABLOY’s next Annual General Meeting will be held on April 28, 2026 in Stockholm, Sweden. More information will be available in the notice of the Annual General Meeting and on ASSA ABLOY’s website at assaabloy.com.

3 Nomination Committee The 2023 Annual General Meeting adopted the current instructions for the Nomination Committee, comprising a procedure for appointing the Nomination Committee, which apply until further notice. According to the instructions, the Nomination Committee shall be composed of representatives of the five largest shareholders in terms of voting rights registered in the shareholders’ register maintained by Euroclear Sweden AB as of August 31 the year before the Annual General Meeting. Where a shareholder declines to participate in the Nomination Committee, a representative from the next largest shareholder in turn shall be appointed. If a member resigns from the Nomination Committee before the work is completed and the Nomination Committee finds it suitable, a substitute shall be appointed. Such a substitute shall be appointed from the same shareholder or, if that shareholder no longer is among the largest shareholders in terms of voting rights, from the largest shareholder next in turn.

- Members of the Nomination Committee** Prior to the 2026 Annual General Meeting, the Nomination Committee comprises:
- Johan Menckel, Chairman (Investment AB Latour)
 - Mikael Ekdahl (Melker Schörling AB)
 - Caroline Sjösten (Swedbank Robur Fonder)
 - Carina Silberg (Alecta)
 - Yvonne Sörberg (Handelsbanken Fonder)

The Chairman of the company’s Board of Directors, Johan Hjertonsson, is co-opted to the Nomination Committee.

The tasks of the Nomination Committee The Nomination Committee has the task of preparing, on behalf of the shareholders, proposals regarding the election of Chairman of the General Meeting, members of the Board of Directors, Chairman of the Board, Vice Chairman of the Board; auditor; fees for the Board members including division between the Chairman, Vice Chairman and the other Board members,

as well as fees for committee work; fees to the company’s auditor, and any changes of the instructions for the Nomination Committee. The Audit Committee assists the Nomination Committee in work associated with the proposal regarding appointment of the external auditor.

Prior to the 2026 Annual General Meeting, the Nomination Committee makes an assessment of whether the current Board of Directors is appropriately composed and fulfills the requirements imposed on the Board of Directors by the company’s present situation and future direction. The annual evaluation of the Board of Directors and its work is part of the basis for this assessment. Moreover, the Nomination Committee applies ASSA ABLOY’s diversity policy for the Board of Directors, which is based on Rule 4.1 of the Code, when preparing its proposal for election of members of the Board of Directors. The search for suitable Board members is carried on throughout the year and proposals for new Board members are based in each individual case on a profile of requirements established by the Nomination Committee.

Shareholders wishing to submit proposals to the Nomination Committee can do so by e-mailing: nominationcommittee@assaabloy.com.

The Nomination Committee’s proposals for the 2026 Annual General Meeting are published at the latest in conjunction with the formal notice of the Annual General Meeting, which is expected to be published around March 24, 2026.

4 Board of Directors The Board of Directors has overall responsibility for the organization and management of ASSA ABLOY and the Group. The Board of Directors addresses the Group’s overall objectives and strategies, Group policies, acquisitions and divestments as well as investments of major importance. Acquisitions and divestments with a value (on a debt-free basis) exceeding SEK 300 M are decided by the Board of Direc-

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Significant risks and risk management

The Board of Directors’ proposal of guidelines for remuneration to senior executives

→ Corporate Governance Report

Board of Directors

Executive Team

Internal control – financial reporting

Sustainability statement

General information

Environmental information

Social information

Governance information

Financial statements

tors. This threshold amount presumes that the matter relates to acquisitions or divestments in accordance with the strategy agreed by the Board of Directors. The Board of Directors also approves documents such as the annual report and interim reports, proposes a dividend to the Annual General Meeting, and makes decisions concerning the Group’s financial structure. The Board of Directors’ other ongoing duties include:

- appointing, evaluating and if necessary dismissing the CEO,
- approving the CEO’s significant assignments outside the company,
- identifying how sustainability issues impact risks to, and business opportunities for, the company,
- establishing appropriate guidelines to govern the company’s conduct in society with the aim of ensuring long-term value-creating capability,
- ensuring that appropriate systems are in place for monitoring and control of the company’s operations and the risks for the company associated with its operations,
- ensuring that there is satisfactory control of the company’s compliance with laws and other regulations relevant to the company’s operations, and its compliance with internal guidelines, and
- ensuring that external information provided by the company is transparent, accurate, relevant and reliable.

The Board of Directors annually establishes rules of procedure for the Board’s work. The rules of procedure state, among other things, how the Board’s work is to be distributed, including the specific role and duties of the Chairman, and the distribution of duties between the Board and the CEO. The rules of procedure include instructions for the CEO, instructions relating to financial reporting, sustainability reporting and internal control, and instructions to the Board’s Remuneration Committee and Audit Committee.

The Board of Directors has at least five ordinary meetings and one statutory meeting per year. An ordinary Board meeting is always held in connection with the company’s publication of its year-end report and interim reports. At least once a year the Board of Directors visits one of the Group’s operations, combined with a Board meeting. In addition, extraordinary Board meetings are held when necessary. All meetings follow an approved agenda. Prior to each meeting, a draft agenda, including documentation, is provided to all members of the Board of Directors.

The Board of Directors has a Remuneration Committee and an Audit Committee. The purpose of these Committees is to deepen and streamline the work of the Board of Directors and to prepare matters in these areas. The members of the Committees are appointed annually by the Board of Directors at the statutory Board meeting.

Board of Directors’ composition

The Board of Directors, including the Chairman and Vice Chairman of the Board, is elected annually at the Annual General Meeting for the period until the end of the next Annual General Meeting and shall, according to the Articles of Association, comprise a minimum of six and a maximum of ten members elected by the Meeting. The current Board of Directors consists of seven members who were elected by the 2025 Annual General Meeting. The Board of Directors also has two members who are appointed by employee organizations in accordance with Swedish law. The employee organizations also appoint two deputies. No Board members are included in the Executive Team. For a presentation of the Board of Directors, see pages 59–60.

The diversity policy that ASSA ABLOY applies with respect to the company’s Board of Directors is based on Rule 4.1 of the Code. The objective is that the composition of the Board of Directors, taking into account the company’s operations, stage of development and other circumstances,

shall be appropriate, characterized by versatility and breadth regarding qualifications, experience and background of the elected members, and strive to achieve gender equality. In 2025 the Nomination Committee took the diversity policy into account when preparing its proposal for election of members of the Board of Directors prior to the Annual General Meeting. After the election at the 2025 Annual General Meeting, the composition of the members of the Board of Directors elected by the Annual General Meeting is such that 57 percent are women and 43 percent are men, which is in line with the Swedish Corporate Governance Board’s aspiration for each gender to represent a share of at least 40 percent of the Board of Directors. In addition, there were in-depth reviews of operations in the Global Technologies division’s business unit HID, the Asia Pacific division’s business unit Opening Solutions Greater China and Southeast Asia, the Americas division and the Entrance Systems division during the year, with the partial aim of expanding the expertise of the Board of Directors in ASSA ABLOY.

Board of Directors’ work in 2025

The Board’s work is conducted primarily within the framework of formal Board meetings and meetings of the Board’s Committees. In addition, ongoing contact is maintained between the Chairman of the Board and the CEO to discuss operations and developments. The Board held ten Board meetings during the year (three of which were by correspondence). At the ordinary Board meetings the CEO reported on the Group’s performance and financial position.

Key focus areas for the Board of Directors during the year included the Group’s strategy, with a particular focus on emerging markets and operational resilience, cyber and information security issues, and sustainability issues, including sustainability reporting. The Board also addressed the new restructuring program (MFP 10) as well as a number of acquisitions, including InVue, Senior Architectural Systems, Gesellschaft für Sicherheitstechnik, Pedestal

PRO, TeleAlarm Group, Kingspan Door Components, Calmell, Metal Products, Door System, International Door Products, and Sargent and Greenleaf. During the year, the Board of Directors visited the Americas division’s operations in the US. The Board of Directors’ work is summarized in the timeline on page 58.

An evaluation of the Board of Directors’ work is conducted annually in the form of a web-based survey, which each Board member responds to individually. A summary of the results is presented to the Board of Directors. Board members who wish can access the complete results of the evaluation. The Chairman of the Board of Directors presents the complete results of the evaluation to the Nomination Committee.

Remuneration of the Board of Directors

The General Meeting passes a resolution on the remuneration to be paid to Board members. The 2025 Annual General Meeting passed a resolution on Board fees totaling SEK 10,106,000 (excluding remuneration for committee work) to be allocated between the members as follows: SEK 3,540,000 to the Chairman of the Board, SEK 1,316,000 to the Vice Chairman of the Board, and SEK 1,050,000 to each of the other members elected by the Annual General Meeting. As remuneration for committee work, the Chairman of the Audit Committee is to receive SEK 493,000, the Chairman of the Remuneration Committee SEK 202,000, members of the Audit Committee (except the Chairman) SEK 336,000 each, and the member of the Remuneration Committee (except the Chairman) SEK 101,000.

The Chairman and other Board members have no pension benefits or severance pay agreements. The employee representatives do not receive Board fees. For further information on the remuneration of Board members in 2025, see Note 35.

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Significant risks and risk management

The Board of Directors’ proposal of guidelines for remuneration to senior executives

→ Corporate Governance Report

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
- Social information
- Governance information

Financial statements

5 Remuneration Committee

In 2025 the Remuneration Committee comprised Johan Hjertonsson (Chairman) and Erik Ekudden.

The Remuneration Committee has the task of drawing up guidelines for remuneration to senior executives, which the Board of Directors proposes to the Annual General Meeting for resolution. The Board of Directors shall prepare a proposal for new guidelines at least every four years. For information about ASSA ABLOY’s current guidelines for remuneration to senior executives that were adopted at the 2022 Annual General Meeting, see Note 35. The Board of Directors’ proposal for new guidelines prior to the 2026 Annual General Meeting is set out on pages 53–54. Other than editorial changes, the proposed guidelines correspond to the remuneration guidelines adopted by the 2022 Annual General Meeting.

The Remuneration Committee also prepares, monitors and evaluates matters regarding salaries, bonus, pension, severance pay and incentive programs for the CEO and other senior executives. The Committee may approve salaries for members of the Executive Team other than the CEO, but otherwise the Committee has no decision-making powers.

The Committee held one meeting in 2025. Its work included preparing a proposal for new guidelines for remuneration to senior executives, preparing a proposal for the remuneration report, preparing a proposal for the remuneration of the Executive Team, evaluating existing incentive programs, and preparing a proposal for a new long-term incentive program. Remuneration Committee meetings are minuted; a copy of the minutes is enclosed with the materials provided to the Board and a verbal report is given at Board meetings.

6 Audit Committee

In 2025, the Audit Committee comprised Susanne Pahlén Åklundh (Chairman), Victoria Van Camp and Lena Olving.

The duties of the Audit Committee include continuous monitoring and quality assurance of ASSA ABLOY’s financial reporting and sustainability reporting. Regular communication is maintained with the company’s external auditor, including on the focus and scope of the audit and review of the sustainability statement. The Audit Committee must inform the Board of the results of the audit and the review of the sustainability statement. The Audit Committee is also responsible for evaluating the audit assign-

ment and obtaining the results of the Inspectorate of Auditors’ quality control of the auditor, as well as informing the Board of Directors of the results of the evaluation. The Audit Committee also has the task of supporting the Nomination Committee in providing a proposal for the appointment of external auditor. Furthermore, the Audit Committee must review and monitor the impartiality and independence of the auditor, paying particular attention to whether the auditor provides the company with services other than auditing services and reviews of sustainability statements. The Audit Committee establishes guidelines for procurement of services other than audit services from ASSA ABLOY’s auditors, and, if applicable, it approves such services according to these guidelines, and establishes guidelines for the appointment of new local audit firms. Otherwise, the Committee has no decision-making powers.

The Committee held four meetings in 2025. The company’s external auditor and representatives from senior management also participated at these meetings. Key matters addressed by the Audit Committee during the year included internal control and internal audit, accounting rules, sustainability reporting, financial statement and valuation matters, tax matters, insurance and

risk management matters, financial matters, cyber and information security, and legal risks. Audit Committee meetings are minuted; a copy of the minutes is enclosed with the materials provided to the Board and a verbal report is given at Board meetings.

Attendance at Board and Committee meetings in 2025

Board members	Board of Directors	Audit Committee	Remuneration Committee
Johan Hjertonsson	10		1
Carl Douglas	10		
Erik Ekudden ¹	8		1
Sofia Schörfling Högberg	8		
Lena Olving ²	10	4	
Victoria Van Camp	10	4	
Joakim Weidemanis ³	3		
Susanne Pahlén Åklundh	10	4	
Rune Hjälml	10		
Bjarne Johansson ⁴	9		
Total number of meetings	10	4	1

¹ Erik Ekudden partially attended the Board meeting in January 2025.
² Lena Olving partially attended the Board meeting in February 2025.
³ Joakim Weidemanis resigned as a Board member on March 17, 2025 and had previously attended all Board meetings during 2025.
⁴ Deputy Fredrik Bergvall substituted at one Board meeting.

Summary of the Board of Directors’ work and Committee meetings in 2025

Board meeting Acquisitions	Board meeting Year-end results Dividend proposal Report from Audit Committee Report from Remuneration Committee Preparation for the Annual General Meeting Evaluation of Executive Team Evaluation of Board of Directors Acquisitions			Board meeting Interim Report Q1 Report from Audit Committee Sustainability issues Presentation HID Acquisitions			Board meeting Interim Report Q2 Report from Audit Committee Acquisitions		Board meeting Strategy issues Presentation Greater China and Southeast Asia Acquisitions		Board meeting and visit to operations Visit Americas Acquisitions Board meeting Interim Report Q3 Report from Audit Committee Strategy issues Sustainability issues Presentation Entrance Systems Acquisitions	
	January	February	March	April	May	June	July	August	September	October	November	December
Audit Committee meeting		Remuneration Committee meeting	Board meetings (by correspondence) Annual report, incl sustainability statement Notice of Annual General Meeting	Audit Committee meeting Statutory Board meeting (by correspondence) Appointment of committee members Adoption of the Board of Directors’ rules of procedure and Group policies Signatory powers			Audit Committee meeting		Audit Committee meeting			

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Significant risks and risk management

The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate Governance Report

→ Board of Directors

Executive Team

Internal control – financial reporting

Sustainability statement

General information

Environmental information

Social information

Governance information

Financial statements

Board of Directors

Elected by the 2025 Annual General Meeting

1 Johan Hjertonsson
Chairman of the Board since 2023.
Board member since 2021.
Born 1968.
Master of Science in Business and Economics.
President and CEO of Investment AB Latour since 2019.
Previously President and CEO of AB Fagerhult and Lammhults Design Group AB and various management positions within the Electrolux Group.
Other appointments: Chairman of Alimak Group AB and Tomra Systems ASA. Board member of Investment AB Latour and Sweco AB.
Shareholdings (including through companies and related natural parties): 10,000 Series B shares.

2 Carl Douglas
Vice Chairman of the Board since 2012.
Board member since 2004.
Born 1965.
BA (Bachelor of Arts) and D. Litt (h.c.) (Doctor of Letters).
Self-employed.
Other appointments: Board member of Investment AB Latour.
Shareholdings (including through companies and related natural parties): 41,595,729 Series A shares and 63,832,576 Series B shares through Investment AB Latour.

3 Erik Ekudden
Board member since 2022.
Born 1968.
Master of Science in Electrical Engineering.
Senior Vice President, Chief Technology Officer and Head of Group Function Technology at Telefonaktiebolaget LM Ericsson since 2018. Previously a number of management positions within the Ericsson Group since 1993.
Other appointments: Fellow of the Royal Swedish Academy of Engineering Sciences (IVA) as well as member of the Broadband Commission for Sustainable Development.
Shareholdings (including through companies and related natural parties): 2,000 Series B shares.

4 Sofia Schörling Högberg
Board member since 2017.
Born 1978.
Master of Science in Business and Economics.
Other appointments: Vice Chairman of Melker Schörling AB. Board member of Securitas AB, Hexagon AB and the Stockholm Chamber of Commerce.
Shareholdings and holdings in other financial instruments (including through companies and related natural parties): 15,930,240 Series A shares and 18,093,629 Series B shares through Melker Schörling AB as well as 277,600 Series B shares through Edeby-Ripsa Skogsförvaltning AB. ASSA ABLOY AB bonds of SEK 300 M through Melker Schörling AB.

5 Lena Olving
Board member since 2018.
Born 1956.
Master of Science in Mechanical Engineering.
President and CEO of Mycronic AB 2013–2019.
COO and Deputy CEO of Saab AB 2008–2013. Various positions within Volvo Car Corporation 1980–1991 and 1995–2008 of which seven years in the Executive Management Team. CEO of Samhall Högland AB 1991–1994.
Other appointments: Chairman of Nodica Group AB. Board member of Investment AB Latour, NXP Semiconductor N.V., Stena Metall AB and Vestas A/S. Fellow of the Royal Swedish Academy of Engineering Sciences (IVA).
Shareholdings (including through companies and related natural parties): 600 Series B shares.

6 Victoria Van Camp
Board member since 2023.
Born 1966.
Master of Science in Mechanical Engineering and Doctor of Technology in machine elements.
Runs her own consulting firm Axa Consulting since 2022, with focus on advising within technology development in order to accelerate green transition. Previously a number of management positions within AB SKF 1996–2022.
Other appointments: Chairman of LumenRadio AB. Board member of Billerud AB, Alleima AB, SR Energy AB and the Chalmers foundation. Adjunct professor in machine elements at Luleå University of Technology. Fellow of the Royal Swedish Academy of Engineering Sciences (IVA).
Shareholdings (including through companies and related natural parties): 6,800 Series B shares.

7 Susanne Pahlén Åklundh
Board member since 2021.
Born 1960.
Master of Science in Engineering.
President of the Energy Division of Alfa Laval AB 2017–August 2021. Previously various positions in the Alfa Laval Group Management since 2009.
Other appointments: Chairman of Alfdex AB. Board member of Alleima AB and Sweco AB.
Shareholdings (including through companies and related natural parties): 4,000 Series B shares.



Appointments and shareholdings at December 31, 2025 unless stated otherwise.

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Significant risks and risk management
The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate Governance Report

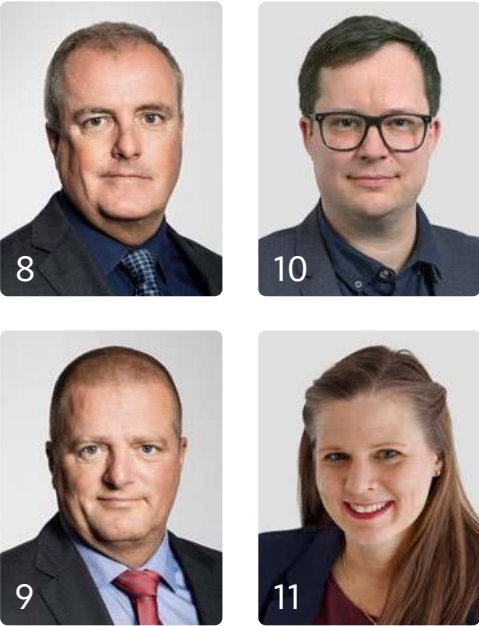
- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
- Social information
- Governance information

Financial statements

Appointed by employee organizations



8 Rune Hjälms
Board member since 2017.
Born 1964.
Employee representative, IF Metall.
Chairman of European Works Council (EWC) in the ASSA ABLOY Group.
Shareholdings (including through companies and related natural parties): –

9 Bjarne Johansson
Board member since 2023.
Born 1966.
Employee representative, IF Metall.
Shareholdings (including through companies and related natural parties): –

10 Fredrik Bergvall
Deputy Board member since 2024.
Born 1988.
Employee representative, Unionen.
Shareholdings (including through companies and related natural parties): 10 Series B shares.

11 Annika Åkerblom
Deputy Board member since 2023.
Born 1981.
Employee representative, Sveriges Ingenjörer.
Shareholdings (including through companies and related natural parties): –

Appointments and shareholdings at December 31, 2025 unless stated otherwise.

Independence of the Board of Directors

Name	Position	Independent of the company and its management	Independent of the company's major shareholders
Johan Hjertonsson	Chairman	Yes	No
Carl Douglas	Vice Chairman	Yes	No
Erik Ekudden	Board member	Yes	Yes
Sofia Schörling Högberg	Board member	Yes	No
Lena Olving	Board member	Yes	No
Victoria Van Camp	Board member	Yes	Yes
Susanne Pahlén Åklundh	Board member	Yes	Yes

The Board of Directors’ composition and shareholdings

Name	Position	Elected	Born	Remuneration Committee	Audit Committee	Series A shares ¹	Series B shares ¹
Johan Hjertonsson	Chairman	2021	1968	Chairman	–	–	10,000
Carl Douglas	Vice Chairman	2004	1965	–	–	41,595,729	63,832,576
Erik Ekudden	Board member	2022	1968	Member	–	–	2,000
Sofia Schörling Högberg	Board member	2017	1978	–	–	15,930,240	18,371,229
Lena Olving	Board member	2018	1956	–	Member	–	600
Victoria Van Camp	Board member	2023	1966	–	Member	–	6,800
Susanne Pahlén Åklundh	Board member	2021	1960	–	Chairman	–	4,000
Rune Hjälms	Board member, employee representative	2017	1964	–	–	–	–
Bjarne Johansson	Board member, employee representative	2023	1966	–	–	–	–
Fredrik Bergvall	Deputy, employee representative	2024	1988	–	–	–	10
Annika Åkerblom	Deputy, employee representative	2023	1981	–	–	–	–

¹ Including through companies and related natural parties.

ASSA ABLOY’s Board of Directors fulfills the requirements for independence in accordance with the Swedish Corporate Governance Code.

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Significant risks and risk management

The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate Governance Report

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
- Social information
- Governance information

Financial statements

Executive Team

1 Nico Delvaux
President and CEO since 2018, Head of the Global Technologies division since 2018 and of the Asia Pacific division since 2021.
Born 1966.
Master of Engineering in Electromechanics and executive MBA.
Previous positions: President and CEO of Metso Corporation August 2017–February 2018. Previously various positions in the Atlas Copco Group, including Business Area President Compressor Technique 2014–2017, Business Area President Construction Technique 2011–2014, and various positions in sales, marketing, service, acquisition integration and general management in markets including Benelux, Italy, China, Canada, and the United States 1991–2011.
Other appointments: Board member of Danfoss A/S.
Shareholdings (including through companies and related natural parties): 530,372 Series B shares.

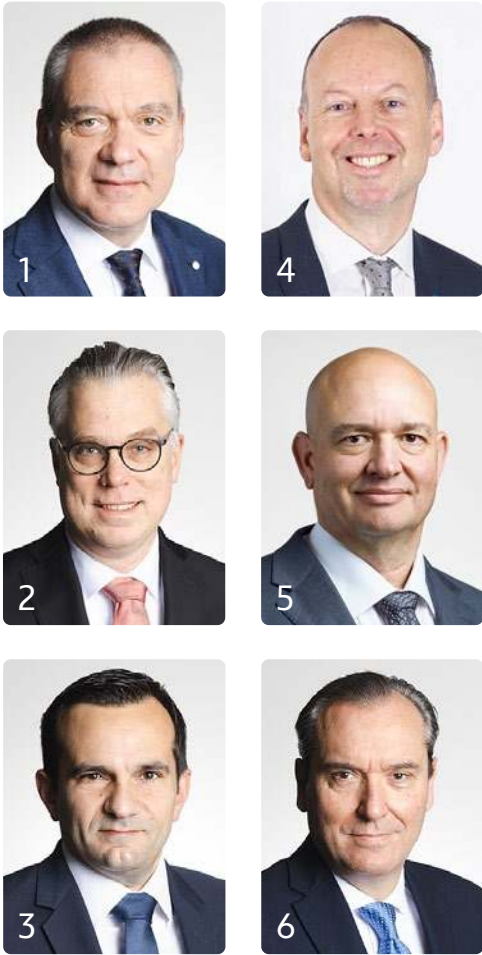
2 Erik Pieder
Executive Vice President and Chief Financial Officer (CFO) since 2019.
Born 1968.
MBA and Master of Laws.
Previous positions: Various positions in the Atlas Copco Group 1996–2019, including Vice President Business Control Compressor Technique.
Shareholdings: 34,506 Series B shares.

3 Lucas Boselli
Executive Vice President and Head of Americas division since 2018.
Born 1976.
Bachelor of Science in Industrial Engineering.
Previous positions: Various positions in the ASSA ABLOY Group, including President of ASSA ABLOY Central and South America 2014–2018 and President of Yale Latin America 2012–2014. Previously various positions in Ingersoll Rand 2000–2010.
Shareholdings: 145,877 Series B shares.

4 Allan Cooper
Executive Vice President and Chief Human Resources Officer (CHRO) since 2024.
Born 1968.
Master of Science in Human Resources Development. Fellow of the Chartered Institute of Personnel & Development.
Previous positions: Various positions in the ASSA ABLOY Group, including SVP and Head of HR EMEA 2017–2024 and HR Director UK, Africa & Middle East 2007–2017. Previously HR Director Hozelock 2003–2007, HR Manager JCB 2000–2003 and HR Manager Amada 1990–2000.
Shareholdings: 8,432 Series B shares.

5 Simon Ellis
Executive Vice President and Head of Asia Pacific business unit ASSA ABLOY Opening Solutions Pacific and Northeast Asia since 2021.
Born 1974.
MBA.
Previous positions: Various positions in the ASSA ABLOY Group, including President of Opening Solutions Pacific Region and Japan 2016–2020 and President of Opening Solutions New Zealand 2013–2016, General Manager of Security Merchants Australia 2010–2013. Previously various positions in the ASSA ABLOY Group 1997–2010.
Shareholdings: 10,951 Series B shares.

6 Massimo Grassi
Executive Vice President and Head of Entrance Systems division since 2021.
Born 1961.
Master of Engineering.
Previous positions: Divisional Managing Director IMI Precision Engineering 2015–2020. Various positions within the Stanley Black & Decker Group, including President Stanley Security Europe 2012–2015, Global President Industrial Automotive Repair 2010–2012 and President in Europe 2007–2010. Previously various positions in Pentair Inc., BWT AG and Pirelli.
Other appointments: Board member of Securitas AB.
Shareholdings: 44,330 Series B shares.



Appointments and shareholdings at December 31, 2025 unless stated otherwise.

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Significant risks and risk management
The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate Governance Report

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
- Social information
- Governance information

Financial statements

Executive Team, cont.

7 Björn Lidfelt
Executive Vice President and Head of Global Technologies business unit HID since 2020. Born 1981. Master of Science in Industrial Engineering and Management.
Previous positions: Various positions in the ASSA ABLOY Group, including Chief Commercial Officer 2017–2020, and General Manager ASSA ABLOY China (security products) 2013–2016.
Shareholdings: 63,689 Series B shares.

8 Stephanie Ordan
Executive Vice President and Head of Global Technologies business unit Global Solutions since 2021. Born 1976. Master of Business Administration and Engineering Diploma.
Previous positions: Vice President Digital and Access Solutions ASSA ABLOY EMEA 2018–2021, Head of Energy Storage Business and Head of Marketing and Communication Eaton 2014–2018. Strategic Marketing/New Products Development Director General Electric 2013–2014. Previously, Application Engineer, Field Sales Engineer, Head of Strategy and Product Management STMicroelectronics 1999–2013.
Shareholdings: 25,167 Series B shares.

9 Martin Poxton
Executive Vice President and Head of Asia Pacific business unit ASSA ABLOY Opening Solutions Greater China and Southeast Asia since 2021. Born 1972. HND in Mechanical and Manufacturing Engineering.
Previous positions: Vice President Operations ASSA ABLOY Opening Solutions Asia Pacific 2017–2020, Operations Director Adient China 2013–2017, Business Unit General Manager and Launch Director Johnson Controls China 2008–2012. Various positions in Faurecia China 2004–2008. Previously various positions in Keiper, Johnson Controls and Flowform B’ham UK 1992–2004.
Shareholdings: 6,759 Series B shares.

10 Neil Vann
Executive Vice President and Head of EMEA division since 2018. Born 1971. Degree in Manufacturing Engineering.
Previous positions: Various positions in the ASSA ABLOY Group, including Market Region Manager ASSA ABLOY UK 2014–2018, Market Region Manager Italy and Greece 2012–2014 and Vice President Operations EMEA 2011–2012. Previously various positions within ASSA ABLOY, Yale and Chubb 1987–2001.
Shareholdings: 53,137 Series B shares.



Appointments and shareholdings at December 31, 2025 unless stated otherwise.

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Significant risks and risk management
The Board of Directors’ proposal of guidelines for remuneration to senior executives

- Corporate Governance Report
- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
- Social information
- Governance information

Financial statements

7 Organization
CEO and Executive Team
The Executive Team consists of the CEO, the Heads of the Group’s divisions, the Heads of the business units HID, Global Solutions, Opening Solutions Greater China and Southeast Asia and Opening Solutions Pacific and Northeast Asia, the Chief Financial Officer and the Chief Human Resources Officer. For a presentation of the CEO and the other members of the Executive Team, see pages 61–62.

8 Divisions – a decentralized organization
ASSA ABLOY’s operations are decentralized. Operations are organizationally divided into five divisions: EMEIA, Americas, Asia Pacific, Global Technologies, and Entrance Systems. The fundamental principle is that the divisions should be responsible, as far as possible, for business operations, while various functions at ASSA ABLOY’s Group Center are responsible for coordination, monitoring, policies and guidelines at an overall level. Decentralization is a deliberate strategic choice based on the industry’s local nature and a conviction of the benefits of a divisional governance model. The Group’s structure results in a geographical and strategic spread of responsibility ensuring short decision-making paths.

ASSA ABLOY’s operating structure is designed to create maximum transparency, to facilitate financial and operational monitoring, and to promote the flow of information and communication across the Group. The five divisions are divided into business units. These consist in turn of a large number of sales and production units, depending on the structure of the business unit concerned. Apart from monitoring by unit, monitoring of products and markets is also carried out.

Policies and guidelines
Significant policies and guidelines in the Group include financial control, communication issues, insider issues, cyber and information security, data protection and AI, sustainability issues, business ethics, competition law and trade compliance. ASSA ABLOY’s financial policy and accounting manual provide the framework for financial control and monitoring. ASSA ABLOY’s communication policy aims to ensure that information is provided at the right time and in compliance with applicable rules and regulations. ASSA ABLOY has adopted an insider policy to complement applicable insider legislation. This policy applies to individuals in managerial positions at ASSA ABLOY AB (including subsidiaries) as well as certain other categories of employees. Cyber and information security policies and guidelines are in place to protect business-critical operations from unauthorized individuals and organizations. ASSA ABLOY’s AI policy is designed to ensure responsible use of AI in accordance with global principles drawn from the OECD and the Council of Europe’s Framework Convention on AI.

ASSA ABLOY had adopted a Code of Conduct for employees and a separate ASSA ABLOY Code of Conduct for Business Partners. The Codes, which are based on a set of internationally accepted conventions, define the values and guidelines that should apply both within the Group and for ASSA ABLOY’s business partners with regard to matters such as business ethics, human rights and working conditions, as well as the environment, health and safety.

Moreover, ASSA ABLOY has adopted policies and guidelines on compliance with competition, anti-corruption, export control/sanctions and data protection legislation applicable to the Group. Each division has dedicated staff who monitor compliance with these policies.

9 Auditor
At the 2025 Annual General Meeting, Ernst & Young AB (EY) was re-elected as the external auditor until the end of the 2026 Annual General Meeting. Authorized public accountant Hamish Mabon is the auditor in charge. Hamish Mabon was born in 1965 and performs other significant audit assignments for SEB and the Wallenberg foundations. He has been a member of FAR, the institute for the accountancy profession in Sweden, since 1992 and is a FAR Certified Financial Institution Auditor. He holds no shares in ASSA ABLOY AB.

EY submits the audit report for the annual report for ASSA ABLOY AB, the Group and a large number of the subsidiaries worldwide. The audit of ASSA ABLOY AB also includes the administration by the Board of Directors and the CEO. The auditor in charge attends the Audit Committee meetings as well as the February Board meeting, at which he reports his observations and recommendations concerning the audit of the parent company and Group for the year.

The external audit of the annual report is conducted in accordance with International Standards in Auditing (ISA), and generally accepted auditing standards in Sweden. The audit of the financial statements for legal entities outside Sweden is conducted in accordance with statutory requirements and other applicable rules in each country. EY also performs limited reviews of the company’s sustainability statement and the quarterly report for the second quarter. Finally, EY submits a report to the General Meeting regarding the company’s compliance with remuneration to senior executives. For information about the fees paid to auditors and other assignments carried out in the Group in the past three financial years, see Note 3 and the Annual Report for 2024, Note 3.

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Significant risks and risk management
The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate Governance Report

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
- Social information
- Governance information

Financial statements

Internal control – financial reporting

ASSA ABLOY’s work on internal control regarding financial reporting aims to ensure reliable and accurate reporting in accordance with applicable laws, accounting principles, and external requirements. Internal control is an integrated part of the Group’s governance and follows established roles, processes, and guidelines.

Control environment

The Board of Directors has the overall responsibility for ensuring that the Group has an effective internal control system and approves key documents relevant to financial reporting annually. The Audit Committee oversees the control environment, continuously monitoring risk management, internal control, and internal audit, including reported deficiencies and actions taken.

Financial reporting is governed by the ASSA ABLOY Accounting and Reporting Manual, which is applied across all entities in the Group. The reporting process is supported by common systems and defined reporting templates. ASSA ABLOY’s control framework includes mandatory controls to ensure consistent and reliable financial reporting throughout the Group.

Risk assessment

The Group conducts an annual structured identification and assessment of risks that may impact financial reporting. Risks are categorized and documented, with responsible risk owners designated within the organization. The assessment forms the basis for ASSA ABLOY’s Risk and Control Matrix (RACM), a comprehensive tool used to map and evaluate risks and

corresponding controls. The RACM ensures that significant risks are managed through defined controls, helping to identify gaps and areas requiring mitigation. The results of the risk assessment are reported to the Audit Committee.

Control activities

Control activities consist of both Group-wide and local controls in financial and operational processes. The RACM defines the minimum requirements for key controls across the Group and is updated annually. These controls are implemented by responsible functions within divisions and local entities to ensure that financial reporting is complete, accurate, and timely.

For outsourced activities, ASSA ABLOY ensures that external suppliers meet the Group’s internal control requirements, with follow-up conducted in accordance with established procedures.

Information and communication

Guiding documents, policies, instructions, and accounting principles are communicated to relevant employees through the Group’s intranet and other established communication channels. The Group ensures that relevant guidelines are accessible and that changes are communicated in a structured manner.

Monitoring

Internal control is monitored through a combination of Group-wide self-assessments and independent reviews. Self-assessments (Internal Control Self-Assessment, ICSA) are conducted annually by divisions and local entities to ensure that controls are functioning as intended. ICSA

is a process where each unit assesses its own internal controls, identifies any deficiencies, and takes corrective actions to ensure risks are effectively managed. Identified deficiencies are documented, action plans are established, and the status is monitored until corrective actions are completed.

The Audit Committee continuously monitors financial reporting, financial performance, and other control areas, receiving regular reports from both internal audit and external auditors.

Internal audit

Internal audit is an independent review function that reports functionally and administratively to the Group’s Chief Financial Officer as part of the ASSA ABLOY management structure. The function evaluates the effectiveness of the Group’s internal control, risk management, and governance processes and operates according to an annual risk-based audit plan.

The Audit Committee receives quarterly updates on the work of internal audit, including conducted audits, recommendations, and the status of actions. During these meetings, internal audit also informs the Committee about the development of internal control within the Group.

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Significant risks and risk management
The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate governance

- Board of Directors
- Executive Team
- Internal control – financial reporting

→ Sustainability statement

- General information
- Environmental information
- Social information
- Governance information

Financial statements

Sustainability statement

Sustainability is central to our business strategy, enabling us to minimize our environmental and carbon footprint while continuing to drive business growth. Our long-term commitment to sustainability unlocks significant opportunities to reduce costs, mitigate climate risks, and develop more sustainable solutions to meet the needs of our customers.

Sustainability is integrated into everything we do. When executed effectively, sustainability is a key business enabler.



General information ESRS 2	Environmental information Taxonomy	Environmental information – Climate change E1	Environmental information – Water and marine resources E3	Environmental information – Resource use and circular economy E5
Social information – Own workforce S1	Social information – Workers in the value chain S2	Social information – Consumers and end-users S4	Governance information – Business conduct G1	

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

- Significant risks and risk management
- The Board of Directors’ proposal of guidelines for remuneration to senior executives
- Corporate governance
 - Board of Directors
 - Executive Team
 - Internal control – financial reporting
- Sustainability statement
 - General information
 - Environmental information
 - Social information
 - Governance information

Financial statements

Achievements 2019–2025

During 2025, we successfully completed our fourth sustainability program with a positive outcome. We made strong progress against most of our goals, particularly within our operations where we exceeded many of our targets.

A key driver of our progress was our commitment to improving energy effectiveness and expanding onsite renewable energy solutions at many of our manufacturing sites. As a result, we reduced our absolute Scope 1 & 2 carbon emissions by 34 percent, keeping us firmly on track to meet our Scope 1 & 2 Science Based Targets. We substantially reduced our water consumption across the Group, where we reduced our water intensity by 59 percent compared to the 2019 base year. We realized this through efficiency improvements at our water intensive sites and upgrading our water infrastructure to significantly reduce water leaks.

In our operations, we continued applying the waste hierarchy, prioritizing waste prevention, followed by reuse and recycling. Our efforts spanned non-hazardous waste, hazardous waste, and organic solvents, ensuring responsible handling and reduced environmental impact.

We carried out over 700 supplier sustainability audits each year, between 2019 and 2025. Our goal for suppliers to sign our Code of Conduct for Business Partners also included indirect suppliers. This was a substantial increase in the number of suppliers within scope, compared to our previous program. The proportion of direct and indirect suppliers that signed our Code of Conduct for Business Partners increased from 68 percent to 89 percent between 2019 and 2025.

Our continued focus on health and safety, enabled us to reduce our injury rate by 27 percent compared to 2019. Adjusting the 2019 base for acquisitions, the injury rate decreased by 36 percent. These improvements were supported by systematic safety actions and awareness initiatives, particularly in new acquisitions.

Gender diversity increased to 29 percent of females in management positions, which is an increase of 5 percentage points compared to 2019.

–27%

Our injury rate decreased by 27 percent vs. 2019.

–59%

Water intensity has decreased by 59 percent vs. 2019.

–38%

Energy intensity has decreased by 38 percent vs. 2019.

–34%

Absolute Scope 1 & 2 carbon emissions decreased by 34 percent vs. 2019.

95%

Sustainability audits of direct material suppliers covered 95 percent of direct material spend.

318 EPDs

318 Environmental Product Declarations have been published.

“

We made strong progress against most of our goals, particularly within our operations where we exceeded many of our targets.



Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Significant risks and risk management
The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate governance

- Board of Directors
- Executive Team
- Internal control – financial reporting
- Sustainability statement

- General information
- Environmental information
- Social information
- Governance information

Financial statements

Performance and 2025 targets



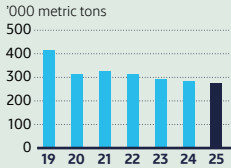
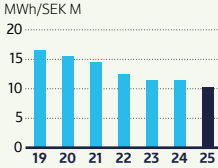
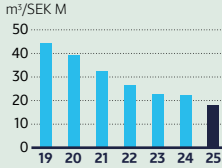
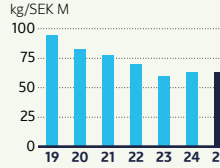
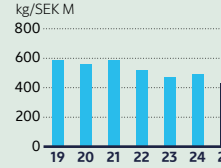
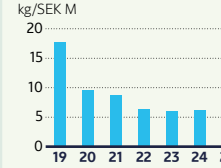
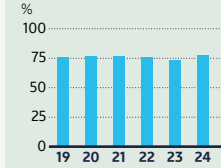
Operations

Throughout the year, we made significant advancements towards most of our 2025 goals, based on our 2019 base year, closing the program in a positive way. In particular, we made strong improvements in our water and energy intensity.

Linked SDGs*



Sustainable Development Goals

2025 target	–25% Carbon footprint¹ (absolute Scope 1 & 2, '000 metric tons)	–25% Energy intensity (MWh/SEK M)	–25% Water intensity (m³/SEK M)	–25% Hazardous waste intensity (kg/SEK M)	–25% Non-hazardous waste intensity (kg/SEK M)	–50% Organic solvents intensity (kg/SEK M)	100% ISO 14001 – percent of sites certified in reporting scope
Outcome	–34%	–38%	–59%	–34%	–27%	–69%	88%
Development 2019–2025							
Comments on 2025 vs. 2024	Absolute Scope 1 & 2 carbon emissions decreased by 3 percent in 2025. This was achieved through a combination of increased onsite renewable energy installation and increased energy efficiency in our operations.	Energy intensity was reduced by 10 percent in 2025. This was realized through our continued focus on energy effectiveness and efficiency initiatives. Increased production output also resulted in higher value added.	Water intensity was reduced by 19 percent in 2025. This is due to our ongoing efforts to improve water efficiency, especially at our water intensive sites, and continued improvements in water infrastructure.	Hazardous waste intensity was reduced by 1 percent in 2025. This was achieved through targeted waste reduction initiatives, where production processes were further improved to reduce hazardous waste.	Non-hazardous waste intensity was reduced by 12 percent in 2025. All sites follow the waste hierarchy, placing strong emphasis on preventing waste first, then maximizing opportunities for reuse and recycling.	Organic solvents intensity was reduced by 9 percent in 2025. This is the result of our continued effort to transition to water based paint in our door operations and minimize the use of organic solvents in component washing processes.	In 2025, an additional 10 percent of our sites defined as requiring ISO 14001 were certified during the year. We continue to roll-out ISO 14001 to all relevant sites.
Linked SDGs	6 12 13	8 12 13	6 8 12	6 12	6 12	6	12

¹ Scope 1 & 2 carbon emissions were restated to include the impact from all acquisitions between 2019–2024.

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Significant risks and risk management
The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate governance

- Board of Directors
- Executive Team
- Internal control – financial reporting

→ Sustainability statement

- General information
- Environmental information
- Social information
- Governance information

Financial statements

Performance and 2025 targets, continued



Supply management

2025 target	95% Supplier sustainability audits (percent of direct material spend ¹)	95% Code of Conduct for Business Partners (percent of direct & indirect material spend)																																
Outcome	95%	89%																																
Development 2019–2025	<table><caption>Supplier sustainability audits (percent of direct material spend)</caption><tr><th>Year</th><th>2019</th><th>2020</th><th>2021</th><th>2022</th><th>2023</th><th>2024</th><th>2025</th></tr><tr><td>Value</td><td>95</td><td>95</td><td>95</td><td>95</td><td>95</td><td>95</td><td>95</td></tr></table>	Year	2019	2020	2021	2022	2023	2024	2025	Value	95	95	95	95	95	95	95	<table><caption>Code of Conduct for Business Partners (percent of direct & indirect material spend)</caption><tr><th>Year</th><th>2019</th><th>2020</th><th>2021</th><th>2022</th><th>2023</th><th>2024</th><th>2025</th></tr><tr><td>Value</td><td>89</td><td>89</td><td>89</td><td>89</td><td>89</td><td>89</td><td>89</td></tr></table>	Year	2019	2020	2021	2022	2023	2024	2025	Value	89	89	89	89	89	89	89
Year	2019	2020	2021	2022	2023	2024	2025																											
Value	95	95	95	95	95	95	95																											
Year	2019	2020	2021	2022	2023	2024	2025																											
Value	89	89	89	89	89	89	89																											
Comments on 2025 vs. 2024	In 2025, an additional 3 percent of our relevant direct material suppliers by spend have been audited with our supplier sustainability audit.	In 2025, an additional 3 percent of our direct and indirect material suppliers by spend have signed our Code of Conduct for Business Partners. We are continuing to roll this out to our indirect suppliers.																																
Linked SDGs	8	8																																

¹ Direct material spend in identified risk countries.

Linked SDGs



People

2025 target	−33% Injury rate (number of injuries per million hours worked)	−33% Injury lost day rate (number of lost days related to injuries per million hours worked)	30% Gender diversity (percent of females in management positions)																																																
Outcome	−27%	−8%	29%																																																
Development 2019–2025	Injury rate <table><caption>Injury rate</caption><tr><th>Year</th><th>2019</th><th>2020</th><th>2021</th><th>2022</th><th>2023</th><th>2024</th><th>2025</th></tr><tr><td>Value</td><td>3.0</td><td>2.8</td><td>3.0</td><td>3.1</td><td>2.5</td><td>2.3</td><td>2.1</td></tr></table>	Year	2019	2020	2021	2022	2023	2024	2025	Value	3.0	2.8	3.0	3.1	2.5	2.3	2.1	Injury lost day rate <table><caption>Injury lost day rate</caption><tr><th>Year</th><th>2019</th><th>2020</th><th>2021</th><th>2022</th><th>2023</th><th>2024</th><th>2025</th></tr><tr><td>Value</td><td>60</td><td>65</td><td>70</td><td>70</td><td>55</td><td>50</td><td>55</td></tr></table>	Year	2019	2020	2021	2022	2023	2024	2025	Value	60	65	70	70	55	50	55	% <table><caption>Gender diversity (percent of females in management positions)</caption><tr><th>Year</th><th>2019</th><th>2020</th><th>2021</th><th>2022</th><th>2023</th><th>2024</th><th>2025</th></tr><tr><td>Value</td><td>29</td><td>29</td><td>29</td><td>29</td><td>29</td><td>29</td><td>29</td></tr></table>	Year	2019	2020	2021	2022	2023	2024	2025	Value	29	29	29	29	29	29	29
Year	2019	2020	2021	2022	2023	2024	2025																																												
Value	3.0	2.8	3.0	3.1	2.5	2.3	2.1																																												
Year	2019	2020	2021	2022	2023	2024	2025																																												
Value	60	65	70	70	55	50	55																																												
Year	2019	2020	2021	2022	2023	2024	2025																																												
Value	29	29	29	29	29	29	29																																												
Comments on 2025 vs. 2024	The injury rate decreased by 3 percent in 2025.	The injury lost day rate increased by 5 percent in 2025.	The proportion of females in management positions remained at 29 percent in 2025.																																																
Linked SDGs	8	8	8																																																

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Significant risks and risk management

The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate governance

- Board of Directors
- Executive Team
- Internal control – financial reporting

→ Sustainability statement

- General information
- Environmental information
- Social information
- Governance information

Financial statements

Performance against targets

Sustainability program to 2025 results:

Area	2019	2020	2021	2022	2023	2024	2025¹	Target 2019–2025		Change 2019–2025	Linked SDGs
Environmental KPI											
ISO 14001 – percent of sites certified in reporting scope²,³,⁵	76	77	77	76	73	78	88	100%	●	+12 p.p.	12
Carbon footprint – Scope 1 & 2 carbon emissions (metric tons, absolute)⁴	414,412	313,452	325,826	309,148	290,572	282,900	273,629	–25%	●	–34%	6 12 13
Energy intensity (MWh/SEK M)³,⁵	16.5	15.6	14.5	12.5	11.5	11.4	10.3	–25%	●	–38%	8 12 13
Water intensity (m3/SEK M)³,⁵	44.5	39.4	32.6	26.6	22.8	22.4	18.2	–25%	●	–59%	6 8 12
Hazardous waste intensity (kg/SEK M)³,⁵	94.5	83.1	77.6	69.8	59.4	63.6	62.8	–25%	●	–34%	6 12
Non-hazardous waste intensity (kg/SEK M)³,⁵	589	558	588	517	472	489	432	–25%	●	–27%	6 12
Organic solvents intensity (kg/SEK M)³,⁵	17.8	9.6	8.8	6.4	6.1	6.2	5.6	–50%	●	–69%	6
Social KPI											
Injury rate (number of injuries per million hours worked)³	3.0	2.8	3.1	3.2	2.5	2.3	2.2	–33%	●	–27%	8
Injury lost day rate (number of lost days related to injuries per million hours worked)³	60.0	65.5	75.0	73.9	58.5	52.4	55.1	–33%	●	–8%	8
Proportion of spend in identified risk countries represented by sustainability audited direct material suppliers (%)⁶	97	91	86	93	94	92	95	95%	●	–2 p.p	8
Proportion of spend of direct and indirect material suppliers who have signed the Group's Code of Conduct for Business Partners (%)⁷	68	68	73	76	81	86	89	95%	●	+21 p.p	8
Gender diversity (%)	20	9	9	18	18	9	10	30%	●	–10 p.p	8
Proportion of females in management positions (%)	17	21	12	11	14	16	16			–1 p.p	
	20	21	25	26	26	27	26			+6 p.p	
	25	26	28	30	30	30	31			+6 p.p	
	24	25	27	29	29	29	29			+5 p.p	

¹ For comparable units in 2025, defined as all legal entities acquired up to June 30, 2024.

² Acquisitions will be given 3 years to become certified.

³ The historical numbers have been adjusted with proforma data.

⁴ Scope 1 & 2 carbon emissions were restated to include the impact from all acquisitions between 2019-2024, including HHL.

⁵ Excluding HHL.

⁶ Direct material spend in identified risk countries.

⁷ Applicable to suppliers with sales to ASSA ABLOY entitites that have an annual supplier spend exceeding USD/EUR 1 million, reflecting our focus on high-spend and higher-risk suppliers.

● KPI achieved

● KPI missed

6

SUSTAINABLE SUPPLIERS

8

GOOD HUMAN AND ENVIRONMENTAL PRACTICES

12

ENERGICAL EFFICIENCY

13

CLIMATE ACTION

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Significant risks and risk management
The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate governance

- Board of Directors
- Executive Team
- Internal control – financial reporting

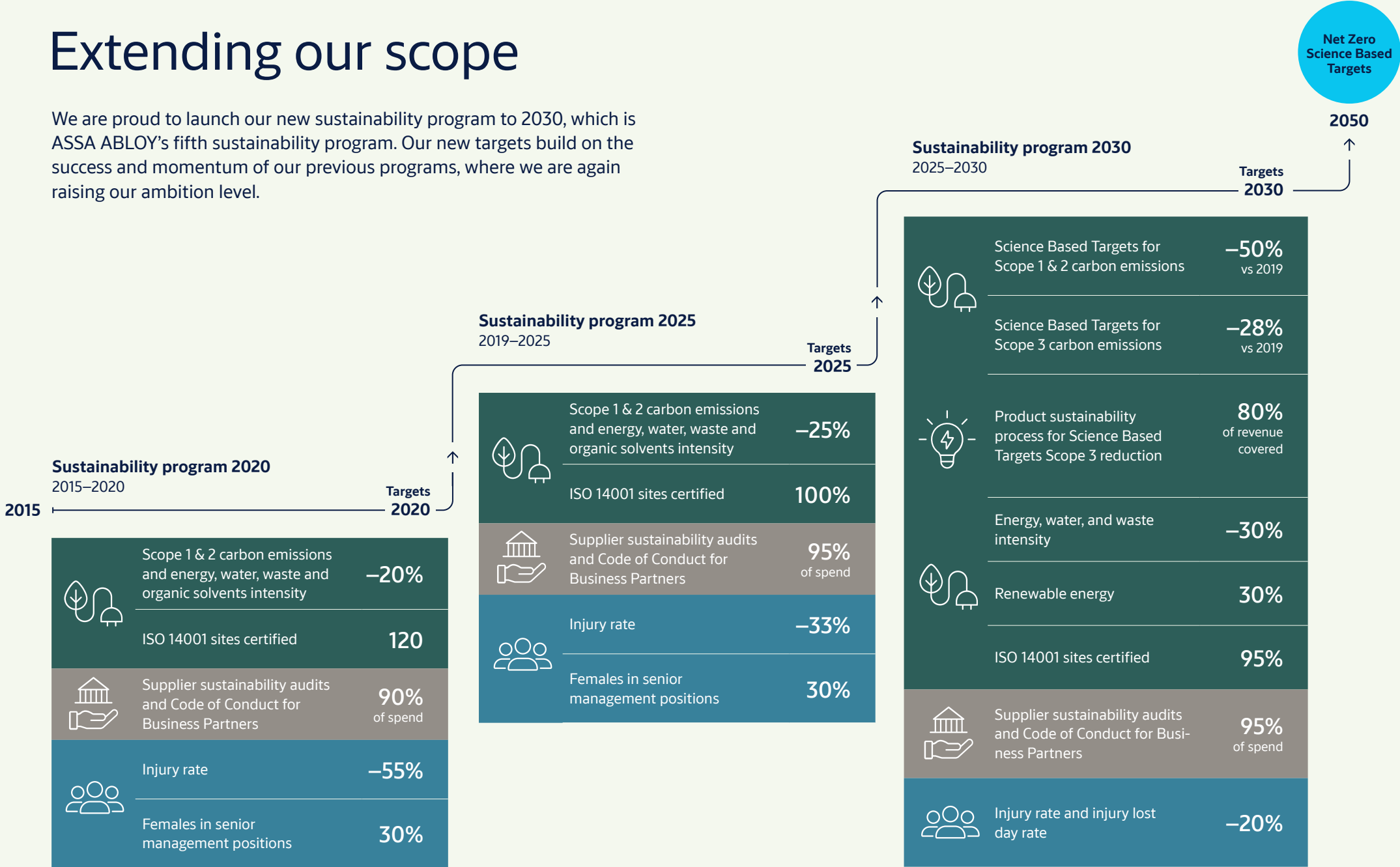
→ Sustainability statement

- General information
- Environmental information
- Social information
- Governance information

Financial statements

Extending our scope

We are proud to launch our new sustainability program to 2030, which is ASSA ABLOY’s fifth sustainability program. Our new targets build on the success and momentum of our previous programs, where we are again raising our ambition level.



Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Significant risks and risk management

The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate governance

- Board of Directors
- Executive Team
- Internal control – financial reporting

→ Sustainability statement

- General information
- Environmental information
- Social information
- Governance information

Financial statements

Sustainability program to 2030

New sustainability program summary:

Area	2019	2025 ¹	Target 2025–2030	Linked SDGs
Climate				
Science Based Targets – Scope 1 & 2 carbon emissions (metric tons, absolute)	414,412	273,629	–50%	61213
Science Based Targets – Scope 3 carbon emissions (metric tons, absolute)	5,638,204	4,868,843	–28%	61213
Operations				
ISO 14001 – percent of sites certified in reporting scope ²		88	95%	12
Energy intensity (MWh/SEK M)		12.7	–30%	81213
Water intensity (m3/SEK M)		28.9	–30%	6812
Waste intensity (kg/SEK M)		581	–30%	612
Supply management				
Proportion of spend in identified risk countries represented by sustainability audited direct material suppliers (%) ³		95	95%	8
Proportion of spend of direct and indirect material suppliers who have signed the Code of Conduct for Business Partners (%) ⁴		89	95%	8
Innovation Product Sustainability				
Product sustainability process for science-based targets Scope 3 reduction (% of revenue covered)		Will be presented in 2026	80%	61213
People				
Injury rate (number of injuries per million hours worked)		2.2	–20%	8
Injury lost day rate (number of lost days related to injuries per million hours worked)		53.2	–20%	8

¹ The base year is 2025, except for science-based targets where the base year is 2019.

² Acquisitions will be given 4 years to become certified.

³ Direct material spend in identified risk countries.

⁴ Applicable to suppliers with sales to ASSA ABLOY entitites that have an annual supplier spend exceeding USD/EUR 1 million, reflecting our focus on high-spend and higher-risk suppliers.

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Significant risks and risk management
The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate governance

- Board of Directors
- Executive Team
- Internal control – financial reporting

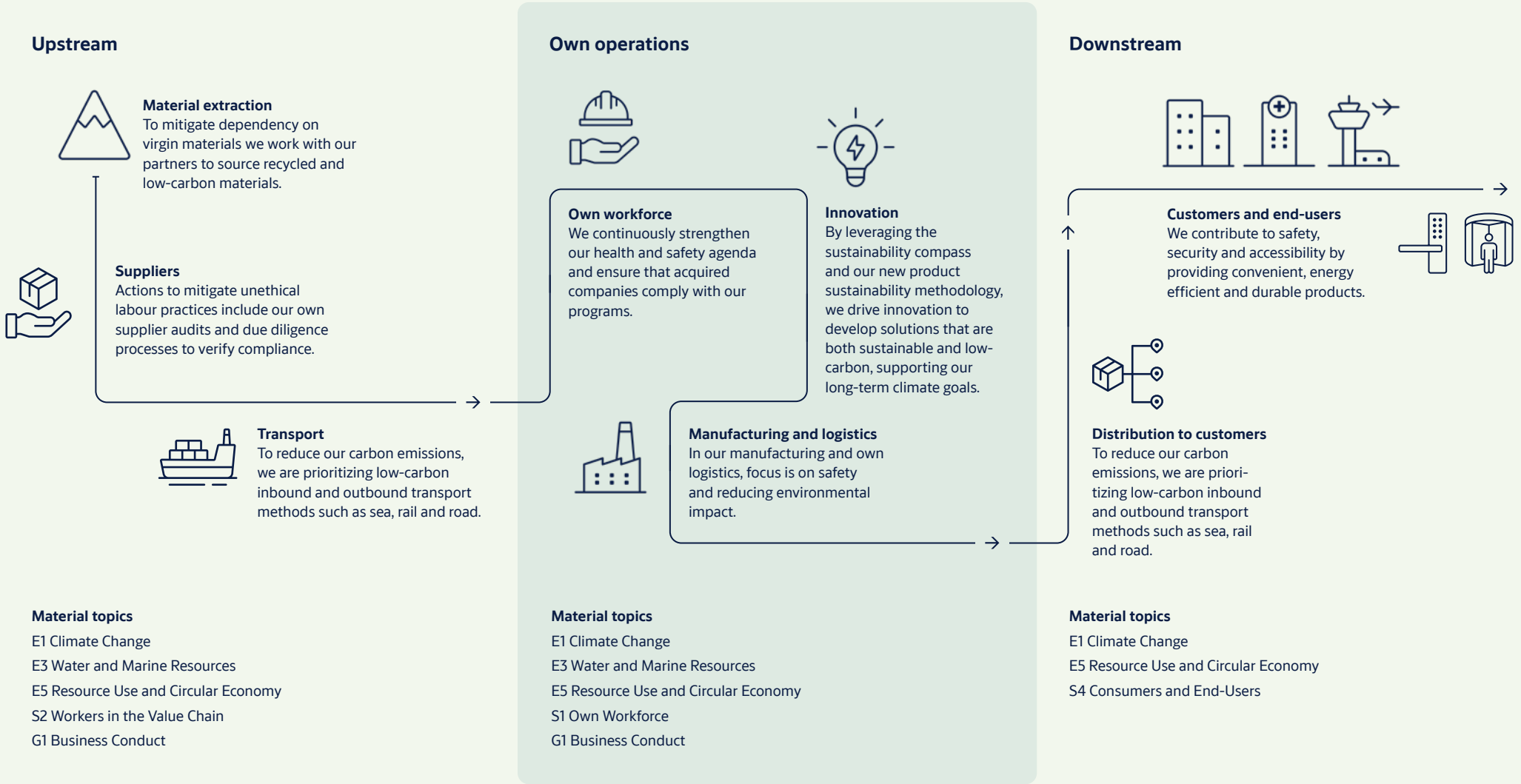
Sustainability statement

- General information
- Environmental information
- Social information
- Governance information

Financial statements

Value Chain

ASSA ABLOY’s full value chain is modelled across upstream, own operations and downstream highlighting the respective material topics for the Group. Stakeholders such as our investors, the environment and society are impacted across the full value chain. Our suppliers are impacted in upstream, employees in own operations and customers in downstream.



Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Significant risks and risk management
The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate governance

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
- Social information
- Governance information

Financial statements

General information ESRS 2

General basis for preparation

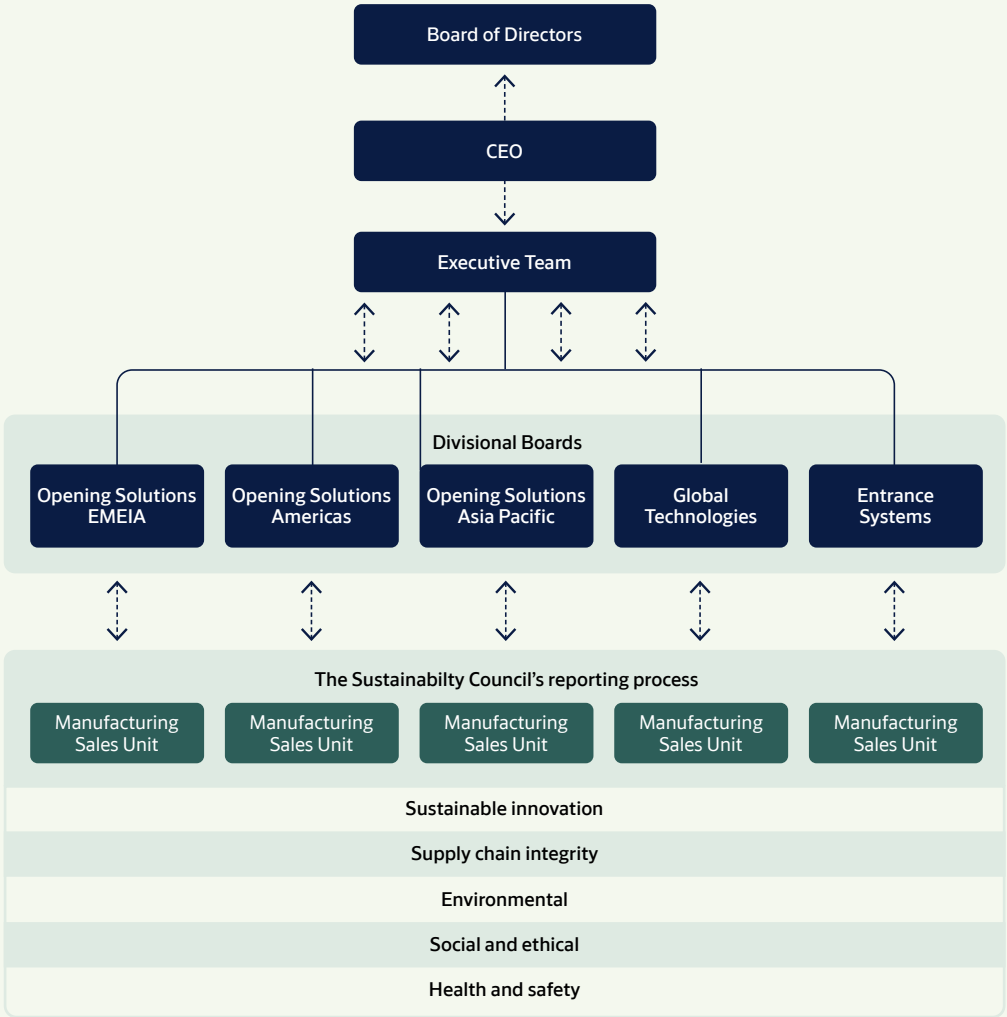
The sustainability statement has been prepared in accordance with the European Sustainability Reporting Standards (ESRS) meeting all mandatory requirements. In preparing this statement, ASSA ABLOY has applied the transitional reliefs introduced through the European Commission’s “Quick Fix” Delegated Act, which provide temporary simplifications for undertakings reporting under ESRS Set 1 for the 2025 reporting year. This report functions as ASSA ABLOY’s statutory Sustainability Report under the Swedish Annual Accounts Act. As this is only the second disclosure, there are gaps between ESRS and ASSA ABLOY disclosures. Please refer to page 114 for the ESRS index and page 116 for the data points that derive from other EU legislations. Our disclosures in Environment, Social and Governance are a result of our double materiality assessment. Our Scope 1, 2 and 3 carbon emissions have been calculated according to the Greenhouse Gas (GHG) Protocol. We have set near-term (2030) and long-term (2050) carbon emission reduction targets, which have been ratified by the Science Based Targets initiative (SBTi).

We evaluated our innovation directive, processes, and results, and chose to omit sensitive details that could compromise our competitive advantage, in line with ESRS 1, section 7.7. We will continually monitor our disclosure practices and reassess the need for omissions as our business and regulatory landscape evolve, maintaining our commitment to transparency while protect-

ing our intellectual property. The accounting policies are aligned with financial reporting, for the financial year. The data is consolidated on a Group level, consistent with the same financial principles as the financial statements, except for the acquisitions mentioned in Note 34 of the Annual Report with an acquisition date from July 2025 onwards, as they are still in the process of being integrated into our sustainability reporting. The units not included in 2025 are not deemed to have a significant impact on the consolidated numbers with the exception of what is stated, if any, at each disclosure in this report.

Our sustainability statement provides an overview of our practices and performance, covering both upstream and downstream value chains. This approach ensures we address impacts and opportunities throughout the product lifecycle. ASSA ABLOY engages with suppliers from a sustainability perspective, requiring adherence to the Code of Conduct for Business Partners and conducting audits. We prefer suppliers focused on resource efficiency, waste minimization, and emissions reduction. We collaborate with suppliers to develop sustainable solutions, reducing our value chain’s emissions footprint. We also engage with customers to understand their sustainability needs, developing solutions to reduce their emissions through energy efficiency, product transparency, and extended product life. Our products are designed using our sustainability compass tool to optimize their carbon footprint and maximize recyclability at end of life.

Organizational responsibility



General information

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Significant risks and risk management
The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate governance

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
- Social information
- Governance information

Financial statements

To measure and report on our sustainability performance, we track key metrics. For upstream, we measure the percentage of suppliers signing our Code of Conduct for Business Partners and conduct sustainability audits of direct suppliers in identified risk countries. For downstream, we assess the energy efficiency of our solutions using national grid mix emission factors.

We are committed to improving our sustainability performance across the value chain by setting ambitious targets, reviewing progress, and engaging with stakeholders. Our sustainability statement will be updated annually to reflect our efforts and achievements. By addressing sustainability in both upstream and downstream value chains, we aim to positively impact the environment, society, and the economy, contributing to carbon emissions reduction, resource conservation, and social well-being throughout our products’ lifecycle.

We use verified data from our onsite meters and our utility providers where possible, using average proxy data for smaller entities where direct data is not available. Our Scope 3 emissions are calculated using both spend-based and average-data methods, to increase our reporting accuracy. We are working towards capturing direct data from our supply base, to further increase data accuracy.

As ASSA ABLOY continues to grow through acquisitions, new acquisitions are required to report their sustainability data within six months of being in the Group. Usually this means companies acquired in the first six months of the year will be included in the full year data, while companies acquired in the second half of the year will be included the following year. For larger acquisitions it may take longer than six months to get their sustainability data into our

ESRS 2 Board composition^{1, 2}

Name	Position	Background	Independent of the company and its management	Independent of the company's major shareholders	Gender
Johan Hjertzonsson	Chairman	President and CEO of Investment AB Latour since 2019. Previously President and CEO of AB Fagerhult and Lammhults Design Group AB and various management positions within the Electrolux Group. Other appointments: Chairman of Alimak Group AB and Tomra Systems ASA. Board member of Investment AB Latour and Sweco AB.	Yes	No	Male
Carl Douglas	Vice Chairman	Self-employed. Other appointments: Board member of Investment AB Latour.	Yes	No	Male
Erik Ekudden	Board member	Senior Vice President, Chief Technology Officer and Head of Group Function Technology at Telefonaktiebolaget LM Ericsson since 2018. Previously a number of management positions within the Ericsson Group since 1993. Other appointments: Fellow of the Royal Swedish Academy of Engineering Sciences (IVA) as well as member of the Broadband Commission for Sustainable Development.	Yes	Yes	Male
Sofia Schörling Högberg	Board member	Other appointments: Vice Chairman of Melker Schörling AB. Board member of Securitas AB, Hexagon AB and the Stockholm Chamber of Commerce.	Yes	No	Female
Lena Olving	Board member	President and CEO of Mycronic AB 2013-2019. COO and Deputy CEO of Saab AB 2008-2013. Various positions within Volvo Car Corporation 1980-1991 and 1995–2008 of which seven years in the Executive Management Team. CEO of Samhall Högland AB 1991–1994. Other appointments: Chairman of Nodica Group AB. Board member of Investment AB Latour, NXP Semiconductor N.V., Stena Metall AB and Vestas A/S. Fellow of the Royal Swedish Academy of Engineering Sciences (IVA).	Yes	No	Female
Victoria Van Camp	Board member	Runs her own consulting firm Axa Consulting since 2022 with focus on advising within technology development in order to accelerate green transition. Previously a number of management positions within AB SKF 1996–2022. Other appointments: Chairman of LumenRadio AB. Board member of Billerud AB, Alleima AB, SR Energy AB and the Chalmers foundation. Adjunct professor in machine elements at Luleå University of Technology. Fellow of the Royal Swedish Academy of Engineering Sciences (IVA).	Yes	Yes	Female
Susanne Pahlén Åklundh	Board member	President of the Energy Division of Alfa Laval AB 2017–August 2021. Previously various positions in the Alfa Laval Group Management since 2009. Other appointments: Chairman of Alfdex AB. Board member of Alleima AB and Sweco AB.	Yes	Yes	Female
Gender diversity ratio (male:female)					3:4
Gender diversity (percentage of females represented)					57%

¹ The Board also consists of two employee representatives with one deputy each, who are appointed by the unions.
² Appointments at December 31, 2025.

system. The reason for this is the companies acquired by ASSA ABLOY typically do not possess a mature corporate structure and, consequently, lack formal sustainability reporting processes. ASSA ABLOY conducts training sessions and collaborates closely with local management to ensure alignment with the Group's policies.

Our sustainability statement and related data has been verified as part of a limited assurance, performed by ASSA ABLOY’s auditor EY.

Governance

Our divisions have operational responsibility for their sustainability work, including business conduct. The work and progress is overseen by the Executive Team, led by the CEO, and ultimately by the Board of Directors of ASSA ABLOY AB. Our strategy, sustainability objectives, the Code of Conduct and the Code of Conduct for Business Partners form the foundation for our sustainability work. Related Group policies, adopted by the Board of Directors, as well as other directives, guidelines, processes and tools as set

out in the sustainability statement provide further guidance. Sustainability goals and targets are set at Group level and are not performed on a divisional level. The responsibility for overseeing the management of sustainability-related impacts, risks, and opportunities is clearly defined within our governance structure. The CEO and Board of Directors ensure sustainability is integrated into the company's decision-making processes, operations, governance structure, risk management processes, and strategic decision-making. This approach ensures transparency

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Significant risks and risk management
The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate governance

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
- Social information
- Governance information

Financial statements

and accountability in managing sustainability risks and opportunities.

The Board of Directors and the CEO are responsible for the reported information in the sustainability statement in accordance with the Corporate Sustainability Reporting Directive (CSRD). They oversee the preparation of the sustainability statement and review its content, and the Board of Directors approves the sustainability statement.

The Audit Committee of the Board of Directors is responsible for the preparation of the Board of Directors’ work regarding sustainability disclosures. Sustainability is an integrated part of the report submitted to the Audit Committee ahead of each quarterly Audit Committee meeting. The Chairperson of the Audit Committee reports from each Audit Committee meeting to the Board of Directors at every subsequent Board meeting. The Board of Directors addresses sustainability matters as needed and at least annually, including material impacts, risks and opportunities, implementation of due diligence, and results and effectiveness of policies, actions, metrics and targets adopted to address them, and sustainability disclosures.

The Board of Directors and the Audit Committee consist of professionals with long experience from different senior positions in global industrial companies, including CEO and other senior management positions, and as such they have extensive experience from managing the topics generally covered by the sustainability concept, including business conduct. The Board of Directors is supported by relevant functions within the Group, such as the Group’s Head of Sustainability, on sustainability issues.

Our sustainability issues are managed in a systematic and consistent way, at divisional level.

Each division is responsible for managing our sustainability agenda, identifying and addressing risks and opportunities in the context of their business, as well as governing the Code of Conduct and related policies and directives. Managers for environmental sustainability, supply, and innovation at the Group and divisional levels ensure that the necessary policies, processes and tools for managing environmental issues exist and are implemented. The Human Resources (HR) functions at the Group and divisional levels have the corresponding responsibility for managing social and ethical matters. Every factory or business unit has the operational responsibility within each division. Each division is also responsible for ensuring that current and new suppliers understand and comply with our requirements.

The Group intranet includes two sections that focus on sustainability; one offering general information for all employees, while the other supports sustainability managers and includes tools, best practices, and access to the sustainability reporting database.

ASSA ABLOY has established governance, policies and due diligence processes for sustainability matters. However, internal controls specifically related to ESRS data collection and reporting are still being further developed and will be reviewed and strengthened during 2026.

Sources of estimation and outcome uncertainty
ASSA ABLOY’s Scope 3 carbon emissions are calculated using a combination of primary data, such as site level energy and transport information, and recognised secondary data sources, including industry average emission factors. The reliance on secondary sources and generic emission factor databases introduces inherent measurement uncertainty, as these values are less precise than source specific data. Outcome

uncertainty is further influenced by acquisition related data gaps, including the current unavailability of complete Scope 3 data for HHI, which will be incorporated once data is available. To reduce these uncertainties over time, the Group is working to expand the use of primary data and strengthen carbon emissions reporting requirements in supplier contracts.

Changes in preparation or presentation of sustainability information
During the 2025 reporting year, ASSA ABLOY restated its Scope 1 & 2 carbon emissions baseline to ensure comparability following all acquisitions since 2019, including HHI. The HHI acquisition materially increased the Group’s operational footprint, and incorporating HHI into the carbon emissions reporting boundary resulted in changes exceeding 5 percent of previously reported values.

As a result, the Group has updated its baseline and restated prior years’ Scope 1 & 2 figures. The restatement affects the comparability of the “Energy and Carbon Emissions” table and the “E1-6 Gross Scope 1, 2, 3 and Total GHG emissions” table.

No baseline restatement has been made for water or waste. However, the 2024 figures presented in the current year’s tables differ from the 2024 figures published in the prior year sustainability statement, as HHI data was included for the first time in 2024. Last year, this was disclosed as a separate note for comparability purposes; for 2025 reporting, HHI is fully integrated into the totals presented.

These changes are made solely to improve consistency of boundaries and enhance the comparability of sustainability information across periods. Additional methodological information is provided in the relevant ESRS E1 disclosures.

The restatement does not reflect any changes in calculation methodology but solely boundary adjustments required due to the scale of the HHI acquisition.

Sustainability targets
Our sustainability targets are designed to support the long-term strategic goals of the Group, ensuring alignment with our vision to help people feel safe, secure, and experience a more open world. As well as create value for stakeholders while addressing global sustainability challenges. These targets focus on areas where our operations, products, and value chain have the most significant impacts and opportunities. The following sustainability-related targets have been established.

- Our science-based targets are our climate action goals where our near-term target is to reduce Scope 1 & 2 carbon emissions by 50 percent, and reduce Scope 3 emissions by 28 percent by 2030, against the 2019 base year.
- Our long-term target is to realize net-zero carbon emissions no later than 2050, which is to reduce all scopes by 90 percent. This supports our transition to a low-carbon economy and aligns with the Paris Agreement to limit global warming to 1.5°C. This also supports our strategic objective of cost-efficiency in everything we do.
- In terms of resource efficiency, as part of our new sustainability program 2030, we aim to reduce the intensity of energy, water and waste by 30 percent by 2030, and have 30 percent of our energy coming from renewable resources.
- We also target 95 percent ISO 14001 certification for relevant manufacturing sites by 2030, supporting waste reduction and optimal resource use, as well as our cost-efficiency strategy.

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

- Significant risks and risk management
- The Board of Directors’ proposal of guidelines for remuneration to senior executives
- Corporate governance
 - Board of Directors
 - Executive Team
 - Internal control – financial reporting
- Sustainability statement
 - General information
 - Environmental information
 - Social information
 - Governance information

Financial statements

Our climate action targets are ratified by the Science Based Targets initiative. Our social targets are benchmarked against leading practices in our sector and are aligned to international standards such as the UN Sustainable Development Goals (SDGs). Progress is tracked quarterly using key performance indicators and reported annually in our sustainability statement. Our cross-divisional sustainability council reviews progress and ensures alignment with overall business objectives. Example KPIs include annual carbon emissions (metric tons CO₂eq), percentage of recycled materials used, and gender diversity metrics. All metrics are disclosed in our sustainability statement. As per our governance structure responsibility for achieving targets lies with the CEO and Board of Directors.

We are unable to present revenue per ESRS sector due to disaggregation of the Group’s revenue. However, as seen in Note 2, revenue is broken down by geography/product group. As we continue to improve our visibility of sustainability impacts on a financial level, we will review the possibility to implement ESRS mapping to revenue where practicable.

ASSA ABLOY has not assessed the financial impacts of material risks and opportunities on financial position, financial performance and cash flows and material risks and opportunities; for which there is significant risk of material adjustment within the next annual reporting period to carrying amounts of assets and liabilities reported in related financial statements due to limitation of data. Consumers and end-users of ASSA ABLOY are included in reporting of S4.

Executive remuneration

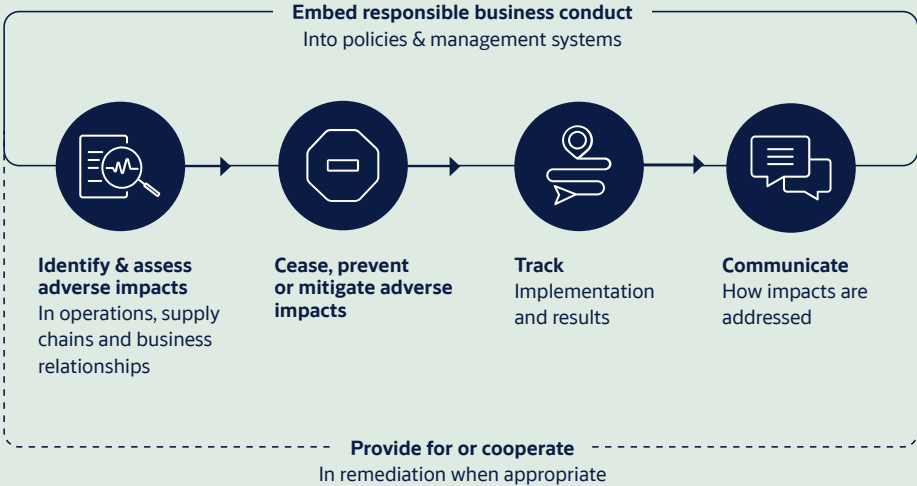
Climate and other sustainability-related targets are factored into the variable remuneration of all members of the Executive Team reporting to the CEO, as well as management teams

throughout the divisions. These targets are usually linked with decreasing our energy consumption, which is a key driver for decreasing our Scope 1 & 2 carbon emissions; the reduction targets are aligned to our annual emissions reduction as part of our science-based targets. This and other sustainability-related targets, such as health and safety and people strategy, are typically in the form of short-term variable remuneration and usually 3 to 5 percent of the total short-term variable remuneration target.

Due diligence process and supporting measures

ASSA ABLOY has adopted the Organization for Economic Cooperation and Development (OECD) Due Diligence Guidance for Responsible Business Conduct.

The OECD requirement to “embed responsible business conduct into policies and management systems” is described in the Policy matrix. The requirement to “identify and assess adverse impacts in operations, supply chains and business relationships” is described in the double materiality analysis. The requirements to “cease, prevent or mitigate adverse impacts” and to “track implementation and results” are covered in the environmental and social sections. This sustainability statement forms part of how we meet the requirement to “communicate how impacts are addressed.”



Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Significant risks and risk management
The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate governance

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
- Social information
- Governance information

Financial statements

Double Materiality Assessment (DMA) and Stakeholder Engagement

In preparation for the CSRD, we carried out a double materiality assessment during 2023 and 2024. In the past, we have conducted single materiality assessments in the form of an impact materiality assessment, which provides an inside-out perspective to assess ASSA ABLOY’s impact on the world.

An impact materiality assessment forms one part of the double materiality assessment. The second part is a financial materiality assessment. This provides an outside-in perspective to assess the financial implications that potential material topics may have on the Group. We have reported according to the Task Force on Climate-related Financial Disclosures (TCFD) since 2021, which acts as a solid foundation when preparing our financial materiality assessment.

Double materiality assessment process

The following key activities take place during the double materiality assessment process, all of which help to inform the analysis.

- Stakeholder survey
- Workshop 1: Impact materiality
- Workshop 2: Financial materiality
- Analysis of survey, workshops and written documents
- Workshop 3: Validation of draft list of material matters

Impact materiality factors

Severity factors and likelihood are graded as follows:

- Scale: Large or small (how grave the negative impact is or how beneficial the positive impact is)
- Scope: Large or small (how widespread the impact is, for example geographical extent, number of people)

- Irremediability: High or low (to what extent a negative impact could be remediated)
- Likelihood: High or low (for potential impact or actual impact)

Impact materiality threshold

A sustainability matter is determined as material when:

- There is an actual impact or a potential impact with a high likelihood
- With a value of large/high for at least two out of three negative severity factors (scale, scope, irremediability), and/or
- With a value of large for at least one out of the two positive factors (scale, scope)

Other impacts are scrutinized individually to see if scale, scope or irremediable character alone makes a negative impact severe enough to qualify as material.

Financial materiality factors

The likelihood and potential magnitude of financial effects are graded as follows:

- Likelihood: High or low
- Magnitude: Large or small

Financial materiality threshold

A sustainability matter is determined as material when:

- It has a value of high likelihood and large magnitude in terms of either being a risk or an opportunity, or both

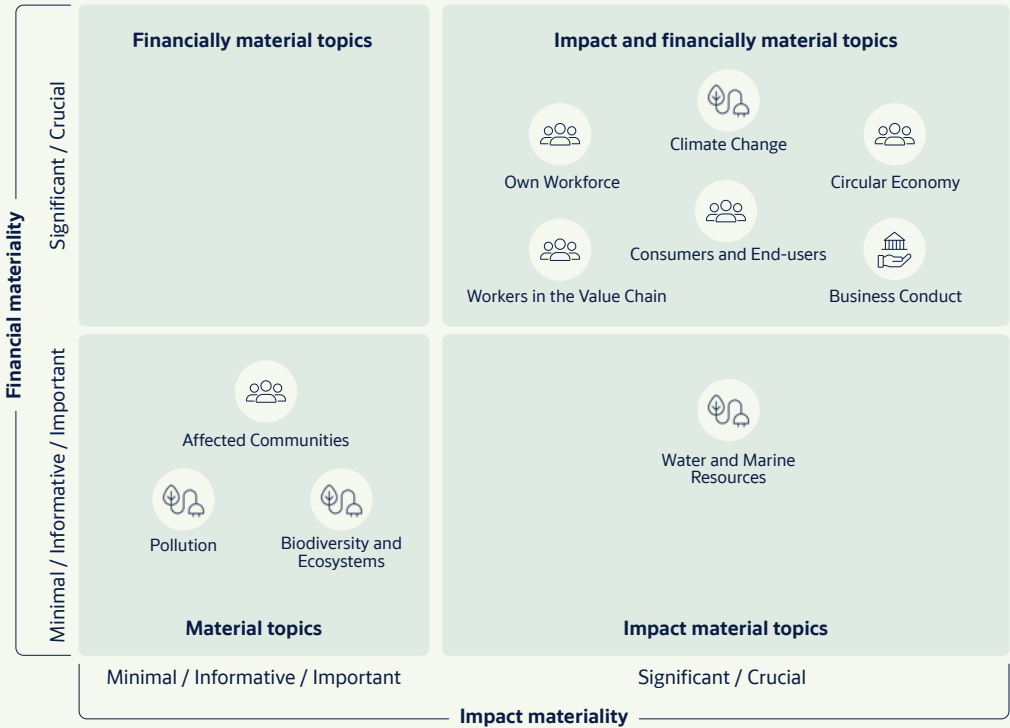
For financially-material matters, the material subtopics match the sub-topics that are material from an impact perspective.

Double materiality assessment outcome

Following our double materiality assessment process we have identified the following ESRS topics as being materially relevant: E1 Climate Change, E3 Water and Marine Resources, E5 Resource Use and Circular Economy, S1 Own Workforce, S2 Workers in the Value Chain, S4 Consumers and End-users, G1 Business Conduct. The identified material topics are closely aligned to our overall business strategy, where sustainability is integrated into everything we do.

We identified the following topics as not being materially relevant from a CSRD perspective: E2 Pollution, E4 Biodiversity and Ecosystems, S3 Affected Communities. Our stakeholders did not identify the topics as materially relevant to ASSA ABLOY operations and our value chain. Although the topics were not identified as materially relevant in our assessment, they are still important to ASSA ABLOY, and we take the necessary steps to mitigate the risk of pollution or biodiversity loss and we support affected communities where we operate locally and in our value chain.

Material sustainability matters



Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Significant risks and risk management
The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate governance

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
- Social information
- Governance information

Financial statements

Double materiality assessment methodology

We followed the steps outlined by the ESRS to conduct our double materiality assessment:

- 1. Stakeholder engagement:** We conducted stakeholder surveys with over 500 stakeholders to understand the concerns and priorities of various stakeholders, including employees, customers, suppliers, investors, industry associations and NGOs.
- 2. Materiality workshops:** We carried out workshops to discuss both impact materiality (the significance of the social and environmental impact of the Group) and financial materiality (the importance of sustainability issues to enterprise value).
- 3. Preliminary findings:** We compiled the preliminary results from the workshops and surveys to identify the sustainability matters that are material to the Group.
- 4. Validation process:** We established a verification team made up of function heads and subject matter experts to validate the preliminary findings, where feedback was collected and incorporated.
- 5. Reporting:** Our sustainability statement and Annual Report have been prepared in alignment with the CSRD reporting metrics and requirements, ensuring that it includes the updated materiality analysis.
- 6. Continuous improvement:** We will use the outcomes of the materiality assessment to continuously improve sustainability practices and reporting.

Process steps – Impact materiality

We followed the five process steps for impact materiality as defined by the CSRD:

- 1. Engagement of stakeholders:** We engaged internal subject matter experts, representatives from each division and all functional heads across the Group to attend and provide input during the impact materiality workshop. We ran a series of education and awareness sessions before the impact materiality workshop with all internal stakeholders to bring them up to speed on what disclosing to CSRD would entail. We developed a standardized survey for our wider stakeholders and received over 500 responses from stakeholders; including employees, customers, suppliers, investors, industry associations and NGOs. The output from the stakeholders was aggregated into focus areas to ensure the stakeholder input from the surveys was taken into account during the impact materiality workshop.
- 2. Scoping of impacts:** We reviewed our previous materiality assessments and sustainability focus areas as a reference point, to determine if we have been addressing the materially relevant topics. This provided a stable foundation to build upon, factoring in the additionality required by the CSRD.
- 3. Assessment of individual impacts:** As outlined earlier in the report we evaluated the significance of each impact, considering factors such as scale, scope, irremediability and likelihood.
- 4. Calibration of material impacts:** We used the input from our stakeholder surveys, internal subject matter experts and functional heads to assess and verify the outcome from the double materiality assessment process. This ensured that the identified material topics are relevant and there were no gaps or missed relevant topics.

5. Stakeholder and management review:

The findings from our double materiality assessment process were presented to our Executive Team and the Board of Directors. This step ensured that the assessment accurately reflects ASSA ABLOY’s sustainability impacts and material issues. As a result, fifteen negative impact material sub-topics were identified. The findings were assessed with our existing business model and Group strategy, where it was clear there are no major changes required for either our business model or Group strategy. Our current business model and strategy are sufficient to ensure we can disclose to CSRD Minimum Disclosure Requirements (MDR) as well as progress towards our sustainability goals and objectives.

Process steps – Financial materiality

We followed the five process steps for financial materiality as defined by the CSRD:

- 1. Engagement of stakeholders:** We engaged internal subject matter experts, including risk management and all functional heads across the Group to attend and provide their input during the financial materiality workshop.
- 2. Scoping of impacts:** We reviewed our previous disclosures to TCFD and scenario analyses as a reference point, to determine if we have been addressing the materially relevant financial topics. This provided a stable foundation to build upon, factoring in the additionality required by the CSRD.
- 3. Assessment of individual impacts:** As outlined earlier in this sustainability statement we evaluated the significance of each risk, considering factors such as likelihood and magnitude.

- 4. Calibration of material impacts:** We used the input from our internal subject matter experts and functional heads to assess and verify the outcome from the double materiality assessment process. This ensured the identified material topics are relevant and there were no gaps or missed relevant topics.
- 5. Stakeholder and management review:** The findings from our double materiality assessment process were presented to our Executive Team and the Board of Directors. This step ensured that the assessment accurately reflects ASSA ABLOY’s sustainability impacts and material issues. This resulted in the identification of twelve financial material sub-topics. The findings from our double materiality assessment process were assessed with our existing business model and Group strategy, where it was clear there are no major changes required for either our business model or Group strategy. Our current business model and strategy are sufficient to ensure we can disclose to all CSRD Minimum Disclosure Requirements (MDR) as well as progress towards our sustainability goals and objectives.

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Significant risks and risk management
The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate governance

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
- Social information
- Governance information

Financial statements

Material sustainability-related impacts, risks and opportunities

We have summarized our material impacts, risks and opportunities into a set of tables per material topic, based on the outcome of our double materiality assessment process including

key stakeholder’s input. Timeframes considered are medium-term to 2030 and long-term to 2050. ASSA ABLOY does not consider short-term timeframes, for example twelve months. The tables

detail identified positive and negative impacts, as well as risks and opportunities for our own operations and value chain; including a description, mitigation actions and referencing policies where relevant.

Environment

E1 Climate Change

Subtopic	Material impact or risk	Description	Mitigation/action	Material for		Impact		Financial		Reference to policy
				Value Chain	Own Operations	Positive	Negative	Opportunity	Risk	
Climate change mitigation	Carbon emissions from operations, suppliers, transport, employee commuting and more.	Our own operations & value chain do not decarbonise to succeed in limiting global warming to 1.5 °C.	Science Based Targets commitment and actions. Sustainability compass. Supplier sustainability audits.	Upstream & Downstream	×		×		○ ○ ● ○	Environmental sustainability policy.
	Reducing emissions (mirroring the negative impact).	Our own operations & value chain need to decarbonise to succeed in limiting global warming to 1.5 °C.	Science Based Targets commitment and actions. Sustainability compass. Supplier sustainability audits.	Upstream & Downstream	×	×		● ○ ○ ○ ○		Environmental sustainability policy.
	Climate change with high likelihood and magnitude.	Factories at risk due to physical changes such as higher water levels. Supply chain risks, policy changes, in both 1.5 °C and 3.7 °C scenarios. Electricity/utility risk in 3.7 °C scenario.	Science Based Targets commitment and actions. Sustainability compass. Supplier sustainability audits.	Upstream	×		×		○ ○ ● ○	Environmental sustainability policy.
	Climate change with high magnitude.	Move to circular business model and develop new products that meet policy requirements.	Circular economy. Sustainability compass.	Downstream	×	×		○ ○ ● ○		Environmental sustainability policy.
Energy	Energy consumption in operations and supply chain.	High rate of energy consumption, where energy availability and cost is volatile.	Science Based Targets commitment and actions. Sustainability compass. Supplier sustainability audits.	Upstream	×		×		○ ○ ○ ○	Environmental sustainability policy.
	Products increase energy efficiency and reduce energy use for customers. Driving change in building codes.	Increased energy effectiveness and efficiency to reduce customers’ energy consumption.	Science Based Targets commitment and actions. Sustainability compass. Supplier sustainability audits.	Downstream	×	×		○ ○ ○ ●		Environmental sustainability policy.

↑

Opportunities/risks as a % of annual sales

○ Low <1 %

● Medium 2–5%

● High 6–10%

● Very high is >10%

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Significant risks and risk management
The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate governance

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
- Social information
- Governance information

Financial statements

Environment

E3 Water and Marine Resources

Subtopic	Material impact or risk	Description	Mitigation/action	Material for		Impact		Financial		Reference to policy
				Value Chain	Own Operations	Positive	Negative	Opportunity	Risk	
Water	Water consumption in own operations.	Our own operations need to reduce water consumption, improve processes and efficiency, increase water reuse and recirculation.	Sustainability program and actions, best practice sharing, sustainability compass, supplier sustainability audit, Green Team Playbook, monitoring systems, ISO 14001 implementation, overhaul (infrastructure investments), consultations with affected communities; senior management, third-party and key stakeholder engagement.		×		×			Environmental sustainability policy.
	Water consumption in supply chain operations.	Reduction of water in the value chain, improve processes and efficiency, increase water reuse and recirculation.	Sustainability program and actions, best practice sharing, sustainability compass, supplier sustainability audit, Green Team Playbook, monitoring systems, ISO 14001 implementation, overhaul (infrastructure investments), consultations with affected communities; senior management, third-party and key stakeholder engagement.	Upstream			×			Environmental sustainability policy.

↑

Opportunities/risks as a % of annual sales

Low <1 %

High 6–10%

Medium 2–5%

Very high is >10%

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Significant risks and risk management
The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate governance

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
- Social information
- Governance information

Financial statements

Environment

E5 Resource Use and Circular Economy

Subtopic	Material impact or risk	Description	Mitigation/action	Material for		Impact		Financial		Reference to policy
				Value Chain	Own Operations	Positive	Negative	Opportunity	Risk	
Resource inflows, including resource use	High usage of primary/ virgin material.	Amount of raw material use, especially using virgin raw materials in production and in the supply chain.	For the upstream phase (suppliers) we have a guideline to ensure that the right suppliers are selected from a sustainability point of view. Using the same data sets for environmental data both in development and in supplier material is key to be able to steer the sustainability optimization throughout the lifecycle of a product. By doing this during development we simplify the calculation of the carbon footprint of the products as well as calculating the carbon footprint from purchased material.	Upstream	×		×		○●○○	Innovation directive.
Resource outflows related to products and services	Life time of the products.	Unnecessary consumption of resources through lack of serviceability and upgradeability.	New products and solutions are designed for serviceability and upgradeability where possible, to extend the useful life of the product.	Downstream			×		○●○○	Innovation directive.
Resource outflows related to products and services	Prolonged life time of the products.	Potential positive impact through better product lifecycle management. Re-use and repurpose materials.	In the downstream value chain, we control the service of the products (if products need service) by trained employees and subcontractors who are obliged to maintain compliance to existing standards. This is of particular importance for safety and emergency-related products. The validation on site needs to be done by a trained service technician. By having these processes in place we ensure that our products are compliant regardless of whether they are linear or circular products. This will also make it possible to initiate reverse logistics on selected circular components, because we have control over the status of the product.	Downstream		×		○○●○		Innovation directive.
Waste generation in operations and supply chain	Waste generation in operations and supply chain.	Excessive generation of waste due to inefficient manufacturing operations.	In our own operations we maximize our resource efficiency to minimize the generation of waste. This is done by implementing efficiency by design in R&D, as well as reducing waste in operations through lean manufacturing and quality. We support our suppliers to increase their maturity in lean manufacturing and quality, in order to reduce their waste generation.	Upstream	×		×	○●○○		Environmental sustainability policy.

↑
Opportunities/risks as a % of annual sales
○ Low <1 % ● High 6–10%
● Medium 2–5% ● Very high is >10%

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Significant risks and risk management
The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate governance

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
- Social information
- Governance information

Financial statements

Social

S1 Own Workforce

Subtopic	Material impact or risk	Description	Mitigation/action	Material for		Impact		Financial		Reference to policy
				Value Chain	Own Operations	Positive	Negative	Opportunity	Risk	
Working conditions	Health and safety risks for all employees and non-employees in our operations.	Work related injuries and illnesses.	Health and safety program that focuses on prevention, behavior and culture for all employees and non-employees in our operations.		×		×		○○○○	Code of Conduct. People, safety and human rights policy.
Equal treatment and opportunities for all	Risk of lack of diversity and inclusion, human rights for all employees and non-employees in our operations.	Diverse workforce and diversity of thought, harassment, discrimination.	Whistleblowing process (for all employees and non-employees in our operations), Voice of the Employee with action planning on all levels, third-party social compliance audits. AI risk management to people.		×		×		●○○○	Code of Conduct. People, safety and human rights policy. Whistleblowing directive. Responsible AI policy.
Working conditions	Health and safety, employment with adequate wages for all employees and non-employees in our operations.	We raise safety standards in our acquisitions. Employment and fair wages ensuring a good standard of living.	Health and safety program implementation as part of integration. Ensure proper working conditions for all employees and non-employees in our operations.		×	×		○○●○		Code of Conduct. People, safety and human rights policy.

↑

Opportunities/risks as a % of annual sales

○ Low <1 %

● High 6–10%

● Medium 2–5%

● Very high is >10%

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Significant risks and risk management
The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate governance

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
- Social information
- Governance information

Financial statements

Social

S2 Workers in the Value Chain

Subtopic	Material impact or risk	Description	Mitigation/action	Material for		Impact		Financial		Reference to policy
				Value Chain	Own Operations	Positive	Negative	Opportunity	Risk	
Working conditions	Improper treatment of value chain workers.	Suppliers not providing adequate wages or working conditions.	Audit suppliers in high-risk countries (optionally do sample checks in low-risk countries, if deemed necessary) and follow up on any whistleblowing reports.	Upstream			×			Code of Conduct for Business Partners. Sustainability audits. Whistleblowing directive.
Other work-related rights	Improper treatment of value chain workers.	Risk of suppliers not respecting human rights.	Audit suppliers in high-risk countries (optionally do sample checks in low-risk countries, if deemed necessary) and follow up on any whistleblowing reports.	Upstream			×			Code of Conduct for Business Partners. Sustainability audits. Whistleblowing directive.
Working conditions	A better life for value chain workers and their families.	Employment and living wages to ensure a good quality of life. Aim to raise standards at our suppliers.	Audit suppliers and drive improvement work to address poor-performing or non-improving suppliers.	Upstream		×				Code of Conduct for Business Partners. Supplier sustainability audits.
Other work-related rights	Improved situation for value chain workers.	Aim to raise standards at our suppliers.	Audit suppliers and drive improvement work to address poor-performing or non-improving suppliers.	Upstream		×				Code of Conduct for Business Partners. Supplier sustainability audits.

↑

Opportunities/risks as a % of annual sales

Low <1 %High 6–10%

Medium 2–5%Very high is >10%

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Significant risks and risk management

The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate governance

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
- Social information
- Governance information

Financial statements

Social

S4 Consumers and End-users

Subtopic	Material impact or risk	Description	Mitigation/action	Material for		Impact		Financial		Reference to policy
				Value Chain	Own Operations	Positive	Negative	Opportunity	Risk	
Information-related impact for consumers and/or end-users	Can feedback freely regarding our products and services.	Regardless of what feedback customers have they can use our channels to describe how they perceive our products.	Providing personal data protection and whistleblowing functions ensures that customer and end-users can freely report any issues with product or services.	Downstream		×		○ ○ ○ ○		Innovation directive.
Personal safety of consumers and/or end-users	End-users may be injured during product use.	Defective products or not serviced products could have a negative safety impact on people.	By following the innovation directive and being compliant with applicable standards from development we ensure that products are safe. Using the service provided by ASSA ABLOY, products will continue to stay safe over its lifetime.	Downstream			×		○ ○ ● ○	Innovation directive.
Personal safety of consumers and/or end-users	Enables a safe and secure environment for consumers and end-users.	Our products and solutions provide safety to consumers, providing both social and customer value.	By developing products that comply to relevant safety and security standards as well as following our innovation directive we ensure privacy for our consumers and end-users.	Downstream		×		○ ○ ○ ●		Innovation directive.
Social inclusion of consumers and/or end-users	Provide equal access to products and services.	The median age globally is increasing leading to an aging population with impairment or disabilities. Accessibility and inclusive product design is therefore key in ensuring that buildings can be accessed and used by everyone.	By incorporating our customer and end-user needs and requirement to the development process we ensure that our products supports social inclusion.	Downstream		×		○ ● ○ ○		Innovation directive.

↑

Opportunities/risks as a % of annual sales

○ Low <1 %

● High 6–10%

● Medium 2–5%

● Very high is >10%

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Significant risks and risk management

The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate governance

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
- Social information
- Governance information

Financial statements

Governance

G1 Business Conduct

Subtopic	Material impact or risk	Description	Mitigation/action	Material for		Impact		Financial		Reference to policy
				Value Chain	Own Operations	Positive	Negative	Opportunity	Risk	
Corruption and bribery	Low risk but high magnitude. Not conducting ourselves in the right way could mean litigation, fines, reputation damage and loss of sales. Being a decentralized organization, could increase misconduct risk in newly acquired entities.	We need to ensure ethical business practices in line with the Code of Conduct and the anti-corruption policy.	Relevant policies in place. Internal audit controls. Anti-corruption reviews. Training on Code of Conduct and anti-corruption. Third-party due diligence process and the Code of Conduct for Business Partners.		×		×		○○●○	Code of Conduct. Anti-corruption policy. Third party due diligence process. Code of Conduct for Business Partners. Whistleblowing directive.
Payment practices	Fines, reputation damage, supply shortages, loss of sales.	Potential negative impact if failing to implement the Code of Conduct and responsible business practices.	It is recommended to always pay on time, but not formally a part of any currently existing policy or directive.		×		×		○○●○	Not referenced.
Payment practices	Suppliers keen to continue investing in their relationship with us.	Good business conduct can have positive effects through the value chain.	Negotiate reasonable payment terms, pay invoices on time.	Upstream		×		○○○○		Not referenced.

↑

Opportunities/risks as a % of annual sales

○ Low <1 %

● High 6–10%

● Medium 2–5%

● Very high is >10%

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Significant risks and risk management
The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate governance

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
- Social information
- Governance information

Financial statements

Task Force on Climate-Related Financial Disclosures (TCFD)

In 2025, ASSA ABLOY continued to explore and understand the requirements of the TCFD. We are gradually developing the process of reporting to the TCFD, to ensure it is meaningful and helpful in guiding our organization to make informed decisions based on climate-related risk and opportunity. We are firmly convinced the TCFD framework will enable us to identify and navigate climate-related financial risks and opportunities.

We reviewed our climate scenario analysis during the year to confirm it is still valid. The analysis reviewed the risks and opportunities of market and technology, reputation, policy and regulation, and physical risks, to 2030 and 2050. The two different climate scenarios we reviewed were developed by the UN Intergovernmental Panel on Climate Change (IPCC): RCP 6 and RCP 2.6. The two scenario analyses were used to identify and assess transition risks and opportunities over the short and medium term to 2030, as well as the long-term to 2050.

RCP 2.6, called Realizing the Paris Agreement, is a scenario where emissions decline rapidly over the coming decades, resulting in a temperature increase up to 2.3 °C warmer by the end of the century.

RCP 6, called The Rocky Road, is a scenario where emissions are declining at an insufficient rate and not to the level required, resulting in a temperature increase up to 3.7°C warmer by the end of the century.

Scenario analysis

During the scenario analysis we added more context, where we tried to understand both the qualitative and quantitative aspects, especially for climate-related risk. We developed the process to be able to quantify our climate-related risk, in terms of percentage of sales from low risk to very high risk. Depending on the level of risk, the financial risk is then determined as percentage impact on total annual sales. The analysis reviewed risks and opportunities relating to two different climate scenarios and how they could impact ASSA ABLOY’s business in 2030 and 2050. The outcomes are summarized in the blocks to the right.

The Rocky Road – RCP 6

Temperature increases between 2–3.7 °C



Increased extreme weather events
Fossil fuel-generated energy, poor air quality
Forced migration
Increased areas of water stress
Ocean levels rising

Opportunities

- Producing locally, a competitive advantage
- Increased solution requirements
- Technology will be a solution enabler
- New markets
- Increased focus on security



Risks: Physical Risk (PR), Transition Risk (TR)

- Coastal factories at risk of flooding (PR)
- Supply chain uncertainty (TR)
- Materials availability (TR)
- Customer expectation (TR)
- Ability to get insurance (TR)
- Higher costs for emissions (TR)



Realizing the Paris Agreement – RCP 2.6

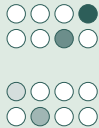
Temperature increases between 0.9–2.3 °C



Lower frequency of extreme weather events
Large-scale installed renewable energy
Robust energy legislation and carbon taxes
High energy effectiveness and efficiency

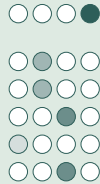
Opportunities

- New solutions reducing customers’ environmental footprint
- Transition to circular economy
- Local production will be an advantage
- Increased resource efficiency



Risks: Physical Risk (PR), Transition Risk (TR)

- Availability of low-carbon materials (TR)
- Need to upgrade and retrofit older sites (PR & TR)
- Carbon taxes and market regulations (TR)
- Customer expectation (TR)
- M&A in higher risk geographies (TR)
- Energy quality and availability (TR)



Opportunities/risks as a % of annual sales

- Low <1 %
- Medium 2–5%
- High 6–10%
- Very high is >10%

General information

Introduction**Who we are****ASSA ABLOY as an investment****Divisional overview****Report of the Board of Directors**

Significant risks and risk management

The Board of Directors' proposal of guidelines for remuneration to senior executives

Corporate governance

Board of Directors

Executive Team

Internal control – financial reporting

Sustainability statement

→ General information

Environmental information

Social information

Governance information

Financial statements

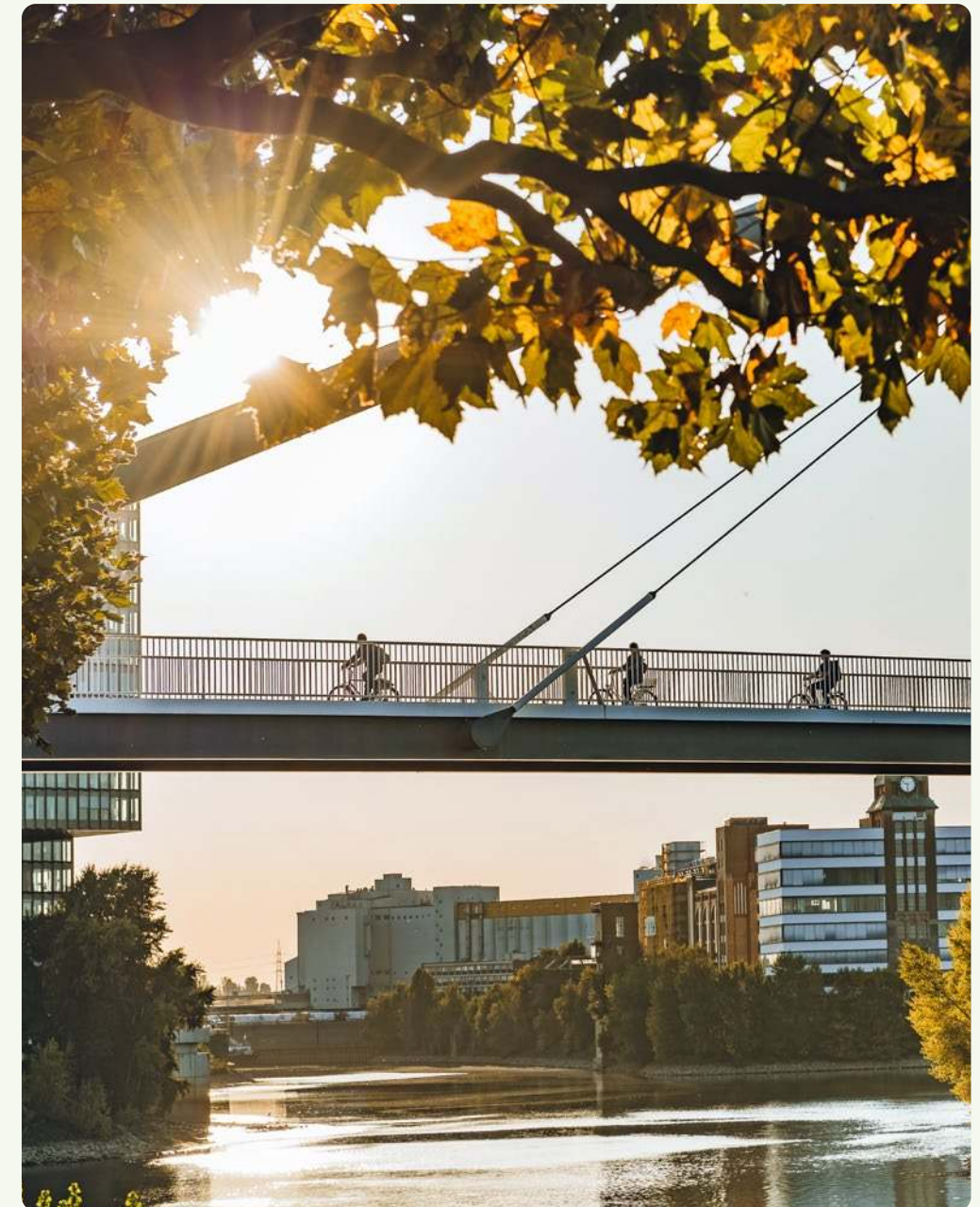
For the climate scenarios we have applied two time horizons (2030) and (2050) which is in line with the Paris Agreement. However, for carbon emission reduction targets the time horizon is 2030.

When conducting the scenario analyses, we reviewed several parameters to determine our resilience, both for RCP 6 and RCP 2.6. For both scenarios we reviewed the potential impact on our supply chain, our own operations and our market and our customers; as well as assets and business activities. The focus areas were based on material financial risk and opportunity across the value chain. This included assessing countries where we operate, source from and markets where we are present. For example, by 2030 for our factories we assessed locations that are potentially exposed to acute risk such as flooding, sea-level rise and exposure to cyclones in regions that are at and close to sea-level; as well as locations that are exposed to chronic risk such as prolonged extreme heat and drought in countries such as United Arab Emirates and India.

To perform the analysis, we assembled a cross-functional internal team with deep knowledge and global sector expertise for their function, to represent the stakeholders in our value chain. Based on their knowledge and expertise, we determined what the financial risk or opportunity was likely to be for the assessed categories of market and technology, reputation, policy and regulation, and physical risks. Our strategy and business model, coupled with our focus to increase our sustainability maturity in our supply chain, our own operations and innovation, through our sustainability target commitments and objectives, will ensure our Group is resilient to the potential risks presented by both RCP 6 and RCP 2.6. There are no obvious uncertainties resulting from our analysis. For both scenarios, there is potential physical risk in our supply chain and own operations. Our operations have very limited exposure to acute and chronic risks, while our agile supply chain and innovation strategy will enable us to adapt to and/or mitigate risks as well as realize opportunities.

We have implemented a process for upgrading facilities with lower energy efficiency to reach a higher energy efficiency and reduce our emissions in the coming five years. We will review the potential for trainings and ongoing learning opportunities for our personnel to make sure that our workforce remains resilient for future climate change challenges. The output and results from the scenario analysis RCP 6 and RCP 2.6 are presented graphically in the TCFD table on page 86.

ASSA ABLOY has not identified which assets and business activities are incompatible with or need significant efforts to be compatible with transition to climate-neutral economy.



Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Significant risks and risk management
The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate governance

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
- Social information
- Governance information

Financial statements

Policy matrix

Policy	Description	Intention	Owner	Actions/mitigation/risks connected
People, safety and human rights policy	Includes references to Code of Conduct, UN Guiding Principles on Business and Human Rights at work and connected UN Conventions. UN Global Compact, ILO Declaration on Fundamental Principles and Rights at work, ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy, OECD Guidelines for Multinational Enterprises.	Promote safe, equal and fair working conditions. Own workforce (employees and non-employees), value chain workers, people safety and human rights policy. Identify impacts and risks and address those. Accident prevention. Elimination of discrimination including grounds of discrimination. Employee engagement through Voice of the Employee survey. Whistleblowing/grievance mechanism.	Board of Directors/Chief Human Resources Officer.	Code of Conduct. Whistleblowing. Social compliance audits. Supplier sustainability audits. Health & Safety program. Voice of the Employee.
Environmental sustainability policy	Obligatory and available for all divisions, entities, employees within the Group and third parties; defines the commitment, roles and responsibilities regarding environmental impact and KPIs (energy, water, waste, solvents, CO ₂ emissions, etc.); if the local/third parties' standard is more restrictive we follow it. Includes references to Code of Conduct, Code of Conduct for Business Partners, materiality analyses, ASSA ABLOY Supplier sustainability audit, Green Team Playbook. The policy factors in the requirements of all stakeholders. The policy is available to all stakeholders and is located on our intranet and ASSA ABLOY's website. The policy does not specifically address climate change adaptation, energy efficiency, renewable energy deployment or detail exactly how climate change will be mitigated.	Mitigating the environmental footprint from own operations, value chain, logistics, products and solutions.	Board of Directors/Executive Team.	Code of Conduct. Sustainability audits. Lifecycle assessment. Sustainability compass. Science Based Targets and actions. Green Team Playbook. Due diligence process. Sustainability program (targets). Innovation directive. Double materiality assessment and consultations. Following local laws and regulations (considered as third parties' standard).
Trade compliance policy	Policy to prevent and counter illegal or unacceptable activities, such as breaches of international law, human rights violations, internal repression, terrorism, and proliferation of weapons.	To act in a responsible manner and always comply with applicable export control and sanctions regulations.	Board of Directors/Chief Financial Officer.	Supplier selection/termination. Use of appropriate contract clauses.
Whistleblowing directive	Includes references to Code of Conduct; Code of Conduct case management process; and investigation guideline.	Describes how whistleblowing reports are handled and which the reporting channels are, (including that all corruption reports are to be treated as high risk).	Chief Human Resources Officer.	All employees are expected to report all suspected Code of Conduct violations. No retaliation policy.
Third-party due diligence process	Step-by-step guide for the divisions to use, in order to appropriately apply adequate, consistent and reasonable due diligence, when vetting and partnering with business representatives. Includes references to: Code of Conduct. Code of Conduct for Business Partners.	Business representatives must be carefully reviewed and used only for a legitimate business purpose, on arms-length commercially reasonable terms.	Group Legal.	Actions needed: 1. Define business need. 2. Who can fill need? 3. Are they reputable? 4. Written agreement. 5. Divisional requirements. 6. Sign Code of Conduct for Business Partners.

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Significant risks and risk management
The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate governance

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

General information

→ Environmental information

→ EU Taxonomy

- E1 Climate change
- E3 Water and marine resources
- E5 Resource use and circular economy

Social information

Governance information

Financial statements

Environmental information

EU Taxonomy

During 2025, we conducted several reviews of the established and emerging legislation of the EU Taxonomy classification system.

In the Taxonomy Report Technical Annex 1, under Climate Change Mitigation, we interpret our relevance in section 3.5, Manufacture of energy efficiency equipment for buildings; relating to doors with U-value lower or equal to 1.2 (W/m²K). We deem our sales from doors, where insulation is relevant, to be Taxonomy eligible.

In 2025, we measured and disclose the percentage of our eligible revenue. It is important to note a thermal efficiency U-value of 1.2 W/m²K is not achievable for all types of doors. For example, industry best in class revolving doors have a U-value of around 4 W/m²K.

We will prioritize our focus and resources to realizing our science-based targets, which will have a material impact on our total carbon emissions. The EU Taxonomy is an evolving legislation, and we will continue to monitor its development and prepare to disclose in alignment with the Taxonomy accordingly.

Proportion of turnover, CapEx, OpEx from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering year 2025 (summary KPIs)

Financial year 2025		Total (2)	Proportion of Taxonomy eligible activities (3)	Taxonomy aligned activities (4)	Proportion of Taxonomy aligned activities (5)	Breakdown by environmental objectives of Taxonomy aligned activities					Proportion of enabling activities (12)	Proportion of transitional activities (13)	Not assessed activities considered non- material (14)	Taxonomy aligned activities in previous financial year 2024 (15)	Proportion of Taxonomy aligned activities in previous financial year 2024 (16)
KPI						Climate Change Mitigation (6)	Climate Change Adaptation (7)	Water (8)	Circular Economy (9)	Pollution (10)					
	SEK M	%	SEK M	%	%	%	%	%	%	%	%	%	%	SEK M	%
Turnover 1	152,409	18%													
CapEx 2	11,713	11%													
OpEx 3	7,331	0%											2%		

Proportion of turnover from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering year 2025 (activity breakdown)

Reported KPI (Turnover) 2025		Taxonomy eligible KPI (Proportion of Taxonomy eligible Turnover) (3)	Taxonomy aligned KPI (monetary value of Turnover) (4)	Taxonomy aligned KPI (Proportion of Taxonomy aligned Turnover) (5)	Environmental objective of Taxonomy aligned activities						Enabling activity (12)	Transitional activity (13)	Proportion of Taxonomy aligned in Taxonomy eligible (14)
Economic Activities					Climate Change Mitigation (6)	Climate Change Adaptation (7)	Water (8)	Circular Economy (9)	Pollution (10)	Biodiversity (11)			
	Code (2)	%	SEK M	%	%	%	%	%	%	%	(E where applicable)	(T where applicable)	%
Manufacture of energy efficiency equipment for buildings	CCM 3.5	18%									E		
Total KPI (Turnover)		18%									18%	0%	0%
Sum of alignment per objective													
Total KPI (Turnover)		18%											

Proportion of CapEx from products or services associated with Taxonomy-eligible or Taxonomy-aligned economic activities – disclosure covering year 2025 (activity breakdown)

Reported KPI (CapEx) 2025	Code (2)	Taxonomy eligible KPI (Proportion of Taxonomy eligible CapEx) (3)	Taxonomy aligned KPI (monetary value of CapEx) (4)	Taxonomy aligned KPI (Proportion of Taxonomy aligned CapEx) (5)	Environmental objective of Taxonomy aligned activities						Enabling activity (12)	Transitional activity (13)	Proportion of Taxonomy aligned in Taxonomy eligible (14)
Economic Activities					Climate Change Mitigation (6)	Climate Change Adaptation (7)	Water (8)	Circular Economy (9)	Pollution (10)	Biodiversity (11)			
		%	SEK M	%	%	%	%	%	%	%	(E where applicable)	(T where applicable)	%
Manufacture of energy efficiency equipment for buildings	CCM 3.5	11%									E		
Sum of alignment per objective													
Total KPI (CapEx)		11%											

Definitions:

¹ The Taxonomy Turnover equals the Group's revenue, which mainly consists of product sales. Service related to products sold represents a limited share of revenue. Revenue for the sale of the Group's products is recognized at a given point in time when the customer gains control over the product, usually at the time of delivery. ASSA ABLOY also carries out installation services, which are recognized over time. Refer also to note 2 of the consolidated financial statements.

² The Taxonomy Capital Expenditures (CapEx) is determined on the basis of investments and acquisitions of leased assets, tangible assets and intangible assets

excluding good-will, that are included in the consolidated financial statements as of 31 December 2025. Refer also to notes 14, 15 and 16 of the consolidated financial statements.

³ The Taxonomy Operational Expenditures (OpEx) are calculated on the basis of non-capitalized research and development costs, costs for building renovation measures, costs for repairs and maintenance of plant, machinery, equipment as well as expenses that are attributable to short-term leases (<12 months) and not recognized as right-of-use assets in the balance sheet as of 31 December 2025. OpEx is not assessed as it is below the ten percent threshold.

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Significant risks and risk management
The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate governance

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
 - EU Taxonomy
 - E1 Climate change
 - E3 Water and marine resources
 - E5 Resource use and circular economy
- Social information
- Governance information

Financial statements

E1 Climate change

ASSA ABLOY has made a long-term commitment to address climate change by setting both near-term and net-zero science-based targets consistent with the Science Based Targets initiative. Our targets are aligned to a 1.5°C trajectory, the most ambitious aims of the Paris Agreement.

We are fully committed to delivering on our ambitious science-based targets, to halve our absolute Scope 1 & 2 carbon emissions and reduce absolute Scope 3 emissions by 28 percent by 2030, as well as achieving net-zero no later than 2050. Our four-pronged strategic approaches to Scope 1 & 2 and Scope 3 emissions, described on pages 93–94, collectively shape the emissions reduction trajectory and are delivering positive results. We have reduced our Scope 1 & 2 emissions by 34 percent, against our 2019 base year. We have reduced our Scope 3 emissions by 13.6 percent, against our 2019 base year.

Our Scope 3 emissions make up the vast majority of our total emissions and represent the carbon footprint of our wider value chain. Our Scope 3 target is challenging. To address this, we have assembled cross-functional science-based targets teams who are dedicated to driving the most important activities in our Scope 3 action plan to deliver on our targets. We have set up a science-based targets governance structure, which includes our Chief Financial Officer, to ensure we are on the right path to achieving our goals. Our environmental sustainability policy is aligned with our climate commitment.

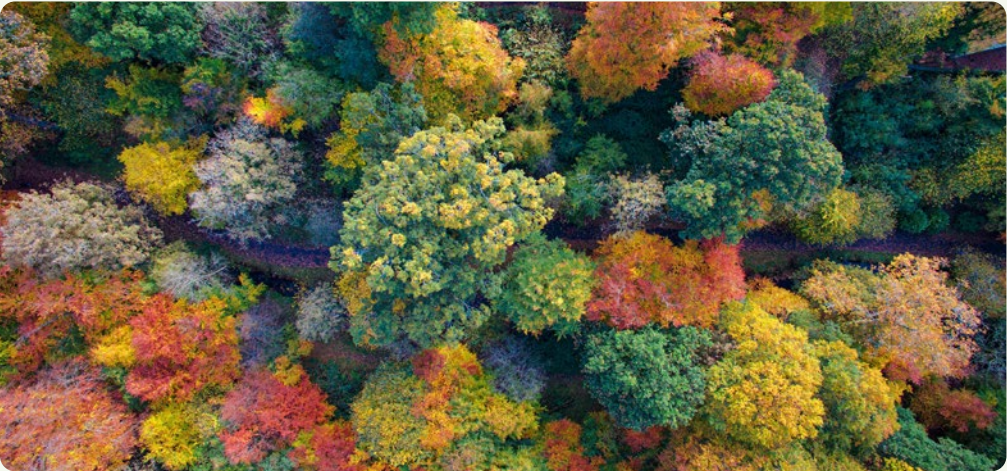
Our transition plan to realize our long-term climate commitment is approved by the Board

of Directors. Sustainability is part of everything we do and is integrated into our overall business strategy; the transition plan is aligned to our business strategy and financial plans.

There are potential locked-in carbon emissions in our own operations in the form of our operations infrastructure such as heating, ventilation and air conditioning (HVAC) systems, space heating equipment, compressors, transformers, heating and electrical process equipment. When this plant comes to its end of life, we will work to upgrade with low-carbon and increased energy efficiency alternatives to mitigate future locked-in emissions.

We calculated our carbon emissions across our entire value chain for the first time in 2022, including in Scope 3. Our Scope 3 emissions make up 95 percent of our total carbon emissions. More than 72 percent of our Scope 3 carbon emissions are upstream in our supply chain, coming from purchased goods and materials. Some of our largest purchasing categories, which include steel, electronics, aluminum, brass, zinc and other metals and materials, are traditionally carbon intensive.

In our Scope 3 methodology, we use item quantity multiplied with item weight multiplied with the emission factor for the material in scope. If either the item weight and/or the material is unknown, we have methods to estimate these. Weight is estimated using a median value for the weight of other items within the same item category and the material is estimated by applying a default material, which we have done for all our category codes. These default materials are the most conservative option, meaning



the one with the highest emission factor of the relevant options, available, in order not to underestimate.

For the spend-based component, that we still use if we do not know the item weight, we have a much larger sample size, causing the conversion factors to be far more accurate than in the past. Further, it is important to understand that the methodology is, despite being far more accurate than previously, still based on assumptions and simplifications in certain places and the emissions may still go up or down when even more accurate data will be available. Another important aspect to raise is the fact that even if we base the emission calculation on actual item weight or actual material information, this information is often not verified and could theoretically be incorrect. We believe our suppliers have a thorough understanding and correct data regarding the items they sell to us.

Although we use a science-based and data driven approach, there is a degree of uncertainty where estimates are utilized. This presents a risk to the accuracy of our Scope 3 footprint. We

are continuously working to improve our data accuracy across our Scope 3 categories, while benchmarking with other complex organizations. These uncertainties may influence the precision of the reductions linked to our key decarbonization levers; however, they do not change the direction of our transition plan. We will also stay abreast of the development of the new Greenhouse Gas Protocol Scope 3 carbon accounting standard, which is due for release in 2026, to ensure our methodology is aligned.

ASSA ABLOY has included 100 percent of subsidiaries’ emissions under operational or financial in the target boundary, as required per the Greenhouse Gas Protocol Corporate Standard; which has been verified and ratified by the Science Based Targets initiative. ASSA ABLOY does not have any significant joint ventures.

As explained in ESRS 2, our Scope 3 data has been restated to include acquisitions, where the data is available. Our Scope 1 & 2 data has been restated to include acquisitions during 2025. This also includes restating the Scope 1 & 2 emissions from our largest acquisition,

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

- Significant risks and risk management
- The Board of Directors’ proposal of guidelines for remuneration to senior executives
- Corporate governance
 - Board of Directors
 - Executive Team
 - Internal control – financial reporting
- Sustainability statement
 - General information
 - Environmental information
 - EU Taxonomy
 - E1 Climate change
 - E3 Water and marine resources
 - E5 Resource use and circular economy
 - Social information
 - Governance information

Financial statements

HHI, from 2023. However, due to complexity and current data limitations, we were unable to restate Scope 3 emissions from HHI. This will be finalized during 2026. We anticipate the inclusion of HHI will have a material impact on our base year for Scope 3 emissions, when the data becomes available for us to restate. We do not anticipate significant risk or impact from acquisitions made in 2025. Our Scope 1 emissions are generated from energy burned on site in our operations such as oil and gas, carbon dioxide equivalents (CO₂eq) from industrial processes and fleet emissions.

Reported normalized KPIs are based on currency-neutral monetary values and value added rather than sales – to minimize the effect of currency fluctuations and acquisitions and divestments. As a result, value added for intensity metrics is restated each year. By using value added as a measure, the normalized values are also not affected by the outsourcing of manufacturing. We believe this provides a more accurate picture of what is going on in the Group. Electricity emission factors were originally based on data on electricity production for 2010, as published by the International Energy Agency (IEA, 2012). These emission factors were used for calculation of emissions until end of 2016. In 2017, in 2024 and again in 2025 ASSA ABLOY updated the emission factors used to calculate greenhouse gases from electricity consumption. The emission factors are based on the most recent data published by the IEA and the International Panel on Climate Change (IPCC), and are expressed in carbon dioxide equivalents. During 2025, we transitioned from a static emission factor approach to a dynamic update approach. This means emission factors will now be updated annually, incorporating the latest data from IEA as soon as it becomes

available. In 2025, our residual emission factors for market-based reporting were updated with the latest factors from the Association of Issuing Bodies (AIB) and Green-e for Europe and the US respectively.

The progress towards our transition plan can be seen in our carbon data table E1-6 gross scopes 1, 2, 3 and total GHG emissions on page 96. For Scope 1 & 2 the improvements have been driven by increased energy efficiency, installation of onsite renewable energy, manufacturing site consolidations and the impact of updated emission factors. Our progress to Scope 3 is due to improved data accuracy, improved materials efficiency and increased energy efficiency in product development.

We have excluded Scope 3 categories that are not relevant to our organization; for example, upstream/downstream leased assets, as well as excluding categories which represent less than 0.2 percent of Scope 3, for example, capital goods, as approved by the Science Based Targets initiative. ASSA ABLOY is not taking any other actions besides that to mitigate negative effects on the environment and/or affected communities.

We are working towards using primary data from suppliers, though to date we do not utilize primary data. We do not have a carbon pricing scheme at ASSA ABLOY. We do not have carbon removal projects in place and do not utilize carbon credits or offsets. There are no changes in target and corresponding metrics or underlying measurement methodologies, significant assumptions, limitations, sources and adopted processes to collect data.



Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Significant risks and risk management
The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate governance

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
 - EU Taxonomy
 - E1 Climate change
 - E3 Water and marine resources
 - E5 Resource use and circular economy
- Social information
- Governance information

Financial statements

Support tools to help realize Scope 3 2030 target

To help meet our Science Based Targets Scope 3 target, ASSA ABLOY has developed and deployed a suite of integrated sustainability tools. These tools – *compass calculator*, *sustainable portfolio planning*, and the *aggregated portfolio view* – enable data-driven decision making from product level to group level. They are now embedded across our divisions and functions.

Product sustainability methodology

As part of the new sustainability program 2030, a new target has been introduced: 80 percent of portfolio revenue must be covered by the product sustainability methodology.

This methodology leverages three key tools:

- *Compass calculator* – Assess the environmental impact of individual products.
- *Sustainable portfolio planning* – Multiply each product’s carbon footprint by the number of units sold to understand the overall impact and develop plans towards the 2030 target.
- *Aggregated portfolio view* – Consolidate sustainability portfolio plans up to Group level for a complete picture.

The product sustainability methodology is critical to achieving the Scope 3 target of a 28 percent absolute reduction by 2030 from 2019 base year. It ensures that carbon reduction efforts focus on the most impactful areas of our business and that resources are optimized to meet the 2030 goal.

Implementation and governance

The rollout of these tools is supported through workshops and training sessions across all divisions. To date, we have trained about 700 employees, with a strong focus on R&D, sourcing, and product managers.

In addition, regular stakeholder meetings dedicated to sustainability ensure continuous alignment and updates on best practices, reinforcing governance and driving consistent implementation across the organization.

Intergrated sustainability tools

Compass calculator

A foundational tool for product-level carbon footprint analysis.

This tool enables:

- Material and energy-in-use (EiU) optimization by identifying high-impact components and processes.
- Integration of supplier-specific data (e.g., EPDs, recycled content, energy sources) to refine calculations of carbon emissions.
- Scenario modeling to determine the required levels for new products to meet science-based targets.

The compass calculator is updated continuously with innovation and sourcing input, ensuring alignment with real-time product development and supplier agreements. It also feeds directly into the sustainable portfolio planning tool, maintaining carbon footprint traceability.

Sustainable portfolio planning

A planning tool that translates product-level data into actionable portfolio strategies.

Key features include:

- Quantifications of carbon emissions per product portfolio, incorporating sales volumes to assess total impact.
- Identification of top carbon footprint drivers and prioritization of reduction projects.
- Yearly KPI tracking planned vs. actual reduction, enabling performance monitoring and course correction.

Each division is required to define projects within their portfolios that contribute to the Scope 3 28 percent reduction target. The planning tool supports both innovation and sourcing strategies, ensuring new products are designed with sustainability targets in mind.

Aggregated portfolio view

A planning tool that consolidates divisional plans into a Group-level overview.

This tool provides:

- A dashboard-based structure for tracking progress across segments, regions and divisions.
- Visibility into whether divisions are on track to meet their 2030 targets.
- A standardized methodology for reporting to the Science Based Targets initiative and internal stakeholders.

This tool is accessible to designated sustainability leads, product managers and line managers. It ensures all divisions contribute consistently and transparently to our Group-wide climate goals.

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Significant risks and risk management
The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate governance

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
 - EU Taxonomy
 - E1 Climate change
 - E3 Water and marine resources
 - E5 Resource use and circular economy
- Social information
- Governance information

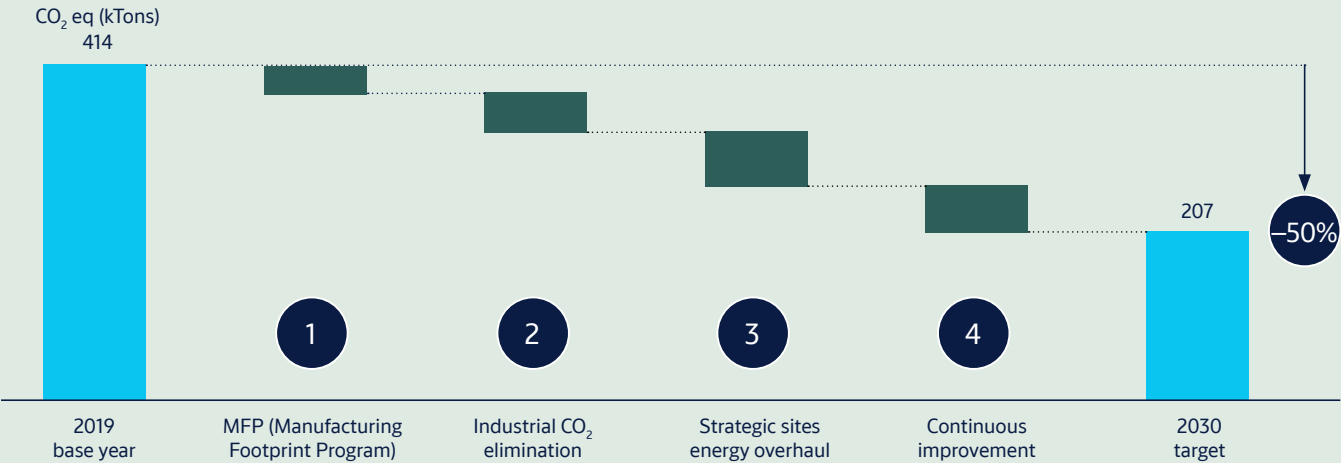
Financial statements

Visualizing our Scope 1 & 2 emissions reduction pathway

We use a standardized approach to identify and visualize the key levers required to enable the Group to achieve its 50 percent Scope 1 & 2 reduction target to 2030. The four-pronged strategic approach is replicated in all divisions, all business units and at the factory level. This standardized approach is applied throughout the Group and tracked on a quarterly basis, ensuring we are on track to achieving our climate targets. The investments needed to realize this plan are related to lever three and four. We do not have a separate investment vehicle to realize the plan, all investments are made through our capital expenditure process and follow the same rules as all other capital investments. Due to difference in the definition of CapEx and OpEx between EU Taxonomy and our financial statements, and the fact all capital investments must follow the same rules, our financial statement CapEx and OpEx does not tally with investments in carbon improvements.

ASSA ABLOY Scope 1 & 2 emissions reduction waterfall

Our four-pronged strategic approach to achieving a 50 percent reduction by 2030



- 1 MFP (Manufacturing Footprint Program)**
Growth through acquisitions can result in a duplication of production processes. Our MFP program consolidates sites to eliminate unnecessary duplication and maximizes our operational efficiency.
- 2 Industrial CO₂ elimination**
In the past, a limited number of sites used freon as a blowing agent in the door insulation process. Freon is a potent source of carbon emissions. By eliminating the use of Freon in our operations, we have dramatically reduced our Scope 1 emissions.
- 3 Strategic sites energy overhaul**
ASSA ABLOY operates over 1,100 sites in 70 countries. The top 25 most energy-intensive sites account for more than 60 percent of Scope 1 & 2 emissions. Our workstream focuses on improving energy effectiveness and efficiency to significantly reduce the energy consumption of these sites.
- 4 Continuous improvement**
In our revised operational excellence strategy, sustainability is one of the four key pillars. Sustainability is a key part of our global operational excellence maturity assessment, ensuring a focus on sustainability. Energy reduction is an integrated part of how we operate every day. This results in hundreds of little ideas for improvement, which add up to a big impact.

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Significant risks and risk management
The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate governance

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

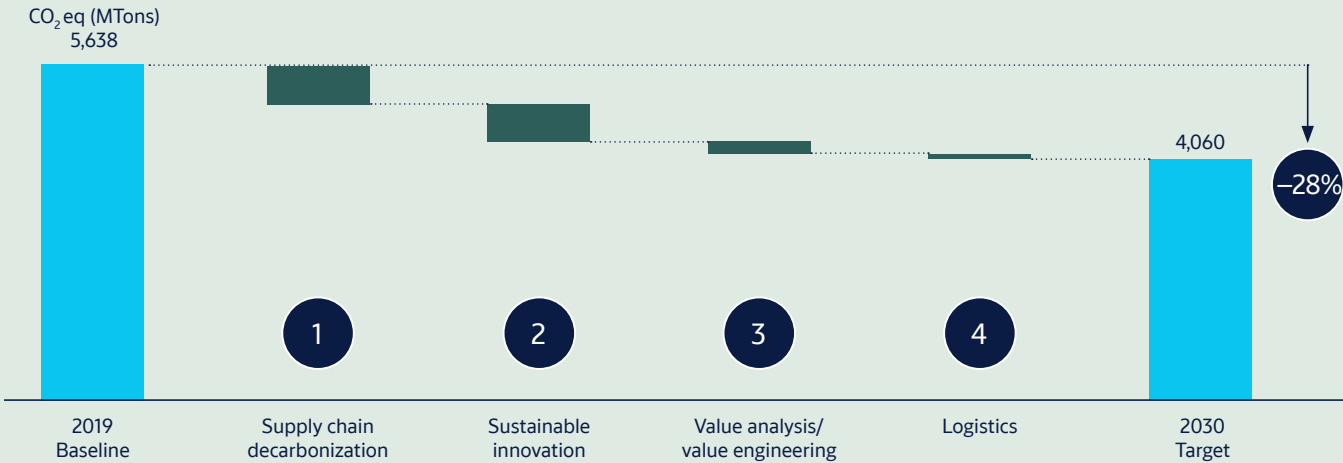
- General information
- Environmental information
 - EU Taxonomy
 - E1 Climate change
 - E3 Water and marine resources
 - E5 Resource use and circular economy
- Social information
- Governance information

Financial statements

High level approach to reduce Scope 3 emissions by 28 percent by 2030

We identified key levers to reduce emissions and help meet our Scope 3 target. We engage in value analysis/value engineering in product development to increase material effectiveness, choose low-carbon materials for our new products as much as possible, and prioritize the use of low-carbon transport and logistics. Together, these help us to develop energy-efficient products and solutions with a lower carbon footprint throughout their lifecycle compared with their predecessors.

ASSA ABLOY Scope 3 emissions reduction waterfall
Our four-pronged strategic approach to achieving a 28 percent reduction by 2030



- 1 Supply chain decarbonization**
Our supply chain is the most material source of our Scope 3 emissions. We work systematically with our supply chain partners to identify and implement effective initiatives to reduce our Scope 3 footprint, such as sourcing materials with higher recycled content or low-carbon alternatives. In addition, we support them to reduce their Scope 1 & 2 emissions, which has a knock-on benefit for our Scope 3 footprint.
- 2 Sustainable innovation**
All new products and solutions are developed using our sustainability compass, which ensures sustainability is embedded into all new products launched. We have developed a sustainability portfolio planning tool, which enables our product management teams to have a targeted approach to driving improvements on the most carbon intensive product portfolios coupled with the highest sales volumes..
- 3 Value analysis/value engineering**
Value analysis / value engineering is a mature continuous improvement process that enables us to design waste out of our product and manufacturing processes. We leverage this process to do more with less, reducing waste and lowering our products’ carbon emissions.
- 4 Logistics**
We work with our logistics partners to optimize both inbound and outbound transport, enabling us to service our customers in a faster way while reducing our Scope 3 footprint. We prioritize low-carbon transport methods such as sea, rail and road.

Environmental information

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Significant risks and risk management

The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate governance

Board of Directors

Executive Team

Internal control – financial reporting

Sustainability statement

General information

Environmental information

EU Taxonomy

→ E1 Climate change

E3 Water and marine resources

E5 Resource use and circular economy

Social information

Governance information

Financial statements

Sustainable operations

Energy and carbon emissions

Scope 1 & 2 carbon emissions

	2019	2020	2021	2022	2023	2024	2025 ³
metric ton CO ₂ eq							
Scope 1 carbon emissions related to fleet ¹	34,699	32,743	37,341	36,977	32,857	30,435	29,964
Scope 1 carbon emissions related to substances in industrial processes – Base year entities ^{4,5}	34,860	1 149	731	902	628	680	670
Scope 1 carbon emissions related to substances in industrial processes – Acq.& Div. impact ^{4,5}	379	379	379	379	97	97	146
Scope 1 carbon emissions related to direct energy consumption – Base year entities ²	69,192	61,094	61,397	57,960	56,758	54,392	54,705
Scope 1 carbon emissions related to direct energy consumption – Acq.& Div. impact ²	25,714	25,774	26,377	26,545	26,504	26,217	23,226
Total Scope 1 carbon emissions	164,845	121,140	126,226	122,764	116,845	111,822	108,711
Carbon emissions related to energy consumption							
Location-based reporting:							
Scope 2 carbon emissions related to indirect energy consumption – Base year entities	188,271	130,535	136,717	123,389	111,098	108,513	107,022
Scope 2 carbon emissions related to indirect energy consumption – Acq. & Div. impact	61,297	61,778	62,883	62,995	62,630	62,612	57,896
Total Scope 2 carbon emissions, Location-based reporting	249,567	192,312	199,600	187,776	173,728	171,125	164,918
Market-based reporting:							
Scope 2 carbon emissions related to indirect energy consumption – Base year entities	182,666	147,203	155,016	144,993	136,569	109,984	103,120
Scope 2 carbon emissions related to indirect energy consumption – Acq.& Div. impact	65,625	66,203	67,934	68,467	68,570	67,367	59,263
Total Scope 2 emissions, Market-based reporting	248,291	213,406	222,950	213,460	205,139	177,351	162,383
Total Scope 1 & 2 carbon emissions, Location-based	414,412	313,452	325,826	310,540	290,572	282,947	273,629
Total Scope 1 & 2 carbon emissions, Market-based	413,136	334,545	349,176	336,224	321,984	289,173	271,094

¹ Fleet data has been recalculated in a more detailed and accurate way for 2025. Values for 2020-2024 are estimates based on the 2025 value.

² Biogenic emissions are not included in the Scope 1 & 2 disclosure.

³ For comparable units, defined as all legal entities acquired up to (June 30, 2024). Total location-based carbon emissions related to energy consumption for 2025 reached 250,098 metric tons. This figure includes units acquired during the year up to (June 30, 2025). Total market-based carbon emissions related to energy consumption for 2025 reached 247,443 metric tons. This figure includes units acquired during the year up to (June 30, 2025). Emission factors based on location-based data, and AIB and Green-e for market-based residual emissions for Europe and US respectively. Emission factors for Scope 2 were updated during the year for 2025, using the latest available emission factors from the International Energy Agency (IEA).

⁴ Emission factors are based on data published by the United Nations Intergovernmental Panel on Climate Change (IPCC, 2007). This indicator is the CO₂ eq sum measurement of SO_x, NO_x, HFC-245fa, HCFC-141b, HCFC134a (R134a), CH₄, VOCs and CO₂.

⁵ For comparable units. Total calculated carbon emissions related to substances in industrial processes amounted to 816 metric tons, including units acquired during the year where data is available.

ASSA ABLOY follows the GHG Protocol for carbon accounting across Scopes 1, 2 & 3. We do not carbon account according to ISO 14064. 20 percent of market-based Scope 2 emissions are covered by contractual instruments such as Renewable Energy Certificates (RECs) or Guarantees of Origin (GoOs). ASSA ABLOY does not purchase unbundled contractual instruments.

E1-5 Energy consumption and mix

	2019	2020	2021	2022	2023	2024	2025 ¹
Energy consumption and mix							
Direct energy							
– oil (MWh)	15,054	9,707	9,056	7,620	5,854	11,274	4,579
– gas (MWh)	290,130	269,869	283,234	282,454	292,663	382,206	352,648
– propane (MWh) ²	–	–	–	–	–	–	22,148
– coal (MWh)	10,093	61	49	–	–	1	1
– biofuel/biomass (MWh)	9,737	13,786	10,919	5,466	591	911	927
Total	325,015	293,423	303,258	295,540	299,108	394,391	380,304
Indirect energy							
– electricity (MWh)	345,248	327,561	346,465	331,901	330,629	440,861	425,160
– district heat (MWh)	38,990	32,404	24,717	19,938	18,363	15,184	15,677
Total	384,238	359,966	371,182	351,839	348,993	456,045	440,837
Total Energy Consumption³	709,253	653,388	674,440	647,379	648,100	850,436	821,141
Proportion of renewable energy purchased (%)	12.3	14.3	20.2	20.7	19.6	15.0	14.2
Proportion of renewable energy generated onsite (%) ⁴						1	2.1
Proportion of renewable energy generated onsite (MWh) ⁴						6,328	16,864

¹ 2025 figures reflect only entities that were part of the Group before 30 June 2024 ('comparable units') to ensure consistency with the 2024 reporting boundary. Entities acquired after June 30, 2024 are excluded from the 2025 column as no 2024 comparatives exist for these units. The total Group energy consumption which reached 851,400 MWh, includes entities acquired before June 30, 2025.

² Reporting for this data point started in 2025.

³ The 2024 value has been updated to align with the reporting boundary used for 2025 comparatives. The 2024 total published in last year's report reflected the 2023 boundary. Earlier years (2019–2023) remain unchanged.

⁴ Reporting for this data point started in 2024.

Scope 1 & 2 restatement

The base year entities considers the Scope 1 & 2 impact if ASSA ABLOY made no acquisitions from 2019. The acquisitions and divestment impact takes into account the Scope 1 & 2 footprint of all acquisitions and divestments since 2019. In the E1-5 energy consumption and

mix table there is a significant increase in energy consumption between 2023 and 2024, which is principally linked with the acquisition of HHI. This same increase is not reflected in the Scope 1 & 2 emissions table, as the Scope 1 & 2 impact of all acquisitions, including HHI, have been restated back to 2019.

Environmental information

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Significant risks and risk management

The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate governance

Board of Directors

Executive Team

Internal control – financial reporting

Sustainability statement

General information

Environmental information

EU Taxonomy

→ E1 Climate change

E3 Water and marine resources

E5 Resource use and circular economy

Social information

Governance information

Financial statements

E1-6 Gross Scope 1, 2, 3 and Total GHG emissions

	Retrospective				Milestones and target years			Annual % target/ Base year
	2019	2024	2025	2025 vs. 2024 (%)	2025	2030	(2050)	
Scope 1 carbon emissions								
Gross Scope 1 carbon emissions (tCO ₂ eq) ¹	164,845	111,822	108,711	−2.8	123,601	89,230	16,484	4.17
Percentage of Scope 1 carbon emissions from regulated emission trading schemes (%)	–	–	–	–	–	–	–	–
Scope 2 carbon emissions								
Gross location-based Scope 2 carbon emissions (tCO ₂ eq) ¹	249,567	171,125	164,918	−3.6	187,126	135,091	24,957	4.17
Gross market-based Scope 2 carbon emissions (tCO ₂ eq) ¹	248,291	177,351	162,383	−8.4	186,169	134,400	24,829	4.17
Significant Scope 3 carbon emissions								
Total Gross indirect (Scope 3) carbon emissions (tCO₂eq)²	5,638,204	4,945,390	4,868,843	−1.5	4,777,096	4,059,507	563,820	2.54³
1 Purchased goods and services ²	4,101,953	3,697,441	3,508,320	−5.1	3,475,473	2,953,406	410,195	2.54 ³
[Optional sub-category: Cloud computing and data center services]	–	–	–	–	–	–	–	–
2 Capital goods	–	–	–	–	–	–	–	–
3 Fuel and energy-related activities (not included in Scope 1 or Scope 2)	58,594	71,000	65,960	−7.1	49,899	42,404	5,889	2.54 ³
4 Upstream transportation and distribution	86,692	83,249	99,679	+19.7	73,452	62,419	8,669	2.54 ³
5 Waste generated in operations	26,749	32,417	33,155	+2.3	22,664	19,259	2,675	2.54 ³
6 Business travel	25,217	31,451	36,216	+15.2	21,366	18,156	2,522	2.54 ³
7 Employee commuting	42,061	54,298	54,833	+1.0	35,637	30,284	4,206	2.54 ³
8 Upstream leased assets	–	–	–	–	–	–	–	–
9 Downstream transportation	129,304	105,414	119,572	+13.4	109,556	93,099	12,930	2.54 ³
10 Processing of sold products	–	–	–	–	–	–	–	–
11 Use of sold products ³	1,018,898	689,782	731,600	+6.1	863,284	733,606	101,890	2.54 ³
12 End-of-life treatment of sold products ⁴	148,436	180,339	219,507	+21.7	125,766	106,874	14,844	2.54 ³
13 Downstream leased assets	–	–	–	–	–	–	–	–
14 Franchises	–	–	–	–	–	–	–	–
15 Investments consumption	–	–	–	–	–	–	–	–
Total carbon emissions								
Total carbon emissions (location-based) (tCO₂eq)	6,052,616	5,228,338	5,142,472	−1.6				
Total carbon emissions (market-based) (tCO₂eq)	6,051,340	5,234,564	5,139,937	−1.8				

¹ Scope 1 & 2 carbon emissions were restated to include the impact from all acquisitions between 2019-2024.

² Scope 3 data has been restated to include acquisitions where the data is available; not including HHL.

³ Near-term Scope 3 target is aligned to well-below 2°C, annual target reduction rate will increase in line with ASSA ABLOY’s net-zero target requirements from 2030.

Carbon emission intensity

Carbon emission intensity per net revenue	2024	2025	2025 vs. 2024 (%)
Total carbon emissions (location-based) per net revenue (tCO ₂ eq/Monetary unit)	34.82	33.74	−3.1
Total carbon emissions (market-based) per net revenue (tCO ₂ eq/Monetary unit)	34.86	33.72	−3.3

Energy intensity per net revenue	2024	2025	2025 vs. 2024 (%)
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors (MWh/Monetary unit)	5.66	5.39	−4.9

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

- Significant risks and risk management
- The Board of Directors’ proposal of guidelines for remuneration to senior executives
- Corporate governance
 - Board of Directors
 - Executive Team
 - Internal control – financial reporting
- Sustainability statement
 - General information
 - Environmental information
 - EU Taxonomy
 - E1 Climate change
 - E3 Water and marine resources
 - E5 Resource use and circular economy
 - Social information
 - Governance information

Financial statements

E3 Water and marine resources

Minimizing our environmental footprint in terms of water and marine resources, across our own operations and the entire value chain, is an integral part of ASSA ABLOY’s sustainability program.

We identified water and marine resources as material for ASSA ABLOY, considering impact materiality. We assessed this based on our own operations and our value chain. For our own operations we have a process to determine our dependencies, impacts, risks and opportunities. We do not have water-intensive processes in areas with low water quality, which may jeopardize the quality of our products. We have a systematic process in place to mitigate the environmental impact and water risk of our operations in high water-stress areas and downstream value chain. Use of water is seen as material regarding our own operations, but does not impact on oceans and seas. We take necessary steps to make sure the water we use and dispose to the municipalities from our operational processes such as painting, plating and cleaning is of the same quality level as water withdrawn to mitigate any potential negative impact and risk to water bodies.

The double materiality assessment outcomes, including water and marine resources, have been presented and consulted with our Board of Directors, stakeholders and other affected communities to engage them in the process and establish their views. Suggestions, opinions and comments regarding water and marine resources were taken into account in the final double materiality assessment.

We continue to upgrade the infrastructure at our sites e.g. piping, additional meters to reduce leaks and implement monitoring systems at top water consuming sites, as well as introducing principles and processes to improve water efficiency. During 2025, water withdrawal decreased by 11 percent and water intensity by 19 percent as a result of improvement activities and infrastructure upgrades.

Considering our own operations, the most water-intensive processes are the painting, plating and cleaning processes. There are 20 such entities, located mainly in the US, Europe and Asia, accounting for more than 60 percent of our total water consumption. In factories with electroplating facilities, the water is used in the different process baths as well as for cleaning. In factories producing doors, the water is typically used for cleaning. An increasing proportion of the water is recirculated and used again after purification. A wide range of purification methods are used across the Group, such as filtration, sedimentation, flocculation, ion resin exchange and reverse osmosis. The actions we take to improve our water efficiency and reduce consumption are applicable for each site which operates within the Group including entities located in areas at water risk. In 2025 the total amount of recycled water amounted to 20 percent of the total water consumption.

An important part of our water management is to prevent water pollution across our sites. We are obliged to follow the local laws and the Group’s environmental sustainability policy, to conduct regular audits and host third-party inspections. All entities across the Group are required to report known or potential site con-



tamination mapping on an annual basis in our sustainability reporting system. The outcome of the report is reviewed by a third party and relevant actions including remediations regarding historical contamination are being implemented and followed up. Site contamination verification is also a part of our due diligence process in regard to new acquisitions. We ensure that any work with hazardous substances is organized to the highest standards, with wastewater being regularly disposed of and stored in designated areas, and secondary containment provided to contain and control potential spills. Risk mitigation in our own operations includes work to ensure that all factories with significant environmental impact and significant water-demanding processes are ISO 14001 certified.

In the event that we do have a chemical spill, we have all the requisite equipment in place and spill kit to perform a cleanup immediately to remedy the incident. In the event the groundwater or local water body is contaminated, we will liaise with the relevant authorities to agree a remediation plan to remedy the contamination to the local legal level at a minimum.

ASSA ABLOY’s long-term risk-management strategy covers sustainability aspects throughout our value chain, including water and marine resources. Within our supply chain, we carry out the same assessment as for our own operations. We review our suppliers’ production processes, taking into account environmental dependencies, impacts, risks and opportunities. We ensure our suppliers have the same diligent controls as we do in our own operations.

As part of our new sustainability program 2030, our target is to reduce water intensity by 30 percent across all entities we operate in by the end of 2030, against our 2025 base year. There are no changes compared to the previous sustainability program regarding measurement methodologies, significant assumptions, limitations, sources or adopted processes in data collection. The target is not mandatory based on legislation, but it is mandatory internally, which means all the divisions are required to contribute to realize the target.

For reference, please see the double materiality assessment results (pages 77–85) and material sustainability-related impacts and risks (E3 Water and Marine Resources).

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

- Significant risks and risk management
- The Board of Directors’ proposal of guidelines for remuneration to senior executives
- Corporate governance
 - Board of Directors
 - Executive Team
 - Internal control – financial reporting
- Sustainability statement
 - General information
 - Environmental information
 - EU Taxonomy
 - E1 Climate change
 - E3 Water and marine resources
 - E5 Resource use and circular economy
 - Social information
 - Governance information

Financial statements

Performance against targets

We do not currently collect the data for the water storage and do not monitor water storage changes e.g. sprinklers, firefighting purposes, rainwater harvesting etc. In 2026 we are planning to add additional data points to our sustainability reporting system to be able to disclose the data.

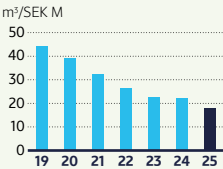
Our sustainability reporting system collects high-quality data to track and analyze the performance of individual entities and divisions. Water withdrawal and discharge is managed in accordance with local rules and regulations. Water discharge is measured, calculated or estimated depending on available sources of information and requirements. Water withdrawal increases significantly from 2024, due to water intensive manufacturing processes linked to our acquisitions, principally HHI.

2025 target

–25%

Water intensity (m³/SEK M)

Development 2019–2025



Comments on 2025 vs. 2024

Water intensity reduced by 19 percent in 2025. This stemmed from ongoing efforts to enhance water efficiency across the Group and continued improvements in water infrastructure.

Water performance

	2019	2020	2021	2022	2023	2024	2025¹
Purchased water (1,000 m³)	1,692	1,521	1,397	1,280	1,236	2,063	1,823
Water from on-site wells (1,000 m³)	210	117	110	86	40	46	52
Rainwater (1,000 m³)	9	9	10	11	9	12	9
Surface water (1,000 m³)	0	0	0	0	0	0	0
Total water withdrawal (1,000 m³)²	1,911	1,647	1,517	1,377	1,285	2,121	1,884
KPI, water intensity (m³/SEK M)³	44.5	39.4	32.6	26.6	22.8	22.4	18.2

¹ For comparable units, defined as all legal entities acquired up to (June 30, 2024). Total water consumption for 2025 reached 1,936 (1,000 m³). This figure includes units acquired during the year up to (June 30 2025); while the balance of acquisitions have a negligible impact.

² The historical numbers have been adjusted with proforma data for comparable units. The 2024 total water withdrawal figures presented differ from those published in the 2024 Sustainability Statement, as HHI was fully integrated into the totals for the first time. In the prior year, HHI data was shown separately for comparability.

³ The historical numbers have been adjusted with proforma data for comparable units, excluding HHI.

Water balance¹

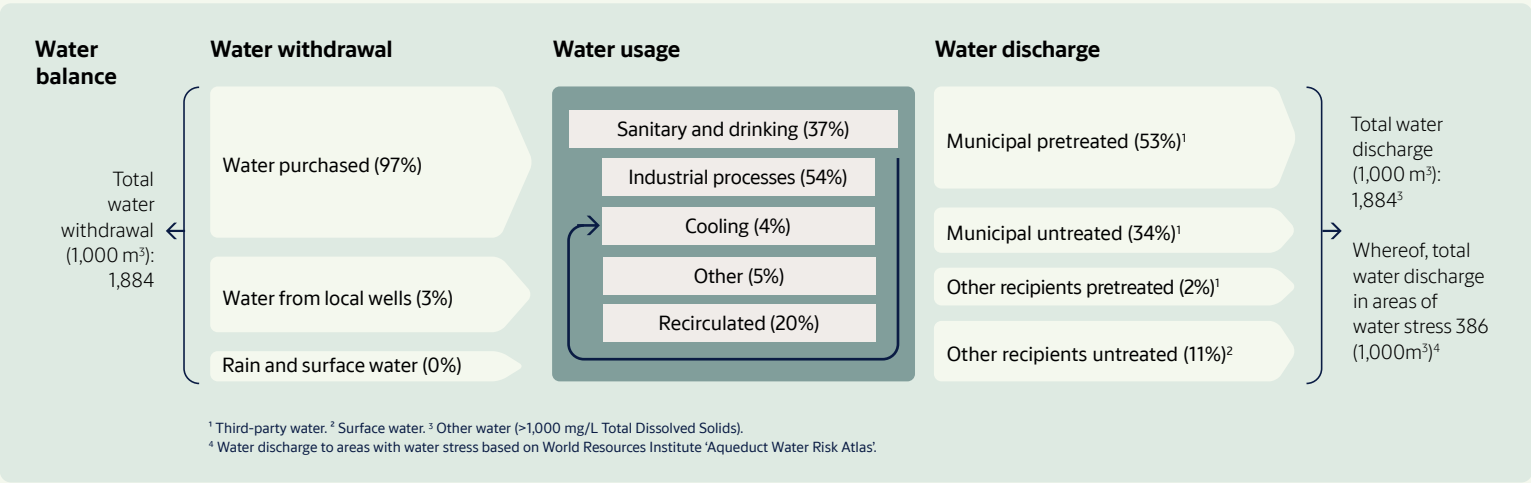
Water withdrawal	m³	%
Purchased water	1,823	97
Water from on-site wells	52	3
Rainwater	9	0
Surface water	0	0
Total	1,884	

Water usage	m³	%
Sanitary and drinking	691	37
Cooling	71	4
Industrial processes	1,012	53
Other	110	6
Total	1,884	

Water discharge	m³	%
Municipal pretreated	997	53
Municipal untreated	640	34
Other recipient pretreated	48	2
Other recipient untreated	199	11
Total	1,884	

Total water consumption in areas of water stress (1,000 m³)¹	386
--	-----

¹ Water withdrawal = usage = discharge.



Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Significant risks and risk management
The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate governance

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
 - EU Taxonomy
 - E1 Climate change
 - E3 Water and marine resources
 - E5 Resource use and circular economy
- Social information
- Governance information

Financial statements

E5 Resource use and circular economy

The purpose of a circular economy is to ensure that resources and products stay in closed loops of usage that eliminate waste, rather than eventually ending up in landfill. Utilizing circular practices to optimize resource management is a key strategy to reduce the environmental impact of our products.

Typically, a significant share of carbon emissions from a product’s lifecycle is derived from material extraction. The impact is allocated to the primary product usage. We see a trend that demand for sustainable solutions is increasing, and that more customers are eager to embrace circular options. Some customers are willing to pay a premium price for circular products.

The most effective resource management strategy involves maximizing utilization and the product’s longevity. We believe that sustainable design practices and design for reparability and durability, with high-quality components and regular service and maintenance is the best option for extended life expectancy of our products. Our approach to circularity also includes more advanced strategies like reuse, refurbishment, remanufacturing and increasing the share of recycled materials and parts. We believe that the processes, tools and methods that are covered later in this section cover all vital steps in the value chain so that we can eliminate the risk of sharing inaccurate data. If a person is harmed, nearly harmed or assets are damaged due to a product failure, we have the requisite knowledge and infrastructure to carry out a product recall to investigate the root cause and take the necessary steps to remediate the issue. This ensures there will not be a repeated instance, and the product can be used safely.

Circularity will be a key enabler for reaching our sustainability goals and will help drive progress towards the 2030 goal of 28 percent reduction of Scope 3 carbon footprint in absolute values from our 2019 base year. To reach our 2050 net-zero goal, it will be fundamental to have adopted circular practices.

Upstream – resource inflows

We source material and components based on low Global Warming Potential (GWP), as well as on high grade of recycled content. We utilize the same environmental data sets for our internal development phase as we do when sourcing material and components. This simplifies calculations and allows us to steer sustainability optimization throughout the life cycle of a product. During 2026 we will build up the measures for recycled content in our internal systems to support reporting and awareness which is currently not possible for either products, material or packaging material.

Going forward, our environmental data will be made more granular thanks to Environmental Product Declaration (EPD) based data on our most developed suppliers, as well as our internal environmental data harmonization project.

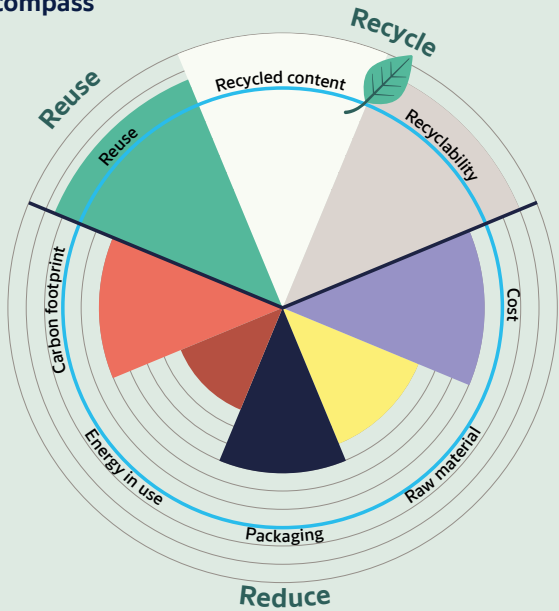
ASSA ABLOY does not currently collect data regarding the absolute weight of secondary reused or recycled components, secondary intermediary products and secondary materials used. For the total weight of products, the technical and biological materials used during the reporting period is 733,000 tons and divided between 99.97 percent technical and 0.03 percent biological.

Our operations

We utilize a sustainability reporting platform to collect data related to waste management, energy consumption and material usage. In circumstances where we lack actual data, we make calculations with proxy data, based on average figures for similar sites in our organization. Waste data from our twelve waste streams, disclosed on page 100 waste management table, is obtained directly from our waste management providers. In our operations ASSA ABLOY employs advanced manufacturing methodologies such as lean manufacturing, value analysis and

value engineering, and error-proofing techniques such as poka yoke to minimize waste generation and maximize resource efficiency. ASSA ABLOY has targets to 2025 compared to base year 2019 to reduce non-hazardous waste and hazardous waste intensity by 25 percent. During 2025, non-hazardous waste intensity decreased by 12 percent, while hazardous waste intensity reduced by 1 percent. The targets are related to layer one in the waste hierarchy, prevention and minimization. The targets are not required by legislation. In addition, as part of our new sustainability program 2030 we have a

The ASSA ABLOY sustainability compass



Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Significant risks and risk management
The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate governance

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
- EU Taxonomy
- E1 Climate change
- E3 Water and marine resources
- E5 Resource use and circular economy
- Social information
- Governance information

Financial statements

new target to reduce our total waste intensity by 30 percent by 2030, compared to our 2025 base year. We do not currently have targets related to increase of circular product design, increase of circular material use rate, minimization of primary raw material, sustainable sourcing and use. ASSA ABLOY does not have the information to determine materials sourced from by-products or waste streams. Metal for recycling is our single largest waste stream. ASSA ABLOY does not generate radioactive waste.

The increase in total waste generated and processed compared with 2024 is mainly driven by the full integration of HHI into the Group’s reporting. HHI’s scale and operational footprint materially increase the Group’s absolute waste volumes. As HHI was first included in 2024, with full incorporation into totals in 2025, the reported increase largely reflects the acquisition rather than a change in underlying performance.

Innovation

Our handbook for circular economy practices gives guidance and recommendations on how to make circularity an integral part of our product innovation process. The ASSA ABLOY sustainability compass visualizes sustainability aspects in every new project. The sustainability compass is our own sustainable innovation tool, based on lifecycle thinking and circularity principles. It helps minimize footprint, create awareness, and offer the ability to easily compare the sustainability implications of different designs. Durability of our products is both calculated and tested during development and then incorporated into our manuals. Since we develop so many products, we will not disclose this here on a product basis. In many cases the durability is driven from regulations and thereby we follow the industry standard. The sustainability compass supports circularity in devel-

Waste management
Recycled metal

	2019	2020	2021	2022	2023	2024	2025¹
Waste metal for recycling (metric tons)²	57,363	54,614	57,606	54,240	56,286	74,381	71,774

¹ For comparable units, defined as all legal entities acquired up to (June 30, 2024). Total amount of metal for recycling amounted to 73,842 tons. This figure includes units acquired during the year up to (June 30 2025), we do not expect a material impact from acquisitions made during the second half of 2025.
² The historical numbers have been adjusted with proforma data for comparable units. The 2024 recycled metal figures presented differ from those published in the 2024 Sustainability Statement, as HHI was fully integrated into the totals for the first time. In the prior year, HHI data was shown separately for comparability.

Hazardous waste

	2019	2020	2021	2022	2023	2024	2025¹
Metal sludge (metric tons)	914	704	936	809	600	1,819	1,737
Oil for recycling (metric tons)	331	244	232	193	191	200	267
Electrical and electronic waste (metric tons)	89	118	137	129	171	167	145
Other types of toxic waste (metric tons)	2,724	2,405	2,310	2,489	2,393	3,003	3,099
Total hazardous waste (metric tons)²	4,058	3,471	3,615	3,619	3,355	5,189	5,248
KPI, hazardous waste intensity (kg/SEK M)³	95	83	78	70	58	79	78

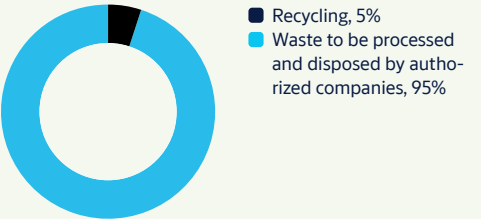
¹ For comparable units, defined as all legal entities acquired up to (June 30, 2024). Total amount of hazardous waste was 5,319 metric tons. This figure includes units acquired during the year up to (June 30 2025), we do not expect a material impact from acquisitions made during the second half of 2025.
² The historical numbers have been adjusted with proforma data for comparable units. The 2024 total hazardous waste figures presented differ from those published in the 2024 Sustainability Statement, as HHI was fully integrated into the totals for the first time. In the prior year, HHI data was disclosed separately for comparability purposes.
³ The historical numbers have been adjusted with proforma data for comparable units, excluding HHI.

Non-hazardous waste

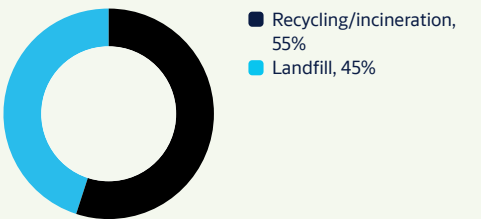
	2019	2020	2021	2022	2023	2024	2025¹
Household incinerated/recycled (metric tons)	2,762	2,660	3,302	3,490	4,086	5,524	4,691
Household deposited (metric tons)	10,341	9,797	11,470	11,139	10,362	11,683	11,692
Paper and cardboard for recycling (metric tons)	4,523	4,326	4,839	4,915	4,278	6,154	5,510
Plastic waste for recycling (metric tons)	869	855	1,364	1,435	1,540	1,897	1,786
Wood waste for recycling (metric tons)	5,061	4,194	4,082	3,788	4,037	5,457	5,371
Glass for recycling (metric tons)	236	144	210	178	230	211	220
Other types of waste (metric tons)	1,519	1,329	2,091	1,886	2,093	3,044	2,746
Total non-hazardous (metric tons)²	25,310	23,305	27,358	26,832	26,626	33,970	32,015
KPI, non-hazardous waste intensity (kg/SEK M)³	589	558	588	517	457	517	478

¹ For comparable units, defined as all legal entities acquired up to (June 30, 2024). Total amount of non-hazardous waste was 33,612 metric tons. This figure includes units acquired during the year up to (June 30 2025), we do not expect a material impact from acquisitions made during the second half of 2025.
² The historical numbers have been adjusted with proforma data for comparable units. The 2024 total non-hazardous waste figures presented differ from those published in the 2024 Sustainability Statement, as HHI was fully integrated into the totals for the first time. In the prior year, HHI data was disclosed separately for comparability purposes
³ The historical numbers have been adjusted with proforma data for comparable units, excluding HHI.

Hazardous waste – disposal method



Non-hazardous waste – disposal method



Environmental information

Introduction**Who we are****ASSA ABLOY as an investment****Divisional overview****Report of the Board of Directors**

Significant risks and risk management

The Board of Directors' proposal of guidelines for remuneration to senior executives

Corporate governance

Board of Directors

Executive Team

Internal control – financial reporting

Sustainability statement

General information

Environmental information

EU Taxonomy

E1 Climate change

E3 Water and marine resources

→ E5 Resource use and circular economy

Social information

Governance information

Financial statements

opment with the sections of reuse, recycled content and recyclability that ensures that we design products with circularity in mind from the outset. We have the next generation of the sustainability compass under development to be released during 2026. The new sustainability compass has a more in depth focus when it comes to circularity. To ensure that we focus on circularity strategy for the product from the first planning and throughout its life cycle.

Meeting the challenges of transitioning to a circular economy

As our operations have traditionally been linear, adopting circular practices requires adjustments to procedures in areas such as logistics, repair and testing. To maintain the level of safety and security compliance we will test our products after installation to ensure intended operation and compliance with standards like the CE marking. If any issues occur with the products, we follow the procedures described in ESRS S4 Consumers and end-users.

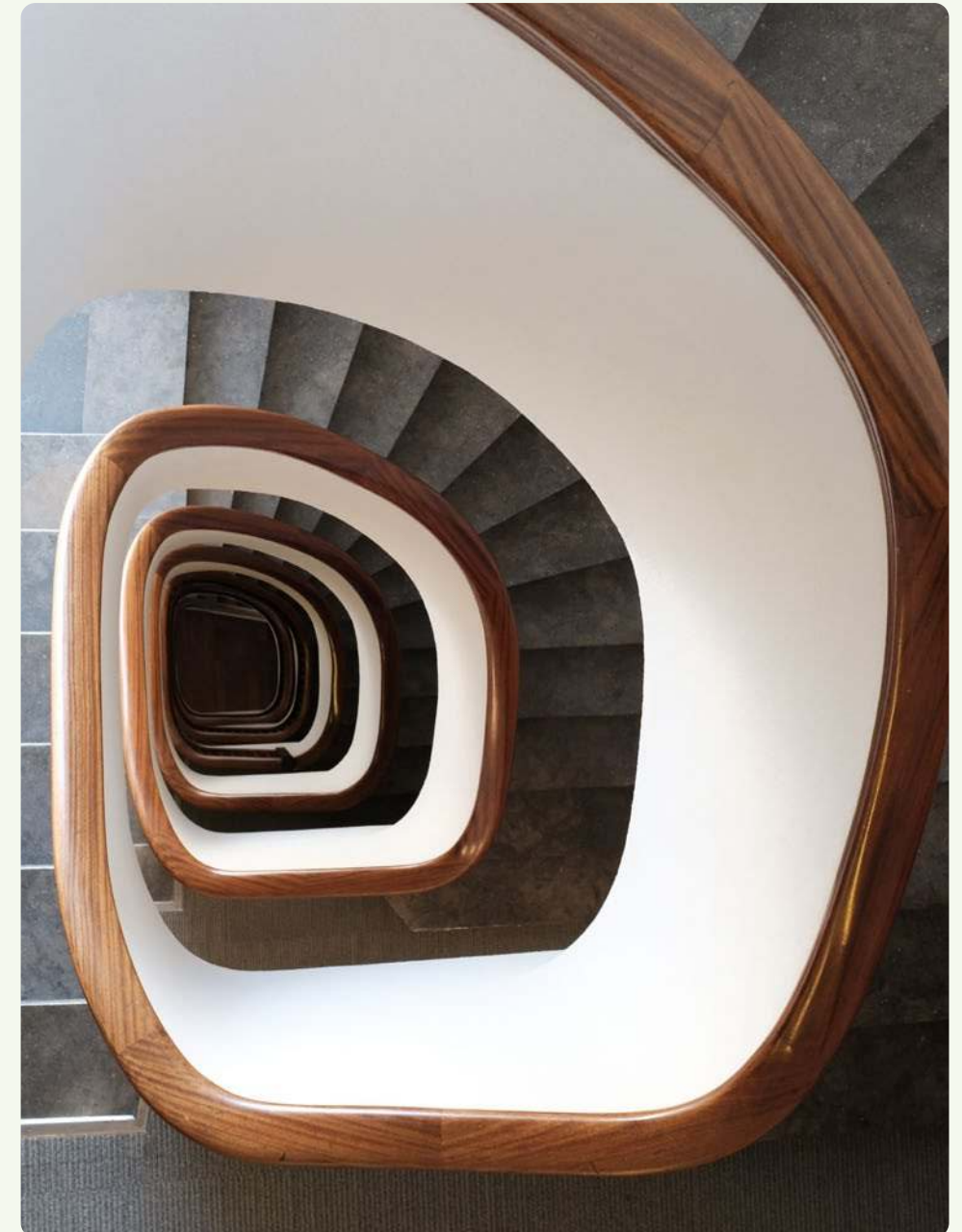
Transitioning to a circular economy also requires a sufficient and reliable inflow of products and components to our circularity repair centers to ensure that we can satisfy market demand. We will have to further improve the quality of sustainability related data in our entire value chain as new and more strict regulations are published. In turn, this implies new requirements for our internal data governance process, for both linear and circular products.

Plans and actions to implement circularity at ASSA ABLOY

The transition to a circular economy will be an iterative process where we first document internal best practice from the sites where we currently apply circular business models. Based on these best practices, we will develop our circularity strategy that will define the starting point and future direction for our circular economy journey. This will also clarify resource allocation, and the funding needed going forward. To help accelerate our transition to a circular economy during 2026 we appointed our first dedicated Director & Head of Circular Economy for the Group.

Our approach will be guided by circular economy standards like ISO 59004, ISO 59010 and ISO 59020, which will support us in how to assess circularity performance and implement circular business models. Circularity will not be a universal process for all products, but rather a modular, and customizable approach. As an example, we expect that some entities will target recyclability, while others will focus on supporting customers with refurbished parts and components.

ASSA ABLOY has joined a circularity development program, a collaborative effort aimed at accelerating the implementation of circular products in the construction industry. Driven by external experts and connecting us with construction industry peers, the program conducts in-depth sharing in focus areas and provides best practices. Based on these insights with internal stakeholders, our actions will be to further further develop our policy, strategies, and measurements for circularity during 2026 and onwards. ASSA ABLOY does not have a circular economy policy; this will be reviewed during 2026.



Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Significant risks and risk management
The Board of Directors' proposal of guidelines for remuneration to senior executives

Corporate governance

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
 - Social information
 - S1 Own workforce
 - S2 Workers in the Value Chain
 - S4 Consumers and End-users

Governance information

Financial statements

Social information

S1 Own workforce

Human rights and engagement

In the Code of Conduct, we have committed to respect human rights; making sure that our employees are treated with respect and fairness, and upholding high ethical standards in our operations. Our Code of Conduct addresses forced or bonded labor, children and young workers, prisoners and illegal workers. All our employees and non-employees (as defined in the ESRS) in our operations need to comply with that commitment as described in the Code of Conduct and the people, safety and human rights policy that is based on International Labor Organization (ILO) conventions and OECD guidelines. During 2025 we created a responsible AI policy to address AI risks on people.

Our internal control includes relevant controls on human rights, and we conduct third-party social compliance audits at select locations.

In our own operations we engage our workforce continuously through the Voice of the Employee survey that is conducted annually. The employee survey gives us insights if there are any vulnerable groups that have specific impacts or being marginalized. The employee survey process includes a debrief session and triggers improvement activities to all teams within the organization. ASSA ABLOY is committed to directly engaging our workforce and workforce representatives in identifying lessons and improvements as a result of the Group's performance. Through surveys, consultations, and continuous improvement programs, we

ensure that employee insights are valued and integrated into our sustainability initiatives. This collaborative approach not only enhances our performance but also strengthens our relationship with our workforce and fosters a culture of continuous improvement. We engage with trade union representatives from the Board of Directors, where we have union representatives giving their perspective on decisions, the ASSA ABLOY targets and how we track against our targets. For our local business, we have a country coordination network to ensure consultation is made. ASSA ABLOY does not currently use quantitative measures to assess the effectiveness of our processes engaging our own workforce.

The risk that there is forced labor, child labor, and trafficking in any of our locations is addressed in the Code of Conduct and monitored through internal controls, Voice of the Employee and whistleblowing process. The main human right-related risk to our employees and non-employees in our operations relates to health and safety; this is also where most of our remedy work is focused, for instance when it comes to rehabilitation, which is also part of our processes.

Any potential human rights or Code of Conduct violations can be reported in multiple ways, from directly to a manager to our whistleblowing process which is also available for external parties so that we can take action. Retaliation against any reporter in good faith is prohibited



in the Code of Conduct. Employees are trained on the Code of Conduct and ethical business practices and how to report any violations on a regular basis. With the Voice of the Employee and through our dialogue with trade unions, we can gain a better understanding about the current culture, organization-wide issues and trends, as well how we progress.

The more severe Code of Conduct issues and Code of Conduct oversight, including effectiveness of reporting is governed by the ASSA ABLOY Code of Conduct Committee which is chaired by our Chief Human Resources Officer and where union representatives from the Board of Directors are represented. Whistleblowing cases are followed up in a tool to be able to track and monitor the cases. During 2025, 190 cases were reported in the whistleblowing tool, no severe human-rights incidents were substantiated,

and no incidents of discrimination were substantiated. ASSA ABLOY does not have a process to capture fines, penalties and compensation relating to human rights, discrimination, and harassment issues. ASSA ABLOY is not aware of any complaints filed to National Contact Points for OECD Multinational Enterprises.

Health and safety

Our ambition and vision is to be an injury-free workplace. We continuously improve our work environment by enhancing our processes and removing hazards and risks. We identify our risks locally and also from a Group and divisional perspective. Our health and safety scope and metrics include both employees and non-employees under our direct control. Our health and safety directive describes the health and safety management system that is based on ISO45001 that are mandatory for all ASSA ABLOY units

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Significant risks and risk management
The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate governance

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
- Social information
 - S1 Own workforce
 - S2 Workers in the Value Chain
 - S4 Consumers and End-users

Governance information

Financial statements

and covers all employees. The health and safety directive require a yearly local audit to be performed by an internal or external party with sufficient competence in health and safety. Compliance with this requirement is monitored through our annual Internal Control Self-Assessment (ICSA), where we verify that a local health and safety audit has been conducted.

To succeed, we work with behaviors and attitudes that collectively form our safety culture, which is grounded in our values. We build this with engagement and involvement through, for example, the roll out of workshops in our operations, focusing on risks and behaviors. ASSA ABLOY’s health and safety tool provides us with insights to risks and deeper insights into trends to further improve the safety of our people. Typically, our biggest risks are employees who are working outside our premises with activities that can range from driving, business travel or work at our customer sites. This work has helped us reduce our injury rate by 27 percent since 2019. In 2025 our injury rate was 2.2.

ASSA ABLOY is very active in acquisitions. Often, the acquired companies exhibit a poorer safety performance than ASSA ABLOY. To succeed with our safety agenda, we ensure that acquired companies are onboard with our health and safety program with the implementation of the health and safety directive and activities to establish a safety culture. We typically see significant improvements once the program is in place keeping employees and non-employees of the acquisitions safer than they were before the acquisition. The impact of acquisitions can be seen in the chart where acquisitions including HHI increased the injury rate by net 0.4. The injury rate in the existing business and acquisitions has during 2019-2025 decreased by 1.2, leading to a reduced injury rate of 27 percent over the period. However, if adjusting the 2019 base year for the acqui-

sitions, the injury rate decreased by 36 percent compared to 2019.

As we become more mature from a safety perspective, we are broadening our scope to develop the well-being aspects in our health and safety agenda. For example, we have launched mental health first-aid programs to cater to local needs.

Talent management

Our recruitment and selection directive held by our Chief Human Resource Officer ensures that we use best practices when we recruit the candidates with the right qualifications, skills and experience and equal employment practices.

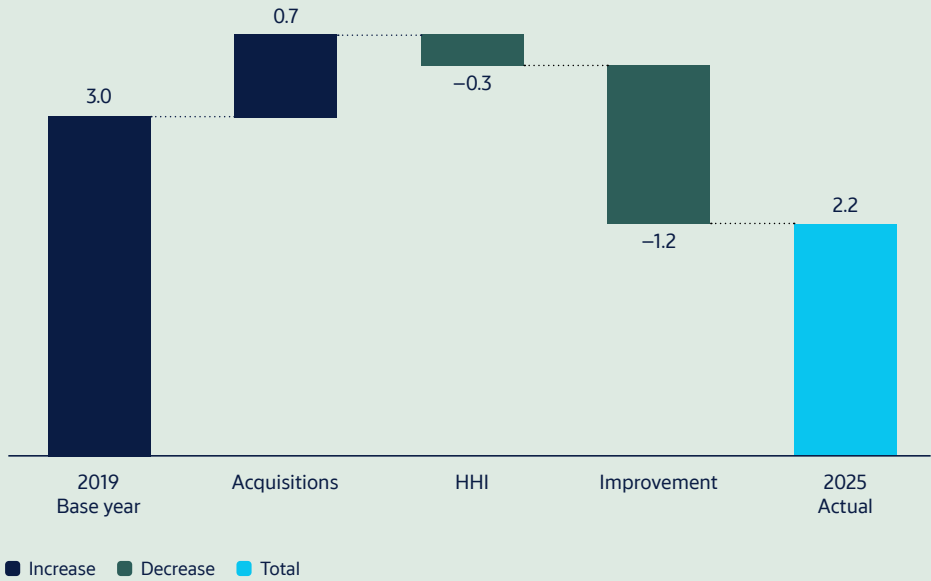
We encourage everyone to develop transferable skills that will allow them to move between roles in other functions, divisions or countries, with the goal of increasing seniority, broadening experience or digging deeper into an area of expertise. In 2025 our employee turnover was 17.5 percent. The total number of leavers was 10,640 for all units including acquisitions.

Our graduate programs and diversity networks nurture the next generation of talent and contribute to a more inclusive future. We provide everyone with an extensive range of digital courses. Internal leadership programs and programs in collaboration with external partners is also offered. Even with this, we strongly believe that the best way to learn is on the job and through stretch assignments that go beyond one’s present expertise.

Diversity and inclusion

As a global organization, ASSA ABLOY is naturally diverse. ASSA ABLOY has operations in over 70 countries and serve customers in more than 180 countries. Our global environment fosters diversity of thought and inclusive open communication.

Injury Rate Development 2019–2025



We want our people to come together to discuss topics that matter to them. Connecting with others increases the awareness of diversity, equity, inclusion, and belonging-related challenges and drives positive change.

We are focused on increasing the diversity and inclusion capabilities of managers and leaders to build inclusive teams, departments and organizations so that our products and community will benefit from our diverse perspectives. We understand that we are only at the beginning of our diversity and inclusion journey, and still have work to do to achieve our goals. We have diversity and inclusion as a part within our people strategy.

We have set specific objectives to make sure we recruit widely, merit-based and give people the right opportunities to succeed. For example, we measure how many of our senior manager roles are held by women, and this increases every year. We reached 24 percent in 2019, and 29 percent in 2025. To support such efforts, we have an internal women’s network and encourage a 50-50 gender balance in our graduate programs. We take a diverse approach to hiring, being aware of diversity issues and overcoming biases.

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Significant risks and risk management
The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate governance

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
- Social information
 - S1 Own workforce
 - S2 Workers in the Value Chain
 - S4 Consumers and End-users

Governance information

Financial statements

Data-driven approach

The key metrics are followed up on a regular basis, where both the development of the metric is discussed, and activities carried out to improve the metric. We share learnings and best practices between our divisions and business units on activities that show the effectiveness of improving our metrics and mitigating risks and impacts. We always comply with local laws and regulations and modify our practices of capturing data and driving initiatives to be consistent with those local laws and regulations (e.g. privacy, disability, anti-discrimination, work-related health problems, diversity). In general, we use our governance model (Board of Directors, Executive Team, functional councils) for follow up; but if we discover specific issues, we are flexible in creating forums for hot-spot management. Our divisions and business units may have different focus areas dependent on where they have challenges that have been identified in their data.

We set targets by benchmarking; the health and safety targets were set against the best performing industrial companies with similar activities while for example employee turnover we use benchmarks from Mercer with a country breakdown. Targets are set to fulfil our people strategies and policies. External targets are typically set with a five year horizon. We do not have a separate investment vehicle to realize the targets, all investments are made through our capital expenditure process and follow the same rules as all other capital investments.

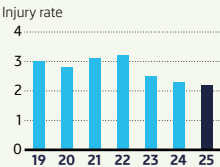
ASSA ABLOY utilizes temporary workers to manage various operational needs effectively. Temporary employment allows the Group to address fluctuations in workload, cover for permanent employees who may be on leave, and bring in specialized skills for short-term projects.

2025 target

–33%

Injury rate (number of injuries per million hours worked)

Development 2019–2025



Comments on 2025 vs. 2024

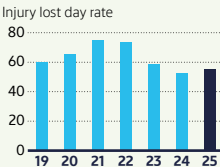
Our injury rate improved by 3 percent in 2025.

2025 target

–33%

Injury lost day rate (number of lost days related to injuries per million hours worked)

Development 2019–2025



Comments on 2025 vs. 2024

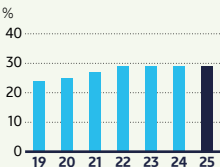
Our injury lost day rate increased by 5 percent in 2025.

2025 target

30%

Gender diversity (percent of females in management positions)

Development 2019–2025



Comments on 2025 vs. 2024

Diversity and inclusion is a key focus for the Group. The proportion of females in management positions remained at 29 percent in 2025.

This approach provides flexibility in workforce management, ensuring that the Group can maintain productivity and meet business demands without the long-term commitment of permanent hires.

We are still implementing processes and reporting procedures, which is complex in a decentralized organization. As a consequence we are

either missing the data, or do not have reliable data for 2025 S1-7, S1-8, S1-10,S1-11, S1-12, S1-13, S1-15, S1-16 and S1-14 relating to work related ill-health and total recordables. In accordance with the transitional reliefs provided by the European Commission’s Quick Fix” Delegated Act, ASSA ABLOY has elected not to disclose the following datapoints for the 2025 reporting year: ESRS S1-7, S1-11, S1-12, S1-13 and S1-15. These

disclosures will be introduced progressively in subsequent reporting periods as system readiness and data availability improve. Lost days has traditionally been reported as lost working days and we will report both lost days working days and lost days calendar days until 2025 due to the 2025 target of injury lost (working) day rate.

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Significant risks and risk management

The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate governance

Board of Directors

Executive Team

Internal control – financial reporting

Sustainability statement

General information

Environmental information

Social information

→ S1 Own workforce

S2 Workers in the Value Chain

S4 Consumers and End-users

Governance information

Financial statements

Own workforce

Employees by contract type, broken down by gender

	Female	Male	Other	Not disclosed	Total¹
Permanent employees	18,699	42,075	121	53	60,948
Temporary employees	453	674	8	0	1,135

¹ Not comparable to financial statement, headcount defined as acutal number of people employed at the end of the reporting period.

Women at different levels of the organization

Level, %	Percentage of women						
	2019	2020	2021	2022	2023	2024	2025
2 – reports to CEO	9	9	9	18	18	9	10
3 – reports to level 2	21	19	12	11	14	16	16
4 – reports to level 3	21	25	25	26	26	27	26
5 – reports to level 4	26	28	28	30	30	30	31
Level 2–5	24	27	27	29	29	29	29
All employees¹	29	29	29	30	30	32	31

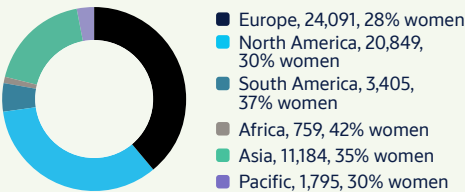
¹ Not comparable to financial statement, headcount defined as acutal number of people employed at the end of the reporting period.

Employees by contract type, broken down by region¹

	2025						
	Europe	North America	South America	Africa	Asia	Pacific	Total
Permanent employees	23,394	20,734	3,203	756	11,081	1,780	60,948
Temporary employees	697	115	202	3	103	15	1,135
Total employees	24,091	20,849	3,405	759	11,184	1,795	62,083

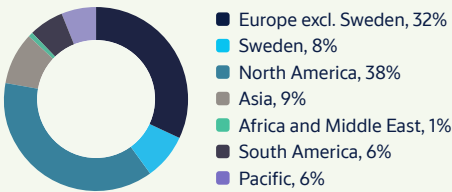
¹ Not comparable to financial statement, headcount defined as acutal number of people employed at the end of the reporting period.

Number of employees by region¹



¹ Not comparable to financial statement, headcount defined as acutal number of people employed at the end of the reporting period.

Nationalities – ASSA ABLOY’s management teams¹



¹ Level 1-3.

Health and safety	2025¹
Fatalities	0
Lost time injuries	261
Lost days (working days)	6,499
Lost days (calendar days)	9,047

¹ For comparable units. The total lost time injuries was 268, the total lost working days was 6,674 and the total lost calendar days was 9,500 including units acquired during the year.

Age distribution of employees	%
<30 years	14
30–49 years	54
50– years	32

Turnover rate of employees who left the undertaking¹	%
Total	17.5

¹ The number of regular employees who terminated the employment during the period.

Gender – Top management¹

Gender	Number of employees	%
Male	133	84
Female	25	16
Other	0	0
Not reported	0	0

¹ Reporting level 1–3.

Gender	Number of employees (headcount)¹
Male	42,749
Female	19,152
Other	129
Not reported	53
Total employees	62,083

¹ Not comparable to financial statement, headcount defined as actual number of people employed at the end of the reporting period.

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Significant risks and risk management
The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate governance

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
- Social information
 - S1 Own workforce
 - S2 Workers in the Value Chain
 - S4 Consumers and End-users
- Governance information

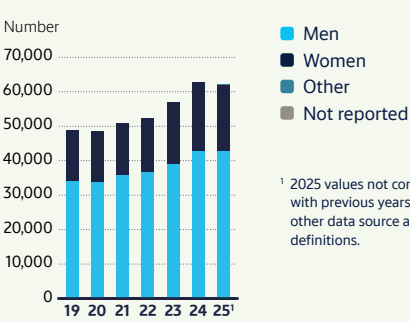
Financial statements

Number of employees per country¹

	2025
Total	Total
US	15,747
China	5,077
Mexico	3,578
France	3,006
United Kingdom	2,859
Germany	2,408
Brazil	2,354
Sweden	2,353
India	2,002
Poland	1,885
Netherlands	1,569
Canada	1,491
Czech Republic	1,488
Philippines	1,454
Australia	1,409
Finland	1,036
Spain	979
Switzerland	852
Belgium	825
Romania	784
Austria	779
South Africa	629
Italy	612
South Korea	498
Denmark	478
United Arab Emirates	404
Portugal	394
Malaysia	391
New Zealand	386
Vietnam	374
Peru	368
Türkiye	363
Norway	358
Ireland	334
Others	2,559
Total	62,083

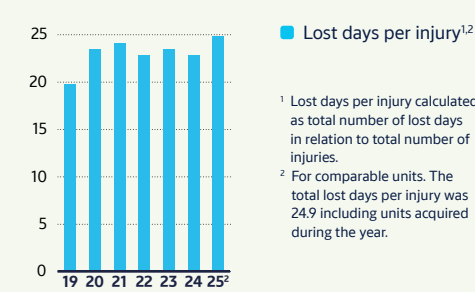
¹ Not comparable with the list of number of employees per country in the financial statement due to other data source and data definitions.

Number of employees, by gender



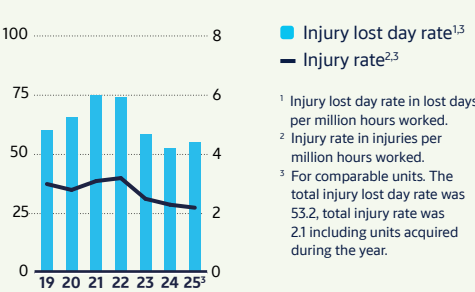
¹ 2025 values not comparable with previous years due to other data source and data definitions.

Lost days per injury^{1,2}



¹ Lost days per injury calculated as total number of lost days in relation to total number of injuries.
² For comparable units. The total lost days per injury was 24.9 including units acquired during the year.

Injuries



¹ Injury lost day rate in lost days per million hours worked.
² Injury rate in injuries per million hours worked.
³ For comparable units. The total injury lost day rate was 53.2, total injury rate was 2.1 including units acquired during the year.



Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Significant risks and risk management
The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate governance

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
- Social information
 - S1 Own workforce
 - S2 Workers in the Value Chain
 - S4 Consumers and End-users
- Governance information

Financial statements

S2 Workers in the value chain

Code of Conduct for Business Partners

Our suppliers must commit to and fulfill the requirements in the Code of Conduct for Business Partners, which stipulates what we believe are necessities in terms of sustainable, legally compliant and fair business. It covers business ethics, human rights and labor standards, environment, and health and safety.

This is in line with our people, safety and human rights policy (see policy matrix) which promotes safe, equal and fair working conditions and combat human rights violations.

The Code of Conduct for Business Partners applies to all partners that provide ASSA ABLOY with products or services, such as suppliers, consultants, distributors, agents and other representatives, and it provides a structured approach to integrating new acquisitions.

The above means that all workers at upstream tier 1 suppliers are included in the scope. It also applies to the suppliers’ subcontractors while they are engaging with ASSA ABLOY. Further, agents, distributors and similar on the downstream side are also included.

Targets, progress and audits

By the end of 2025, 89 percent of all direct material and indirect spend suppliers had signed the Code of Conduct for Business Partners, which is an improvement of 3 percentage points since 2024. Our goal was to cover at least 95 percent of all direct and indirect material suppliers by 2025. While not reaching the target, there has been significant improvement since we started to measure a combination of direct and indirect suppliers in 2019, when the corresponding value

was 68 percent. In ASSA ABLOY’s new sustainability program to 2030, we will continue to have 95 percent as the target. For indirect spend, efforts are ongoing to raise the number of signed Code of Conduct to match the strong performance achieved with direct material suppliers.

We also conduct supplier sustainability audits in identified risk countries on a regular basis. Follow-up audits depend on the total score and whether any particular findings were made that require measures to be taken. If so, a new audit is needed for verification. If there are vital gaps, the supplier is at risk of being put on hold or can be immediately and permanently prohibited from conducting business with any ASSA ABLOY entity.

By pursuing a regular audit program like this, sustainability is always in focus and the supplier is expected to constantly maintain a high level of performance regarding ethics, human rights and health and safety.

The vulnerable worker groups that the Code of Conduct for Business Partners particularly focuses on are children and young workers. It also covers forced or bonded labor, prisoners and illegal workers. According to the Code of Conduct for Business Partners, employees are entitled to parental leave in accordance with applicable legislation without negative repercussions. No discrimination is tolerated according to the Code of Conduct for Business Partners with regard to race, ethnic origin, nationality, sexual orientation, gender, religion, age, disability, political opinions, or any other potential grounds.

Sustainability audit coverage went from 92 percent by spend in 2024 to 95 percent in 2025,

which means we met our target. In our new sustainability program leading up to 2030, this target remains unchanged.

ASSA ABLOY currently does not have any global framework agreements in place.

Supply chain risk management

Material risks include unethical labor practices like poor working conditions, inadequate wages, lack of worker rights, which may lead to reputational damage, fines and operational disruptions. Other material risks are those related to health and safety, causing injuries and possibly loss of life, and worker well-being like mental health and work-life balance, which may impact productivity.

Actions to mitigate such risks include enforcing our Code of Conduct for Business Partners program, which outlines our demands and expectations on how the supplier should act, and our sustainability audit program, where we regularly conduct audits to verify the supplier is compliant with what they have agreed to by signing the Code of Conduct for Business Partners.

We currently do not have any form of training for suppliers, but auditors guide and support individual suppliers as part of the audit action plan follow-up. When necessary, we provide suppliers with information decks around topics like environment, health and safety.

We currently do not have an incident reporting system for addressing health and safety incidents at our suppliers and the situation is the same for worker well-being. Regarding fair compensation, this is followed up upon in our sustainability audits.

Tracking the effectiveness of mitigation actions is primarily done through key metrics as the compliance rate (share of suppliers that have signed our Code of Conduct for Business Partners) and audit scores and ratings. We do not have metrics in place for incident rates, worker satisfaction or engagement.

We manage supply chain risks and challenges by continuing to roll out the Code of Conduct for Business Partners to improve the monitoring of supplier compliance. The supplier sustainability audit program complements our Code of Conduct for Business Partners and focuses on direct material suppliers in identified risk countries.

ASSA ABLOY uses a model to identify high-risk countries based on publicly available and annually updated indices covering topics like freedom of expression, freedom of association, political stability, government effectiveness, regulatory quality, rule of law, corruption, human development level and anti-trafficking laws. In this way we are able to rate every country and define them as high-risk or low-risk countries. High-risk countries are predominantly found in South and Central America, Eastern Europe, Africa and Asia. Our list of high-risk countries covers all countries described as hotspots for child labor according to the International Labor Organization and for forced labor according to the United States Department of State and its Office to Monitor and Combat Trafficking in Persons.

Our sustainability audits are in place to monitor the compliance of our suppliers to the requirements of Code of Conduct for Business Partners, which is referring to our people, safety and human rights policy.

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Significant risks and risk management
The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate governance

- Board of Directors
- Executive Team
- Internal control – financial reporting

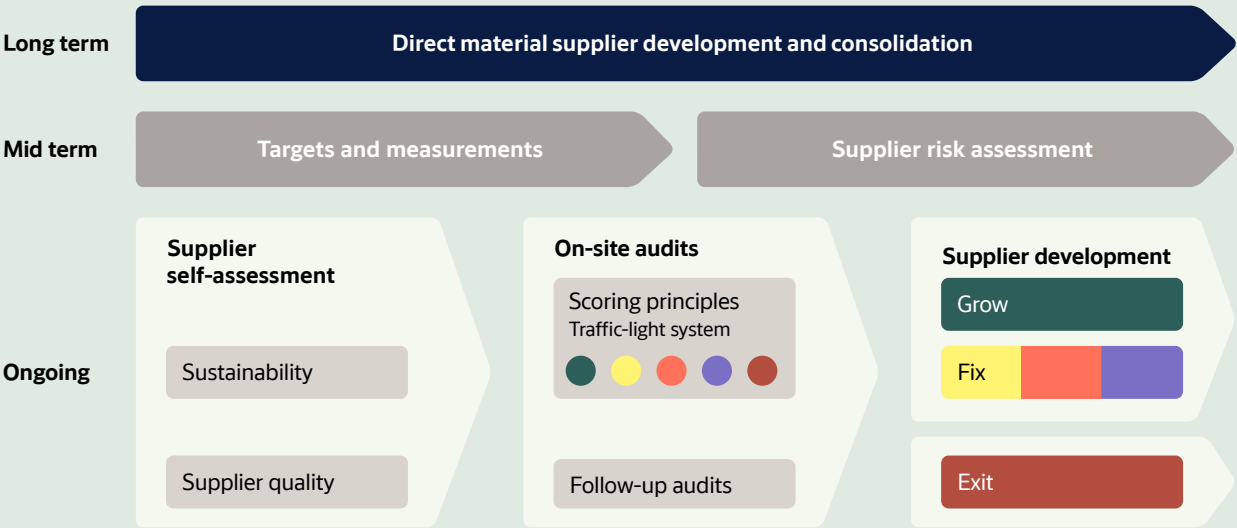
Sustainability statement

- General information
- Environmental information
- Social information
- S1 Own workforce
- S2 Workers in the Value Chain
- S4 Consumers and End-users

Governance information

Financial statements

Audit process and traffic-light system



The traffic-light system

We use a traffic-light system to rate individual direct material suppliers on how they conform to our Code of Conduct for Business Partners. Suppliers are rated on the following five color-coded system:

Green – The supplier is approved. A re-audit is done after three years to verify compliance. Once suppliers achieve a green rating, our focus is on improving the supplier’s abilities to become even better.

Yellow, orange, and purple – The supplier is approved on the condition that it resolves the issues identified in a recent audit within an agreed time frame. Yellow signifies the fewest number of non-conformities and purple the most. A follow-up audit is typically done after one year.

Red – The supplier has severe sustainability problems, so the immediate focus is to solve those issues as soon as possible and following this, raise the supplier to an acceptable level with the help of ASSA ABLOY’s expertise and experience. The supplier is re-audited after six months. In the interim the supplier is put on “new business hold.” In case of severe issues or no improvements, the supplier is put on the prohibited list.

Red, yellow, orange and purple statuses can be revised based on evidence of a corrective action plan, well-documented progress, and firm commitment from the supplier. Contracts with suppliers may be terminated in the case of a non-compliance that is not remedied within an agreed time frame. The contract is automatically terminated if a supplier is rated ‘red’ for longer than six months.

High-risk countries are perceived as being at a higher risk of not complying with the Code of Conduct for Business Partners. The list of high-risk countries is reviewed and updated annually or as needed and based on input from World Bank Worldwide Governance Indicators WGI, United Nations Human Development Index HDI, Transparency International Corruption Perception Index CPI and the US Department of State Trafficking report.

Sustainability audits

Sustainability audits are conducted by internally trained and certified ASSA ABLOY auditors. Occasionally, we also use third party auditing, which strengthens the audit process through

benchmarking and process calibration. This adds benefits in terms of assuring audit quality and consistency over time.

Each division and its supplier development manager are responsible for planning their resources and activities to have suppliers, corresponding to reaching our target of at least 95 percent of the total spend in identified risk countries, audited before the due date of the audit. The supplier development function reports to the divisional Procurement Director, who has the overall responsibility for ensuring that engagement takes place and that the views of the value chain workers are being respected. The number of resources for this topic varies from division to

division, but in many cases it is dozens of auditors and supplier developers per division.

The auditor reviews operations and meets with both management and workers. The audit process follows an established set of tasks and questions. Any identified concerns are documented and made clear in the audit report.

The supplier is given an audit score based on the outcome of the report. The score is then converted to one of five ratings: green, yellow, orange, purple or red. We have a set of actions based on the rating, described in the information box above.

Once finished, the audit report is sent to the supplier, which in turn must carry out any corrective actions and report back to the auditor. The audit reports are stored and available in the ASSA ABLOY business intelligence tool.

This input is gathered during every audit, which occurs every six to 36 months, depending on the score and rating of the audits; the worse the score the more frequently we carry out audits and vice versa.

The effectiveness of gathering the workers’ input is evaluated by looking at the improvement rate during the following re-audit. It is, however, not something that we have a numerical metric for.

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Significant risks and risk management
The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate governance

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
- Social information
 - S1 Own workforce
 - S2 Workers in the Value Chain
 - S4 Consumers and End-users
- Governance information

Financial statements

The efficiency of the action plans and identified activities can be seen by the evolution of a supplier’s audit scores and ratings. Poor ratings in several consecutive audits could be an indicator of inadequate action plans, but also that the supplier is not willing to improve for any reason. However, the above is not common and in most cases we notice that the suppliers improve their performance, which can be seen as an indicator of the efficiency of the audit process.

The robustness of our auditing program is one key success factor, as it creates a framework to refer to in situations that might be difficult to assess properly. One example of this might be the addition of completely new supply chains due to ASSA ABLOY’s acquisition-heavy nature. An auditor might suddenly come across a new problem, but given the global team of auditors, the thousands of previously conducted audits, and the strict rules that apply, we are in a good position to assess the situation properly.

The entire audit process is a long-term activity to gradually improve the entire supplier landscape. The overall audit ratings of suppliers that ASSA ABLOY has partnered with for a long time indicate that this is working well. Currently the largest concerns come from the supply chains of recent acquisitions, where the ASSA ABLOY audit program has not been applied at all or only for a limited period of time.

At ASSA ABLOY, we do not accept any form of retaliation against someone who speaks up, expressing concerns or opinions in good faith. This is outlined in the Code of Conduct for Business Partners and our whistleblowing directive. If whistleblowers choose to remain anonymous, neither ASSA ABLOY nor our external online reporting tool provider can track or identify the reporting individuals.

For the time being, ASSA ABLOY does not have any figures to provide regarding current and future financial, or other, resources allocated to the continued improvement of the situation for workers in the value chain.

Supply chain risks and challenges

ASSA ABLOY operates globally, and this is reflected in our supplier base, which is scattered over large parts of the world. At ASSA ABLOY, we need to deal with a variety of local legislation, cultures and ways of working. According to our business intelligence audit data, the most common reasons for suppliers’ severe sustainability problems are health and safety, and environmental issues. Examples of health and safety issues are unsatisfactory risk documentation, evacuation drills, or information about how to act in emergency situations. Inadequate accident statistics, security objectives or machine safety instructions are also common deficiencies. These findings primarily refer to upstream activities as we have much less insights into the downstream flow. It is reasonable to believe, based on the value chain flow, that upstream is more prone to have severe human rights issues and incidents.

We often find immaterial deviations at many suppliers, but the material negative impacts are rare and if they occur, the supplier gets the chance to remediate it. ASSA ABLOY strives to improve the supplier’s performance and aim to help identify the best solution. If the supplier does not do this despite significant efforts from ASSA ABLOY’s side they will eventually be put on the prohibited list and stopped from further business with ASSA ABLOY. Severe negative impacts, like child labor, have been very rare with mostly no cases found each year among close to 9,100 suppliers (excluding recent acquisitions).

If and when any deviation is found, it is noted in the audit report, with a necessity for the supplier to mitigate the problem. What the solution is may vary, depending on the nature of the problem, but most often it is related to improve the conditions for the workers in terms of potential hazards (material, machines, noise, heavy lifting, etc.).

Some criteria in the audit checklist are of such significance that they are identified as stoppers, for example child labor. We do not tolerate child labor in our own operations, or among our business partners. The Code of Conduct for Business Partners does not accept any form of forced or bonded labor, or illegal workers. In addition, the Code of Conduct for Business Partners reinforces our support for the right to freedom of association and collective bargaining, as well as other working conditions, such as contracts, working hours and fair salary compensation.

Suppliers failing to meet these labor standards are either placed on “new business hold” or added to the list of prohibited suppliers, depending on the severity and responsiveness to corrective measures.

An increasing number of stoppers have been added to the auditing process in recent years, and more are expected in the coming years as our sustainability measures increase.

The audits carried out at our suppliers aim at identifying and mitigating problems or potential problems. In many cases, this removes or reduces hazards like dangerous work environments and raises the standards at the supplier site. This can include removing or modifying processes that could jeopardize the safety of the workers; requiring proper safety equipment; requiring access to emergency exits; limiting exposure of hazardous materials; reducing noise;

and improving lighting and ergonomics through better equipment. Such non-conformities with a critical safety or environmental impact are categorized as major and those are prioritized during action plan follow-ups. There are, however, no formal guidelines on what constitutes major or minor non-conformities, but this is up to the individual assessor’s judgement. It can also include working hour management as well as comfort and equipment at dormitories. All the above relates primarily to blue-collar workers, while dormitories and related things outside of the actual workplace targets workers that are far away from their home and hence are in a more vulnerable position.

These activities have a positive impact on all workers at our suppliers, but in particular blue-collar workers, including all sub-groups that might have difficulties attaining these improvements on their own. Although positive, ASSA ABLOY can put more emphasis on not only improving things that are not good enough, but also more on improving things that are already at a sufficient level from a compliance point of view.

Apart from our own audits, everyone is able to submit reports of suspected violations. Any potential human rights violations can be reported in multiple ways from direct manager to our whistleblowing process which is also available for external parties.

One of the subsections of the audit protocol includes instructions to the auditor to look for evidence of “regular communications and feedback channels with workers to hear their issues and bring appropriate resolutions”. It is, however, difficult for ASSA ABLOY to assess that all value chain workers are familiar with, and trust, the structures to address concerns or violations. We currently do not conduct employee surveys at

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Significant risks and risk management
The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate governance

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
- Social information
 - S1 Own workforce
 - S2 Workers in the Value Chain
 - S4 Consumers and End-users
- Governance information

Financial statements

our suppliers to get additional insights regarding job satisfaction, safety, equality, wages or similar and neither do we have formal feedback channels like anonymous digital platforms or committees. Instead, we refer to our whistleblowing function.

Further, we also investigate in our sustainability audits whether the suppliers have a whistleblowing program of their own and that their workers and stakeholders are informed about how to use it. This step also includes making sure there is an identity protection scheme in place and verifying that everything is at an acceptable level in interviews with supplier employees.

Currently, ASSA ABLOY does not have any outcome-oriented targets related to measuring progress in number of material negative impacts and/or advancing positive impacts on value chain workers. Hence there is also no involvement with value chain workers in such a target setting, nor is there any involvement in identifying improvements as a result of ASSA ABLOY’s performance.

For the same reason, we cannot state a baseline value or year, or the methodologies and stakeholder involvement behind the targets and similarly and changes in targets.

In our sustainability audits we check for forced labor, but have not had any such cases. We currently do not have any formal guidelines on compensation for damages due to forced labor practices. In a similar way, we have no formal training programs or materials we share with suppliers regarding human rights.

Key audit findings in 2025

ASSA ABLOY has close to 9,100 external direct material suppliers (excluding recent acquisitions). By the end of 2025, 1,126 of the 1,148 suppliers audited had satisfied our minimum sustainability requirements – equivalent to 94 percent of our total spend in identified risk countries.

During 2025 the Group added 433 new suppliers to the audit scope. During the year, 11 percent of those new suppliers were audited.

One supplier was added to the list of prohibited suppliers and prevented from doing business with us, and 33 were put on “new-business hold” by the Group, while awaiting re-audit where previously identified issues should have been handled.

Supply chain management governance

Our supply chain management is led by Operations Board, which includes representatives from each division. The Operations Board sets supplier sustainability targets, coordinates activities and follows up on progress.

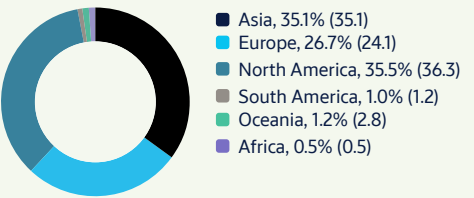
Each division is responsible for ensuring its suppliers meet our requirements. Divisions submit their supplier audit reports to our business intelligence tool, which allows us to assess and analyze the performance of our suppliers. The system is used as a basis for procurement decisions to identify preferred suppliers and enables us to monitor several supply chain key performance indicators (KPIs).

Sustainability risk management

ASSA ABLOY’s supplier audit program covers sustainability aspects throughout our value chain. Our direct material supplier audit program helps to manage risks related to suppliers, with a particular focus on high-risk suppliers.

With new acquisitions, we have a process that comprehensively reviews sustainability-related issues to mitigate the risks associated with integrating new companies and their supply chains.

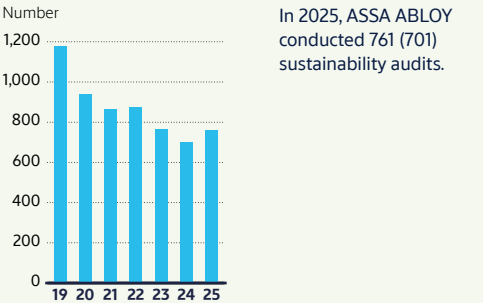
Distribution of direct material supplier spend



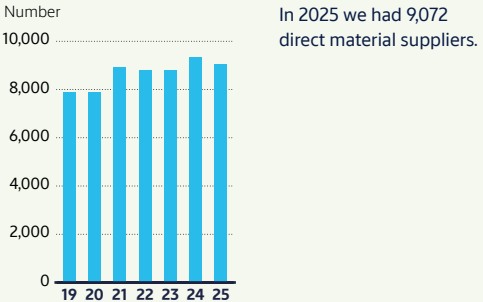
Supply chain management
Material KPI

Area	2019	2020	2021	2022	2023	2024	2025
Proportion of spend in identified risk countries represented by sustainability audited direct material suppliers, %	97	91	86	93	94	92	95
Number of sustainability audits of direct material suppliers in identified risk countries	1,175	940	861	874	765	701	761

Sustainability audits of direct material suppliers in identified risk countries



Number of direct material suppliers



Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Significant risks and risk management
The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate governance

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
- Social information
 - S1 Own workforce
 - S2 Workers in the Value Chain
 - S4 Consumers and End-users
- Governance information

Financial statements

S4 Consumers and end-users

Every day, we help billions of people move through a safer, more open world with ease. The median age globally is increasing leading to an aging population with impairment or disabilities. Accessibility and inclusive product design is therefore key in ensuring that buildings can be accessed and used by everyone. The correct design of a door environment makes a dramatic difference to individuals with reduced muscle or grip strength, or for those utilizing a pushchair, or a wheelchair.

Our revolving doors create spacious entrances, ensures smooth functionality and safe traffic flows with advanced sensor technology. Side doors are added for increased accessibility and faster evacuation. Our doors can operate at low speeds to ensure safe passage for those with limited mobility. We also consider the weight of the door, fittings that can be easily gripped and reached, visual considerations and the distance a door needs to be clear of any obstructions when opening.

Governed by the divisional CTO’s, our innovation directive mandates customer relevance and compliance as overarching priorities for all our products and solutions. The innovation directive does not reference any other external standard, only internal standards. There is no human rights policy related to consumers and end-users. The innovation directive is not aligned with internationally recognized instruments. We actively participate in relevant organizations to drive the development of standards in our industry. Our user and service manuals offer clear instructions that help customers maintain products together with support by our service organization so that durability and longevity can

be maximized, reducing the risk of malfunction, and ensuring safety and security. Due to this, accidents occur on a low and individual frequency.

We utilize regular customer feedback as a basis for design changes and, depending on severity of issues, this feedback can result in product recalls or production halts. Our product development process is designed to continuously track customer satisfaction and compliance with standards and regulatory requirements, to mitigate negative impact on end-users. Changes to the products are done within our development organizations. Targets related to product development are for internal steering only and not set or followed up by customers or end users to keep the steps of development as our internal property.

Our Voice of the Customer (VOC) program owned by the CCO includes the Net Promoter Score (NPS) research metric, and all divisions are expanding their use of the NPS; supplemented with qualitative customer experience research. The result and the base year of calculation is kept only as internal matrix only. User experience (UX) is another focus area with several initiatives to improve UX maturity and leverage design systems across the Group. Our goal is to improve the customer experience across all touchpoints with our brands, and we are dedicating resources and directing investments to better understand our customers’ journeys with us and to identify opportunities for improvement. As the VOC covers both technical and commercial aspects of customer demand, we take a cross-functional approach and include product managers, sales, and marketing teams as well as R&D in the process. The input from



the VOC can be used to explore any type of questions for example to enable wheelchair accessibility to a building as described in the beginning of this section.

Customers can reach us through our commercial organizations and online channels if any issues occur with our products. We adhere to the Code of Conduct to acknowledge customer input and comply to General Data Protection Regulation (GDPR) to ensure safe handling of personal data. We also facilitate a whistleblowing function for

anonymous feedback, which can be accessed through various media such as ASSA ABLOY’s website. Regarding human rights severe issues connected to customers and end consumer refer to section S1 Own workforce. If our products have a material impact effecting our customers, we address the issue promptly and solve this in best possible way for our customer or end-user. We will not reference to customer or end-user-specific material impacts in the sustainability statement.

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Significant risks and risk management
The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate governance

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
- Social information
- Governance information
- G1 Business Conduct

Financial statements

Governance information

G1 Business conduct

Corruption and bribery
Anti-corruption

ASSA ABLOY is committed to acting ethically and responsibly and does not tolerate any bribery or corruption. In addition to the Code of Conduct, which covers a broad scope of business conduct-related topics, our specific anti-corruption policy supplements and builds on the Code of Conduct. This policy emphasizes a zero-tolerance policy on bribery and corruption and describes our processes for identifying and managing bribery and corruption risks in our operations. Like all our Group policies, it is approved by the Board of Directors, and it applies to all employees.

Corruption is fundamentally unethical, leading to greater inequality, higher cost of doing business and decreased efficiency. We work actively to prevent corruption in our business. Our anti-corruption policy is aligned with international standards, consistent with the UN Convention against Corruption, to prevent, detect and respond to potential corruption; it is regularly evaluated and updated when needed. Key stakeholders for these standards include employees, suppliers and business representatives. Gifts and entertainment, political and charitable contributions, risk assessments, employee training, conflicts of interest, third-party due diligence, and reporting are some of its essential components.

The anti-corruption policy is available on ASSA ABLOY’s website, together with the Code of Conduct and the Code of Conduct for Business

Partners and can be found at: www.assaabloy.com/group/en/sustainability/sustainability-governance/anti-corruption-compliance. All relevant ASSA ABLOY employees, including the Executive Team, are trained and receive information on the anti-corruption policy and the Code of Conduct. This is ensured, for instance, by information made available on our intranet and mandatory training requirements as described below.

Addressing key areas of bribery and corruption risk

We conduct business worldwide and we recognize that some of our business activities, specific functions, and geographic areas, carry a greater risk for corruption or bribery. Guided by a risk-based approach, we aim to focus our efforts accordingly.

A large part of our sales is handled by external partners, such as distributors. A major focus of our anti-corruption efforts is dedicated to making sure that such third parties acting on our behalf operate in line with ASSA ABLOY’s ethical and compliance standards.

Our third-party due diligence process aims to identify and mitigate risk when engaging with new business representatives. Regions where the risk of corruption is perceived to be higher, such as emerging markets and countries with a low score on Transparency International’s latest Corruption Perception Index, are primarily in focus for heightened diligence measures.

According to our policies all business representative relationships must be formally memorialized in a written agreement including our standard compliance clauses or equivalent. We also strive to ensure that all business representatives sign the Code of Conduct for Business Partners.

Another important area for addressing compliance risk in our operations is acquisitions. As part of our acquisition activities, we have an integrated compliance process, designed to identify, assess and address potential issues and risks as early as possible.

The implementation of the Code of Conduct and related policies and procedures is reviewed through our established process for internal control in all operating companies and internal audits. Further, in 2025 we conducted targeted anti-corruption reviews on entities operating in Asia, the Middle East, South America, North America and Europe. We have not been convicted for violations of anti-corruption and anti-bribery laws and consequently no fines have been paid.

Trade compliance

The trade compliance program at ASSA ABLOY aims to ensure that export control and sanctions regulations are adhered to throughout the Group. Our trade compliance policy, together with related guidance and procedures, serve to identify and mitigate risks to avoid involvement in activities considered unacceptable by ASSA ABLOY, our communities and stakeholders.

ASSA ABLOY has thus taken the decision to conduct risk assessments of its own operations to identify preventable export control and sanctions risks in all direct and indirect domestic and cross-border trade, and to prioritize risk mitigating measures and resources to address risk. For ASSA ABLOY, this means that trade with a specific supplier or other business partner could be prohibited if the party, or its owner(s), is designated in a sanctions list.

The UN, EU, UK, US, and many other regions, impose different types of economic sanctions. Most sanctions programs contain lists with names of individuals, companies, organizations or other entities, and in many cases, all forms of economic interaction with such listed parties is prohibited. ASSA ABLOY has implemented a procedure and a restricted countries list, and countries are divided into risk categories of red, yellow or green. For certain red countries, all trade is prohibited. For yellow countries there is a screening procedure, and for green countries all new business relationships need to be screened. The restricted country list is updated as and when justified based on changes in country specific risk from an export control or sanctions perspective, and is also periodically reviewed.

Anti-corruption training

As part of the onboarding process, every employee is required to complete an online course on the Code of Conduct, and like all our other compliance training the course must be repeated every three years. The training covers a wide

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Significant risks and risk management
The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate governance

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
- Social information
- Governance information
- G1 Business Conduct

Financial statements

range of topics, providing a good understanding of our policies on business conduct, including anti-corruption and ethical guidelines.

We also provide a specific anti-corruption and bribery online course which is mandatory for selected target groups, again with a three-year repetition interval. The target groups are based on selected functions relevant to the training and include, for example, managers as well as sales, purchasing and sourcing employees. Consequently, we believe that all functions at risk are covered by anti-corruption training requirements.

Reporting

Our commitment to conducting business ethically and responsibly is reinforced by our whistleblowing process, which includes several reporting channels and serves both internal and external stakeholders. Employees are expected to report concerns to either their manager, divisional compliance officer or HR representative, via e-mail or regular post, or through a third-party managed reporting tool.

At ASSA ABLOY, we do not accept any form of retaliation against someone who speaks up, expressing concerns or opinions in good faith. This is outlined in the Code of Conduct and our whistleblowing directive. If whistleblowers choose to remain anonymous, neither ASSA ABLOY nor our external online reporting tool provider can track or identify the reporting individuals.

We have also established a more detailed case management process to ensure that allegations and investigations are rigorously and objectively investigated. In most cases the investigations are carried out by internal resources – which may include representatives from the HR, legal and internal audit departments – depending on the matter at hand. If needed, external expertise is also engaged.

The ASSA ABLOY Code of Conduct Committee, chaired by the Chief Human Resources Officer, is responsible for oversight of the overall process as well as all high-risk cases to ensure appropriate and timely resolution.

Management of relationships with suppliers and payment practices

ASSA ABLOY fosters a collaborative and ethical partnership with our suppliers, ensuring mutual respect and adherence to shared values. It goes both ways in creating a sustainable business relationship. Key principles include:

- Ethical standards: Both parties to adhere to high standards of integrity and fair dealing, including compliance with laws and regulations.
- Sustainability and responsibility: Mutual long-term sustainability and social responsibility, aiming to build sustainable relationships.
- Human rights and labor standards: Mutual respect for human rights and labor standards and health and safety.
- Environmental responsibility: There is a strong focus on environmental responsibility, with suppliers expected to comply with environmental laws and strive for continuous improvement in their environmental performance.

Our ethical business practices in the Code of Conduct includes the timely payment of suppliers. ASSA ABLOY is committed to ensuring that suppliers are paid on time, reflecting our broader commitment to fair and responsible business practices. ASSA ABLOY therefore shall pay within the payment term agreed, assuming the supplier is providing the correct and complete invoice documentation.

ASSA ABLOY has established clear and fair payment terms and conditions that are communicated to all suppliers during negotiations

and onboarding. The standard payment terms are 90 days from the date of invoice receipt, although in some cases it may be less if mandated by local law. This assures the suppliers that the payments will not be late. This is valid for all suppliers, including SMEs.

- We currently do not track any of the following metrics on a Group level:
- Average number of days to pay invoice from date when contractual or statutory term of payment starts to be calculated.
 - Percentage of payments aligned with standard payment terms.
 - Number of outstanding legal proceedings for late payments.

- We are currently not able to share the below, as this is missing in formal directives or similar:
- Disclosure of contextual information regarding payment practices.
 - Description of policy to prevent late payments, especially to small and medium enterprises (SMEs).

Training table

Training	Code of Conduct ¹	Anti-corruption ²
Percentage completion	90	90

¹ Code of Conduct – Percentage of all employees, that are required to undertake the course in e-learning. In-person courses are excluded.
² Anti-corruption – Percentage of functions-at-risk covered by training programs = Number of regular employees who have completed the assigned course / total number of regular employees assigned the course in the recent 3 years.



Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Significant risks and risk management
The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate governance

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
- Social information
- Governance information

Financial statements

ESRS index

Section	Disclosure Requirement	Section	Page	Paragraph number (where relevant)	Additional Information
General information					
ESRS 2: General information	BP-1 General basis for preparation of sustainability statements	SS	73–74		
	BP-2 Disclosures in relation to specific circumstances	SS	73–74		
	GOV-1 Role of the administrative, management and supervisory bodies	SS	74–76		
	GOV-2 Information provided to and sustainability matters addressed by administrative, management and supervisory bodies	SS	74–76		
	GOV-3 Integration of sustainability-related performance in incentive schemes	SS	76	4	
	GOV-4 Statement on due diligence	SS	76–78		
	GOV-5 Risk management and internal controls over sustainability reporting	SS	75–76		
	SBM-1 Strategy, business model and value chain	SS	72		
	SBM-2 Interests and views of stakeholders – general	SS	77–78		
	SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	SS	79–85		
	IRO-1 Description of process to identify and assess material impacts, risks and opportunities	SS	79–85		
	IRO-2 Disclosure Requirements in ESRS covered by sustainability statements	SS	114–118		
	MDR-P Minimum disclosure requirement	SS	74, 75, 88		
	MDR-A Minimum disclosure requirement	SS	69, 79–85, 93, 97, 98, 100–113		
	MDR-M Minimum disclosure requirement	SS	69, 93, 97, 98, 100–113		
	MDR-T Minimum disclosure requirement	SS	69, 93, 97, 98, 100–113		
Environmental					
ESRS E1: Climate change Climate change mitigation & Energy	E1-1 Transition plan for climate change mitigation	SS	93–96		
	E1-2 Policies related to climate change mitigation and adaptation	SS	88, 93		
	E1-3 Actions and resources in relation to climate change policies	SS	93–96		
	E1-4 Targets related to climate change mitigation and adaptation	SS	69, 93–96		
	E1-5 Energy consumption and mix	SS	95		
	E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions	SS	96		
	E1-7 GHG removals and GHG mitigation projects financed through carbon credits	SS	91		
	E1-8 Internal carbon pricing	SS	91		
	E1-9 Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	SS	79, 86		
ESRS E3: Water and marine resources Water	E3-1 Policies related to water and marine resources	SS	88, 97		
	E3-2 Actions and resources related to water and marine resources	SS	69, 97		
	E3-3 Targets related to water and marine resources	SS	69, 71, 98		
	E3-4 Water consumption	SS	98		
	E3-5 Anticipated financial effects from material water and marine resources-related risks and opportunities	SS	80		
ESRS E5: Resource use and circular economy Resource inflows, including resource use Resource outflows related to products and services Waste	E5-1 Policies related to resource use and circular economy	SS	88, 101		
	E5-2 Actions and resources related to resource use and circular economy	SS	69, 100		
	E5-3 Targets related to resource use and circular economy	SS	69, 99, 100		
	E5-4 Resource inflows	SS	99		
	E5-5 Resource outflows	SS	100		
	E5-6 Potential financial effects from resource use and circular economy-related impacts, risks and opportunities	SS	81		

SS = Sustainability statement
FS = Financial statement

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Significant risks and risk management

The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate governance

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
- Social information
- Governance information

Financial statements

Section	Disclosure Requirement	Section	Page	Paragraph number (where relevant)	Additional Information
Social					
ESRS S1: Own workforce Working conditions Other work-related rights	S1-1 Policies related to own workforce	SS	88, 102–103		
	S1-2 Processes for engaging with own workers and workers' representatives about impacts	SS	102		
	S1-3 Processes to remediate negative impacts and channels for own workforce to raise concerns	SS	102–103, 112		
	S1-4 Taking action on material impacts on own workforce, and approaches to managing material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	SS	82, 102–106		
	S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	SS	69, 104–105		
	S1-6 Characteristics of undertaking's employees	SS. FS	105, 153		P153, Note 35
	S1-7 Characteristics of non-employees in undertaking's own workforce	SS	104		
	S1-8 Collective bargaining coverage and social dialogue	SS	104		
	S1-9 Diversity metrics	SS	69, 103–106		
	S1-10 Adequate wages	SS	104		
	S1-11 Social protection	SS	104		
	S1-12 Persons with disabilities	SS	104		
	S1-13 Training and skills development metrics	SS	104		
	S1-14 Health and safety metrics	SS	69, 103–106		
	S1-15 Work-life balance metrics	SS	104		
	S1-16 Remuneration metrics (pay gap and total remuneration) - general	SS	104		
	S1-17 Incidents, complaints and severe human rights impacts - general	SS	102–103		
ESRS S2: Workers in the value chain Working conditions Other work-related rights	S2-1 Policies related to value chain workers	SS	88, 107		
	S2-2 Processes for engaging with value chain workers about impacts	SS	107–109		
	S2-3 Processes to remediate negative impacts and channels for value chain workers to raise concerns	SS	107–109		
	S2-4 Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions	SS	107–109		
	S2-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	SS	69, 107, 109		
ESRS S4: Consumers and end-users Personal safety of consumers and/or end-users	S4-1 Policies related to consumers and end-users	SS	88, 111		
	S4-2 Processes for engaging with consumers and end-users about impacts	SS	111		
	S4-3 Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	SS	111		
	S4-4 Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	SS	111		
	S4-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities (consumers and end-users)	SS	111		
Governance					
ESRS G1: Business conduct Corporate culture Protection of whistle-blowers Management of relationships with suppliers including payment practices Corruption and bribery	G1-1 Business conduct policies and corporate culture	SS	88, 112		
	G1-2 Management of relationships with suppliers	SS	113		
	G1-3 Prevention and detection of corruption or bribery	SS	112		
	G1-4 Incidents of corruption or bribery	SS	112		
	G1-5 Political influence and lobbying activities	SS	112		
	G1-6 Payment practices	SS	113		

SS = Sustainability statement
FS = Financial statement

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Significant risks and risk management
The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate governance

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
- Social information
- Governance information

Financial statements

Appendix B: List of datapoints in cross-cutting and topical standards that derive from other EU legislation

This appendix is an integral part of the ESRS 2. The table below illustrates the datapoints in ESRS 2 and topical ESRS that derive from other EU legislation.

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page	Additional information
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	●		●		74	
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			●		74	
ESRS 2 GOV-4 Statement on due diligence paragraph 30	●				76–78	
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	●	●	●			Not Applicable
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	●		●			Not Applicable
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	●		●			Not Applicable
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			●			Not Applicable
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				●	93–94	
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		●	●			Not Applicable
ESRS E1-4 GHG emission reduction targets paragraph 34	●	●	●		69, 93–94	
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	●					Not Applicable
ESRS E1-5 Energy consumption and mix paragraph 37	●				95	
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	●					Not Applicable
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	●	●			95–96	
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	●	●	●		96	
ESRS E1-7 GHG removals and carbon credits paragraph 56				●	91	
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			●		79, 86	

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Significant risks and risk management
The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate governance

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
- Social information
- Governance information

Financial statements

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page	Additional information
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a)	●				86	
ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c)	●				86	
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c)		●				Not Applicable
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 69			●		79, 81	
ESRS E2-4 Amount of each pollutant listed in Annex II of the E- PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	●					Not Applicable
ESRS E3-1 Water and marine resources paragraph 9	●				97, 98	
ESRS E3-1 Dedicated policy paragraph 13	●				88	
ESRS E3-1 Sustainable oceans and seas paragraph 14	●				97	
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	●				98	
ESRS E3-4 Total water consumption in m3 per net revenue on own operations paragraph 29	●				98	
ESRS 2 - IRO 1 - E4 Paragraph 16 (a) i	●					Not Applicable
ESRS 2 - IRO 1 - E4 Paragraph 16 (b)	●					Not Applicable
ESRS 2 - IRO 1 - E4 Paragraph 16 (c)	●					Not Applicable
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	●					Not Applicable
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	●					Not Applicable
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	●					Not Applicable
ESRS E5-5 Non-recycled waste paragraph 37 (d)	●				100	
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	●				100	
ESRS 2 - SBM3 - S1 Risk of incidents of forced labour paragraph	●				102–104	
ESRS 2 - SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	●				102–104	
ESRS S1-1 Human rights policy commitments paragraph 20	●				102–103	
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			●		88, 102, 107	
ESRS S1-1 Processes and measures for preventing trafficking in human beings paragraph 22	●				102–103	
ESRS S1-1 Workplace accident prevention policy or management system paragraph 23	●				88, 102	
ESRS S1-3 Grievance/complaints handling mechanisms paragraph 32 (c)	●				88	
ESRS S1-14 Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c)	●		●		105	

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Significant risks and risk management

The Board of Directors’ proposal of guidelines for remuneration to senior executives

Corporate governance

- Board of Directors
- Executive Team
- Internal control – financial reporting

Sustainability statement

- General information
- Environmental information
- Social information
- Governance information

Financial statements

Disclosure Requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Page	Additional information
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	●				105	
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	●		●			Not Applicable
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	●					Not Applicable
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	●				103	
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	●		●		102–103	
ESRS 2 - SBM3 - S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	●				107–110	
ESRS S2-1 Human rights policy commitments paragraph 17	●				88, 107–110	
ESRS S2-1 Policies related to value chain workers paragraph 18	●				88, 107–110	
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	●		●		76	
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			●		88	
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	●				107–109	
ESRS S3-1 Human rights policy commitments paragraph 16	●					Not Applicable
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	●		●			Not Applicable
ESRS S3-4 Human rights issues and incidents paragraph 36	●					Not Applicable
ESRS S4-1 Policies related to consumers and end-users paragraph 16	●				111	
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	●		●		111	
ESRS S4-4 Human rights issues and incidents paragraph 35	●				111	
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	●				112	
ESRS G1-1 Protection of whistle- blowers paragraph 10 (d)	●				112	
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a)	●		●		112–113	
ESRS G1-4 Standards of anti- corruption and anti-bribery paragraph 24 (b)	●				112–113	

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

Accounts

Notes

Five years in summary

Comments on five years in summary

Definitions of key ratios

Board of Directors and CEO assurance

Auditor's report

Auditor's limited assurance report on
ASSA ABLOY AB (publ)'s sustainability statement

Shareholder information

The ASSA ABLOY share

Information for shareholders

Financial calendar

Contact details

Financial statements



Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

- Accounts
- Notes
- Five years in summary
- Comments on five years in summary
- Definitions of key ratios
- Board of Directors and CEO assurance
- Auditor's report
- Auditor's limited assurance report on ASSA ABLOY AB (publ)'s sustainability statement
- Shareholder information
 - The ASSA ABLOY share
 - Information for shareholders
 - Financial calendar
 - Contact details

Sales and income

- Net sales increased by 1 percent to SEK 152,409 M (150,162). Organic growth was 3 percent (–1), while net growth from acquisitions and divestments amounted to 5 percent (8).
- Operating income (EBIT) was SEK 23,151 M (24,275), an operating margin of 15.2 percent (16.2).
- Earnings per share before and after full dilution amounted to SEK 13.23 (14.08).

Sales

The Group's sales for 2025 amounted to SEK 152,409 M (150,162), corresponding to an increase of 1 percent (7). Organic growth was 3 percent (–1), while the net contribution from acquisitions and divestments was 5 percent (8). The exchange rate impact on sales was –7 percent (0).

Change in sales

%	2024	2025
Organic growth	–1	3
Acquisitions and divestments	8	5
Exchange rate effects	0	–7
Total	7	1

Sales by product group

Mechanical locks, lock systems and fittings accounted for 23 percent (25) of total sales. Electromechanical and electronic locks accounted for 31 percent (30) of sales, while entrance automation accounted for 30 percent (30). Security doors and hardware accounted for 16 percent (15) of sales.

Cost structure

The Group's total wage costs, including social security costs and pension costs, were SEK 47,980 M (45,184), equivalent to 31 percent (30) of sales. The average number of employees was 63,886 (62,825).

Direct material costs amounted to SEK 49,978 M (50,542), equivalent to 33 percent (34) of sales, and other purchasing costs totaled SEK 24,638 M (24,602), equivalent to 16 percent (16) of sales. Depreciation, amortization and impairment of non-current assets was SEK 6,081 M (5,645), equivalent to 4 percent (4) of sales.

Operating income

The Group's operating income (EBIT) for 2025 amounted to SEK 23,151 M (24,275), a decrease of 5 percent. This represents an operating margin of 15.2 per cent (16.2). The result was greatly affected by restructuring costs. The underlying increase in income was very high, mainly attributable to strong growth in fixed currency, good leverage from sales price in relation to material costs, and efficiency enhancements and cost savings. The new restructuring program launched in early 2025 and other efficiency improvement measures generated very good savings during the year.

The parent company's operating income for 2025 was SEK 2,100 M (2,138). Net income for the year increased significantly to SEK 10,164 million (7,548), primarily attributable to higher intra-Group dividend income.

Items affecting comparability

Items affecting comparability were recognized for both 2025 and 2024, as shown below. Amounts are given before income tax.

2025

- Restructuring program, SEK –1,284 M.
- Exit costs related to the 2023 divestment of Emtek and Smart Residential in the US and Canada, SEK –228 M.

2024

- Adjusted purchase price and exit costs related to the 2023 divestment of Emtek and Smart Residential in the US and Canada, SEK –21 M.

Income before tax

Consolidated income before tax was SEK 19,823 M (20,893). The exchange rate effect before taxes amounted to SEK –1,586 M (–23). Net financial income amounted to SEK –3,329 million (–3,382). The profit margin was 13.0 percent (13.9).

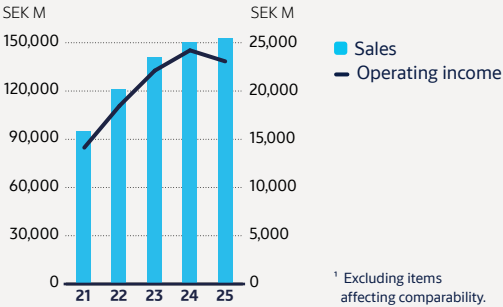
Tax on income

The Group's income tax expense totaled SEK 5,115 M (5,272), equivalent to an effective tax rate of 25.8 percent (25.2). The effective tax rate for the year was affected by items affecting comparability, primarily related to the launch of a new restructuring program. The effective tax rate excluding items affecting comparability was 25.3 percent (25.2).

Earnings per share

Consolidated earnings per share before and after dilution amounted to SEK 13.23 (14.08), a decrease of 6 percent. Earnings per share before and after dilution, excluding items affecting comparability, increased by 2 percent on the previous year.

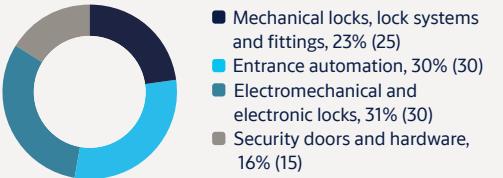
Sales and operating income



Earnings per share before and after dilution



Sales by product group, 2025



Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

→ Accounts

Notes

Five years in summary

Comments on five years in summary

Definitions of key ratios

Board of Directors and CEO assurance

Auditor's report

Auditor's limited assurance report on
ASSA ABLOY AB (publ)'s sustainability statement

Shareholder information

The ASSA ABLOY share

Information for shareholders

Financial calendar

Contact details

Consolidated income statement

SEK M	Note	2024	2025
Sales	2	150,162	152,409
Cost of goods sold		−87,434	−87,440
Gross income		62,728	64,969
Selling expenses		−24,105	−25,318
Administrative expenses	3	−8,334	−9,036
Research and development costs		−6,101	−6,883
Other operating income and expenses	4	17	−381
Capital gain on divestment of subsidiaries		24	−228
Share of earnings in associates	5	45	28
Operating income	7–9, 25, 35	24,275	23,151
Financial income	10	133	99
Financial expenses	9, 11, 25	−3,515	−3,428
Income before tax		20,893	19,823
Tax on income	12	−5,272	−5,115
Net income		15,621	14,708
Net income attributable to:			
Parent company's shareholders		15,639	14,701
Non-controlling interests		−18	7
Earnings per share			
Before and after dilution, SEK	13	14.08	13.23
Before and after dilution and excluding items affecting comparability, SEK	13	14.09	14.34

Consolidated statement of comprehensive income

SEK M	Note	2024	2025
Net income		15,621	14,708
Other comprehensive income:			
Items that will not be reclassified to profit or loss			
Actuarial gain/loss on post-employment benefit obligations	25	22	270
Deferred tax from actuarial gain/loss on post-employment benefit obligations		48	−66
Total		70	204
Items that may be reclassified subsequently to profit or loss			
Share of other comprehensive income of associates		−1	−83
Cash flow hedges		94	−111
Hedging cost		−8	18
Exchange rate differences reclassified to profit or loss		−	0
Exchange rate differences		5,663	−13,589
Tax attributable to items that may be reclassified subsequently to profit or loss		−3	4
Total		5,745	−13,761
Total other comprehensive income		5,814	−13,557
Total comprehensive income		21,435	1,151
Total comprehensive income attributable to:			
Parent company's shareholders		21,459	1,152
Non-controlling interests		−24	−1

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

- Accounts
- Notes
- Five years in summary
- Comments on five years in summary
- Definitions of key ratios
- Board of Directors and CEO assurance
- Auditor's report
- Auditor's limited assurance report on ASSA ABLOY AB (publ)'s sustainability statement
- Shareholder information
 - The ASSA ABLOY share
 - Information for shareholders
 - Financial calendar
 - Contact details

Comments by division

ASSA ABLOY is organized into five divisions. EMEIA (Europe, Middle East, India and Africa), Americas (North and South America) and Asia Pacific (Asia and Oceania) manufacture and sell mechanical and electromechanical locks, security doors and hardware in their respective geographic markets. Global Technologies operates worldwide in the product areas of access control systems, secure card issuance, identification technology and hotel locks. Entrance Systems is a global supplier of entrance automation products and service.

Opening Solutions EMEIA

Sales totaled SEK 25,822 M (25,098), with organic growth of 2 percent (0). Growth from acquisitions, divestments and internal segment transfers was 4 percent (1). Operating income excluding items affecting comparability amounted to SEK 3,748 M (3,552), with an operating margin (EBIT) of 14.5 percent (14.2). The return on capital employed excluding items affecting comparability was 15.4 percent (15.9). Operating cash flow before non-cash items and interest paid was SEK 4,277 M (3,872).

Organic growth was good for EMEIA during the year, driven by a continued strong commercial market while the residential market showed signs of stabilization. The good growth combined with efficiency enhancements and savings contributed to an increased operating margin during the year, while cash flow remained strong.

Opening Solutions Americas

Sales totaled SEK 43,489 M (44,340), with organic growth of 3 percent (2). Growth from acquisitions and divestments was 2 percent (16). Operating income excluding items affecting comparability amounted to SEK 7,844 M (8,207), with an operating margin (EBIT) of 18.0 percent (18.5). The return on capital employed excluding items affecting comparability was 12.7 percent (12.7). Operating cash flow before non-cash items and interest paid was SEK 8,171 M (7,581).

Organic growth was strong for Americas for the commercial customer segments in North America, while sales declined for the residential market segment. Organic growth was good in Latin America, particularly in Brazil. The operating margin and cash flow remained at high levels.

Opening Solutions Asia Pacific

Sales totaled SEK 8,145 M (9,120), with organic growth of –3 percent (–6). Net growth from acquisitions, divestments and internal segment transfers was 0 percent (–3). Operating income excluding items affecting comparability amounted to SEK 652 M (619), with an operating margin (EBIT) of 8.0 percent (6.8). The return on capital employed excluding items affecting comparability was 6.7 percent (5.8). Operating cash flow before non-cash items and interest paid was SEK 537 M (997).

The division's sales declined during the year, primarily in China and Southeast Asia. Organic growth was good in Oceania. The operating margin increased during the year owing to continued efficiency enhancements and cost savings.

Global Technologies

Sales totaled SEK 26,077 M (24,179), with organic growth of 7 percent (–2). Net growth from acquisitions and internal segment transfers was 7 percent (7). Operating income excluding items affecting comparability amounted to SEK 4,635 M (4,224), with an operating margin (EBIT) of 17.8 percent (17.5). The return on capital employed excluding items affecting comparability was 14.5 percent (14.8). Operating cash flow before non-cash items and interest paid was SEK 5,390 M (4,585).

Organic growth was strong for Global Technologies owing to very good performance for the HID and Global Solutions business units. The operating margin increased owing to the strong growth combined with cost control. Operating cash flow developed well.

Entrance Systems

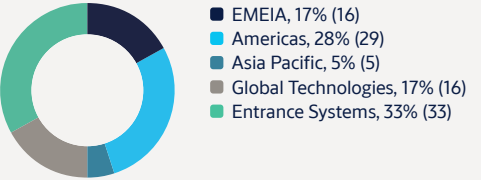
Sales totaled SEK 50,715 M (49,451), with organic growth of 2 percent (–1). Growth from acquisitions and divestments was 7 percent (7). Operating income excluding items affecting comparability amounted to SEK 8,699 M (8,493), with an operating margin (EBIT) of 17.2 percent (17.2). The return on capital employed excluding items affecting comparability was 19.4 percent (20.1). Operating cash flow before non-cash items and interest paid was SEK 8,612 M (10,017).

Organic growth for Entrance Systems was strong in the Perimeter Security business segment while it was good for Pedestrian and Doors & Automation. Organic sales for the Industrial segment, on the other hand, were negatively impacted by weaker demand in North America. Growth in services was good during the year. The division's operating margin improved further and operating cash flow remained strong.

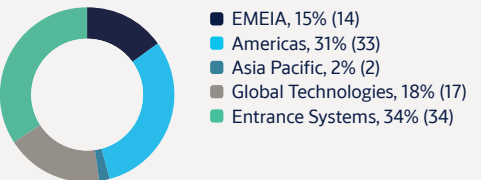
Other items

The costs of Group-wide functions, such as corporate management, accounting and finance, supply management and Group-wide product development, totaled SEK 914 M (799). Other items include sales eliminations between the Group's segments.

External sales, 2025

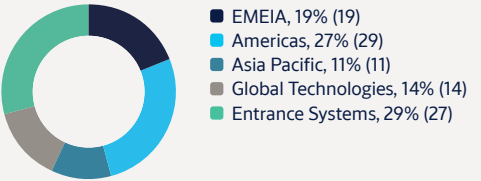


Operating income, 2025¹



¹ 'Other items' is not included in the calculation. See the Comments by division section for what is included in 'Other items'

Average number of employees, 2025



Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

→ Accounts

Notes

Five years in summary

Comments on five years in summary

Definitions of key ratios

Board of Directors and CEO assurance

Auditor’s report

Auditor’s limited assurance report on
ASSA ABLOY AB (publ)’s sustainability statement

Shareholder information

The ASSA ABLOY share

Information for shareholders

Financial calendar

Contact details

Results by division

	EMEIA		Americas		Asia Pacific		Global Technologies		Entrance Systems		Other items		Total	
SEK M	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025
Sales, external	24,447	25,202	44,213	43,352	8,200	7,368	23,955	25,861	49,347	50,627	–	–	150,162	152,409
Sales, internal	651	620	128	137	920	778	224	216	104	88	–2,027¹	–1,839¹	–	–
Sales	25,098	25,822	44,340	43,489	9,120	8,145	24,179	26,077	49 451	50,715	–2,027	–1,839	150,162	152,409
Organic growth	0%	2%	2%	3%	–6%	–3%	–2%	7%	–1%	2%	–	–	–1%	3%
Acquisitions and divestments	1%	4%	16%	2%	–3%	0%	7%	7%	7%	7%	–	–	8%	5%
Exchange rate effects	0%	–3%	–1%	–7%	–2%	–8%	0%	–6%	0%	–6%	–	–	0%	–7%
Cost of goods sold	–14,347	–14,752	–25,150	–24,709	–6,207	–5,474	–11,528	–11,744	–32,203	–32,590	2,002¹	1,829¹	–87,434	–87,440
Operating income (EBIT) excluding items affecting comparability	3,552	3,748	8,207	7,844	619	652	4,224	4,635	8,493	8,699	–799	–914	24,296	24,664
Operating margin (EBIT)	14.2%	14.5%	18.5%	18.0%	6.8%	8.0%	17.5%	17.8%	17.2%	17.2%	–	–	16.2%	16.2%
Operating cash flow														
Operating income (EBIT) excluding items affecting comparability	3,552	3,748	8,207	7,844	619	652	4,224	4,635	8,493	8,699	–799	–914	24,296	24,664
Depreciation, amortization and impairment	989	1,076	1,604	1,613	401	361	1,006	1,156	1,592	1,806	53	68	5,645	6,081
Net capital expenditure	–434	–479	–740	–613	63	–223	–440	–422	–483	–848	–29	–12	–2,063	–2,598
Amortization of lease liabilities	–280	–300	–342	–359	–130	–123	–202	–232	–812	–906	–30	–48	–1,797	–1,968
Change in working capital	44	231	–1,148	–314	45	–129	–3	253	1,228	–139	43	–268	208	–367
Operating cash flow by division	3,872	4,277	7,581	8,171	997	537	4,585	5,390	10,017	8,612	–763	–1,174	26,289	25,812
Non-cash items											14	83	14	83
Interest paid and received											–3,251	–3,234	–3,251	–3,234
Operating cash flow													23,052	22,660
Capital employed														
Goodwill	14,552	15,500	36,524	32,219	5,582	4,874	21,504	22,260	28,711	26,265	–	–	106,874	101,119
Other intangible assets	1,498	2,422	22,753	18,884	1,863	1,601	3,848	4,857	8,531	9,041	39	34	38,531	36,838
Property, plant and equipment	3,287	3,228	3,487	3,095	1,331	1,163	1,763	1,426	2,740	2,866	45	29	12,653	11,807
Right-of-use assets	831	966	1,606	1,639	309	206	768	856	2,671	2,474	110	146	6,295	6,287
Other capital employed	2,256	1,641	3,636	3,176	1,399	1,174	2,136	1,545	3,180	3,089	412	–59	13,019	10,566
Adjusted capital employed	22,423	23,757	68,006	59,013	10,485	9,018	30,018	30,944	45,833	43,735	607	150	177,373	166,618
Restructuring reserve	–60	–250	–22	–18	9	–45	74	–237	–35	–66	–5	–7	–39	–622
Capital employed	22,363	23,507	67,984	58,996	10,494	8,973	30,093	30,707	45,798	43,670	602	143	177,333	165,996
Return on capital employed excluding items affecting comparability	15.9%	15.4%	12.7%	12.7%	5.8%	6.7%	14.8%	14.5%	20.1%	19.4%	–	–	14.4%	14.2%
Average adjusted capital employed	22,353	24,402	64,462	61,947	10,656	9,704	28,510	31,887	42,249	44,899	–	–	168,363	173,241
Average number of employees	12,212	12,409	17,889	17,134	6,758	6,480	8,651	8,978	17,035	18,378	279	507	62,825	63,886

¹ Of which eliminations SEK –1,839 M (–2,027) and SEK 1,829 M (2,002).

The segments have been determined on the basis of reporting to the President and CEO, who monitors the overall performance and makes decisions on resource allocation. The different segments generate their revenue from the manufacture and the sale of mechanical, electromechanical and electronic locks, lock systems and fittings, and security doors and hardware.

The breakdown of sales is based on customer sales in the respective country. Sales between segments are carried out at arm's length.

For further information on sales, see Note 2.

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

→ Accounts

Notes

Five years in summary

Comments on five years in summary

Definitions of key ratios

Board of Directors and CEO assurance

Auditor's report

Auditor's limited assurance report on
ASSA ABLOY AB (publ)'s sustainability statement

Shareholder information

The ASSA ABLOY share

Information for shareholders

Financial calendar

Contact details

Financial position

- **Capital employed was SEK 165,996 M (177,333) at the year-end. The decrease during the year is mainly due to currency effects.**
- **The return on capital employed excluding items affecting comparability was 14.2 percent (14.4).**
- **Net debt/EBITDA excluding items affecting comparability amounted to a quota of 2.1 (2.3) at year-end.**

Change in sales		
SEK M	2024	2025
Capital employed	177,333	165,996
— of which goodwill	106,874	101,119
Net debt	70,253	64,277
Equity	107,080	101,719
— of which non-controlling interests	10	122

Capital employed
Capital employed in the Group, defined as total assets less interest-bearing assets and non-interest-bearing liabilities including deferred tax liabilities, amounted to SEK 165,996 M (177,333). The return on capital employed excluding items affecting comparability was 14.2 percent (14.4).

Intangible assets amounted to SEK 137,958 M (145,405). The decrease is mainly due to exchange rate effects. The impact of completed acquisitions remained at a high level. During the year, goodwill and other intangible assets with an indefinite useful life arose to a preliminary value of SEK 10,015 M (9,820) as a result of completed acquisitions and adjustments of acquisitions made in previous years.

A valuation model, based on discounted future cash flows, is used for impairment testing of goodwill and other intangible assets with an indefinite useful life.

There were no material impairments of intangible assets during the year or for the comparative period.

Property, plant and equipment amounted to SEK 11,807 M (12,653). Capital expenditure on property, plant and equipment and intangible assets, less sales of property, plant and equipment and intangible assets, totaled SEK 2,598 M (2,063). Total depreciation, amortization and impairment excluding items affecting comparability amounted to SEK 6,081 M (5,645).

Trade receivables amounted to SEK 21,327 M (23,444) and inventories totaled SEK 19,247 M (21,020) at the year-end. The average collection period for trade receivables was 51 days (50). Material throughput time averaged 111 days (108). Working capital, adjusted for acquisitions and divestments and currency effects, was stable during the year.

Net debt
Net debt was SEK 64,277 M (70,253) at the year-end. The decrease during the year is mainly due to currency effects. Operating cash flow remained very strong during the year thanks to good earnings and efficient use of working capital. The rate of acquisitions remained high during the year.

External financing
The financing mainly consists of a GMTN Program of SEK 46,068 M (42,657), of which SEK 38,367 M (38,688) is long-term, bilateral bank loans of SEK 2,258 M (7,022) and loans from financial institutions such as the European Investment Bank (EIB) totaling USD 571 M, of which USD 458 M (571) is long-term, and the Nordic Investment Bank of EUR 235 M, of which EUR 167 M (235) is long-term. During the year, six new issues were made under the GMTN program for a total of SEK 10,027 M with maturities of 3 to 10 years. A bilateral bank loan of USD 500 M was repaid ahead of schedule at the same time as a new loan of USD 100 M was raised and a

bank loan of CAD 200 M was extended to optimize the maturity profile. Other changes in long-term loans are mainly due to some of the originally long-term loans now having less than 1 year to maturity. The size of the loans decreased because of currency fluctuations, in particular weaker USD.

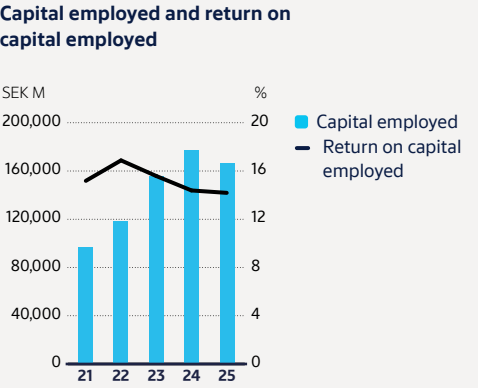
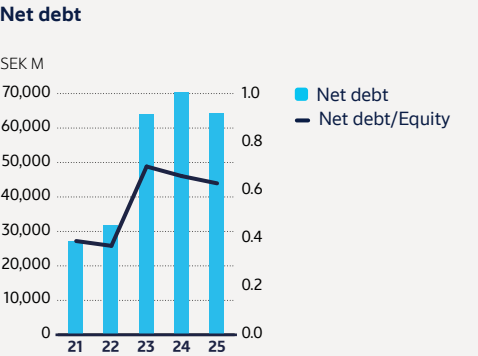
The Group's short-term loan financing mainly consists of two Commercial Paper Programs for a maximum USD 1,000 M (1,000) and SEK 5,000 M (5,000) respectively. At the year-end, the outstanding balance under the Commercial Paper Programs was SEK 1,140 M (6,177).

In addition to the credit facilities described under the Maturity profile section in Note 36, substantial credit commitments exist, mainly in the form of a Multi-Currency Revolving Credit Facility of EUR 1,600 M (1,116). At year-end the average time to maturity for the Group's interest-bearing liabilities, excluding pension provisions and lease obligations, was 47 months (44).

Cash and cash equivalents amounted to SEK 1,398 M (4,504). The decrease in cash and cash equivalents for the year is mainly explained by loan repayments. Cash and cash equivalents are invested in banks with high credit ratings.

Some of the Group's main financing agreements contain a customary Change of Control clause. This clause means that lenders have the right in certain circumstances to demand the renegotiation of conditions or to terminate the agreements should control of the company change.

Equity
Consolidated equity totaled SEK 101,719 M (107,080) at year-end. Return on equity was 14.1 percent (15.7) and the debt/equity ratio, calculated as financial net debt divided by equity, was 0.63 (0.66). The equity ratio was 48.8 percent (47.9) at year-end.



Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

→ Accounts

Notes

Five years in summary

Comments on five years in summary

Definitions of key ratios

Board of Directors and CEO assurance

Auditor’s report

Auditor’s limited assurance report on
ASSA ABLOY AB (publ)’s sustainability statement

Shareholder information

The ASSA ABLOY share

Information for shareholders

Financial calendar

Contact details

Consolidated balance sheet

SEK M	Note	2024	2025
ASSETS			
Non-current assets			
Intangible assets	14	145,405	137,958
Property, plant and equipment	15	12,653	11,807
Right-of-use assets	16	6,295	6,287
Investments in associates	18	710	564
Other financial assets	20	698	626
Deferred tax assets	19	2,097	1,735
Total non-current assets		167,859	158,976
Current assets			
Inventories	21	21,020	19,247
Trade receivables	22	23,444	21,327
Current tax receivables		1,385	1,690
Other current receivables		1,942	1,826
Prepaid expenses and accrued income	2	3,008	2,995
Derivative financial instruments	36	419	907
Short-term investments	36	25	6
Cash and cash equivalents	36	4,504	1,398
Total current assets		55,747	49,395
TOTAL ASSETS		223,605	208,371

SEK M	Note	2024	2025
EQUITY AND LIABILITIES			
Equity			
Parent company's shareholders			
Share capital	24	371	371
Other contributed capital		9,675	9,675
Reserves	33	15,206	1,453
Retained earnings including net income for the year		81,819	90,099
Equity attributable to the Parent company's shareholders		107,071	101,597
Non-controlling interests		10	122
Total equity		107,080	101,719
Non-current liabilities			
Long-term loans	36	54,989	46,553
Non-current lease liabilities	36	4,817	4,900
Deferred tax liabilities	19	3,322	4,022
Pension provisions	25	1,478	1,136
Other non-current provisions	26	527	741
Other non-current liabilities	2, 36	922	1,381
Total non-current liabilities		66,056	58,732
Current liabilities			
Short-term loans	36	11,958	12,185
Current lease liabilities	36	1,737	1,715
Derivative financial instruments	36	445	303
Trade payables		12,593	11,030
Current tax liabilities		1,470	1,177
Current provisions	26	431	824
Other current liabilities	2, 27, 36	6,302	5,396
Accrued expenses and deferred income	2, 28	15,532	15,290
Total current liabilities		50,469	47,920
TOTAL EQUITY AND LIABILITIES		223,605	208,371

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

- Accounts
- Notes
- Five years in summary
- Comments on five years in summary
- Definitions of key ratios
- Board of Directors and CEO assurance
- Auditor’s report
- Auditor’s limited assurance report on ASSA ABLOY AB (publ)’s sustainability statement
- Shareholder information
 - The ASSA ABLOY share
 - Information for shareholders
 - Financial calendar
 - Contact details

Cash flow

Cash flow
Operating cash flow for 2025 was very strong in relation to earnings for the year, corresponding to cash conversion of 106 percent (110). This was the result of good earnings combined with efficient use of working capital.

Acquisition activity was high during the year and net cash flow from acquisitions and divestments of subsidiaries amounted to SEK –10,574 M (–11,676).

Operating cash flow		
SEK M	2024	2025
Operating income (EBIT)	24,275	23,151
Restructuring costs	–	1,284
Exit costs from divestments	21	228
Depreciation, amortization and other impairment	5,645	6,081
Net capital expenditure	–2,063	–2,598
Change in working capital	208	–367
Amortization of lease liabilities	–1,797	–1,968
Interest paid and received	–3,251	–3,234
Non-cash items	14	83
Operating cash flow	23,052	22,660
Cash conversion	1.10	1.06

The Group's operating cash flow amounted to SEK 22,660 M (23,052), equivalent to 106 percent (110) of income before tax excluding items affecting comparability.

Net capital expenditure
Net capital expenditure on intangible assets and property, plant and equipment totaled SEK 2,598 M (2,063), equivalent to 1.7 percent (1.4) of Group sales.

Change in working capital		
SEK M	2024	2025
Inventories	–60	–277
Trade receivables	–280	–142
Trade payables	153	–339
Other working capital	395	391
Change in working capital	208	–367

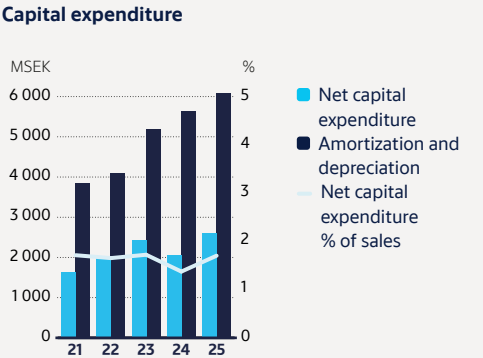
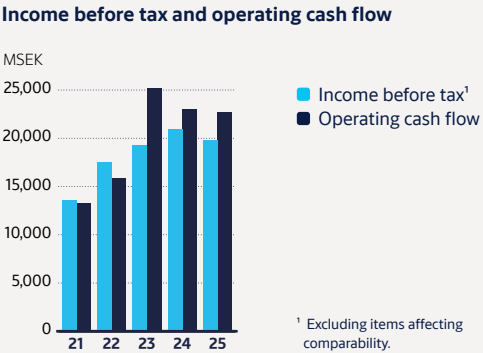
Material throughput time averaged 111 days (108). Working capital, adjusted for acquisition and currency effects, was very stable overall during the year, which had a minor total negative impact on cash flow of SEK –367 M (208).

Relationship between cash flow from operating activities and operating cash flow		
SEK M	2024	2025
Cash flow from operating activities	21,391	21,412
Restructuring payments	748	645
Net capital expenditure	–2,063	–2,598
Amortization of lease liabilities	–1,797	–1,968
Reversal of tax paid	4,772	5,170
Operating cash flow	23,052	22,660

Investments in subsidiaries
Cash flow from investments in subsidiaries totaled SEK –11,409 M (–12,136), while divestments of subsidiaries generated positive cash flow of SEK 835 M (460). The cash flow effect from acquisitions and divestments therefore totaled SEK –10,574 M (–11,676). The rate of acquisitions remained high during the year with a total of 23 acquisitions completed. Acquired cash and cash equivalents totaled SEK 715 million (532).

Change in net debt
Net debt was mainly affected by the strong positive operating cash flow, acquisition payments, tax payments, dividend to shareholders, and currency effects. The decrease in net debt during the year is largely due to currency effects. Acquisition payments, including assumed financial liabilities of acquired business, remained at a high level for the year.

SEK M	2024	2025
Net debt at January 1	64,109	70,253
Operating cash flow	–23,052	–22,660
Restructuring payments	748	645
Tax paid on income	4,772	5,170
Acquisitions and divestments	13,108	12,420
Dividend	5,999	6,563
Remeasurement of net pension obligations	–22	–270
Change in lease liabilities	241	509
Exchange rate differences, etc.	4,349	–8,352
Net debt at December 31	70,253	64,277



Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

→ Accounts

Notes

Five years in summary

Comments on five years in summary

Definitions of key ratios

Board of Directors and CEO assurance

Auditor's report

Auditor's limited assurance report on
ASSA ABLOY AB (publ)'s sustainability statement

Shareholder information

The ASSA ABLOY share

Information for shareholders

Financial calendar

Contact details

Consolidated statement of cash flows

SEK M	Note	2024	2025
OPERATING ACTIVITIES			
Operating income		24,275	23,151
Reversal of			
Depreciation, amortization and impairment	8	5,645	6,081
Items affecting comparability	13	21	1,513
Other non-cash items	31	14	83
Restructuring payments	26	−748	−645
Change in working capital	31	208	−367
Cash flow before interest and tax		29,415	29,816
Interest paid		−3,366	−3,282
Interest received		115	48
Tax paid on income		−4,772	−5,170
Cash flow from operating activities		21,391	21,412
INVESTING ACTIVITIES			
Investments in property, plant and equipment and intangible assets	14, 15	−2,562	−2,773
Sales of property, plant and equipment and intangible assets	14, 15	499	175
Investments in subsidiaries	34	−12,136	−11,409
Divestments of subsidiaries	31	460	835
Other investments and divestments		−186	9
Cash flow from investing activities		−13,925	−13,163
FINANCING ACTIVITES			
Dividend		−5,999	−6,563
Long-term loans raised	36	7,044	11,001
Long-term loans repaid	36	−3,736	−9,004
Amortization of lease liabilities		−1,797	−1,968
Purchase of shares in subsidiaries from non-controlling interest		−33	−1
Stock purchase plans		−112	−181
Change in short-term loans, etc.		185	−4,466
Cash flow from financing activities		−4,447	−11,181
CASH FLOW		3,019	−2,932
CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at January 1		1,466	4,504
Cash flow		3,019	−2,932
Effect of exchange rate differences		20	−174
Cash and cash equivalents at December 31	36	4,504	1,398

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

→ Accounts

Notes

Five years in summary

Comments on five years in summary

Definitions of key ratios

Board of Directors and CEO assurance

Auditor's report

Auditor's limited assurance report on
ASSA ABLOY AB (publ)'s sustainability statement

Shareholder information

The ASSA ABLOY share

Information for shareholders

Financial calendar

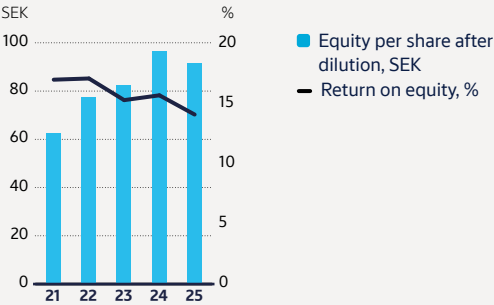
Contact details

Changes in consolidated equity

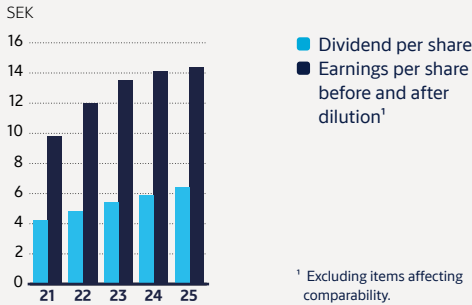
SEK M	Parent company's shareholders				Non-controlling interests	Total
	Share capital	Other contrib-uted capital	Reserves (see Note 33)	Retained earnings incl. net income for the year		
Opening balance, January 1, 2024	371	9,675	9,455	72,128	16	91,644
Net income				15,639	−18	15,621
Other comprehensive income			5,751	70	−6	5,814
Total comprehensive income			5,751	15,708	−24	21,435
Dividend				−5,998	−1	−5,999
Stock purchase plans				−19	−	−19
Total contributions by and distributions to Parent company's shareholders				−6,017	−1	−6,017
Change in non-controlling interest				−	18	18
Total transactions with shareholders				−6,017	18	−5,999
Closing balance, December 31, 2024	371	9,675	15,206	81,819	10	107,080

Opening balance, January 1, 2025	371	9,675	15,206	81,819	10	107,080
Net income				14,701	7	14,708
Other comprehensive income			−13,753	204	−8	−13,557
Total comprehensive income			−13,753	14,905	−1	1,151
Dividend				−6,554	−9	−6,563
Stock purchase plans				−71	−	−71
Total contributions by and distributions to Parent company's shareholders				−6,625	−9	−6,634
Change in non-controlling interest				−	122	122
Total transactions with shareholders				−6,625	113	−6,512
Closing balance, December 31, 2025	371	9,675	1,453	90,099	122	101,719

Equity per share after dilution and return on equity



Dividend and earnings per share



¹ Excluding items affecting comparability.

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

→ Accounts

Notes

Five years in summary

Comments on five years in summary

Definitions of key ratios

Board of Directors and CEO assurance

Auditor’s report

Auditor’s limited assurance report on
ASSA ABLOY AB (publ)’s sustainability statement

Shareholder information

The ASSA ABLOY share

Information for shareholders

Financial calendar

Contact details

Income statement – Parent company

SEK M	Note	2024	2025
Administrative expenses	3, 6, 8, 9	–3,316	–3,405
Research and development costs	6, 8, 9	–2,187	–2,192
Other operating income and expenses	4	7,641	7,698
Operating income	9, 35	2,138	2,100
Financial income	10	7,500	10,242
Financial expenses	9, 11	–3,117	–2,620
Income before appropriations and tax		6,520	9,721
Group contributions		1,406	808
Change in excess depreciation and amortization		203	160
Tax on income	12	–581	–525
Net income		7,548	10,164

Statement of comprehensive income – Parent company

SEK M	2024	2025
Net income	7,548	10,164
Other comprehensive income	–	–
Total comprehensive income	7,548	10,164

Balance sheet – Parent company

SEK M	Note	2024	2025
ASSETS			
Non-current assets			
Intangible assets	14	1,695	680
Property, plant and equipment	15	27	20
Shares in subsidiaries	17	51,938	51,938
Other financial assets	20	505	507
Total non-current assets		54,165	53,145
Current assets			
Receivables from subsidiaries		45,441	48,220
Other current receivables		145	198
Prepaid expenses and accrued income		74	151
Cash and cash equivalents	36	2	0
Total current assets		45,662	48,569
TOTAL ASSETS		99,827	101,714
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	24	371	371
Revaluation reserve		275	275
Statutory reserve		8,905	8,905
Fund for development expenses		31	15
Non-restricted equity			
Share premium reserve		787	787
Retained earnings including net income for the year		16,292	19,846
Total equity		26,661	30,200
Untaxed reserves		818	658
Non-current liabilities			
Long-term loans	36	38,517	38,195
Non-current liabilities to subsidiaries		612	87
Total non-current liabilities		39,129	38,282
Current liabilities			
Short-term loans	36	3,969	7,701
Trade payables		135	156
Current liabilities to subsidiaries		28,441	24,001
Other current liabilities		8	16
Accrued expenses and deferred income	28	665	697
Total current liabilities		33,219	32,573
TOTAL EQUITY AND LIABILITIES		99,827	101,714

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

→ Accounts

Notes

Five years in summary

Comments on five years in summary

Definitions of key ratios

Board of Directors and CEO assurance

Auditor’s report

Auditor’s limited assurance report on
ASSA ABLOY AB (publ)’s sustainability statement

Shareholder information

The ASSA ABLOY share

Information for shareholders

Financial calendar

Contact details

Cash flow statement – Parent company

SEK M	Note	2024	2025
OPERATING ACTIVITIES			
Operating income		2,138	2,100
Depreciation, amortization and impairment	8	1,105	1,038
Other non-cash items		93	140
Cash flow before interest and tax		3,336	3,278
Interest paid and received		–1,599	–1,027
Dividends received		6,011	8,679
Tax on income paid and received		–678	–570
Cash flow before changes in working capital		7,070	10,360
Restructuring payments		–	–22
Change in working capital		937	1,270
Cash flow from operating activities		8,007	11,608
INVESTING ACTIVITIES			
Investments in property, plant and equipment and intangible assets		–20	–16
Investments in subsidiaries		–2,731	0
Divestments of subsidiaries		205	0
Cash flow from investing activities		–2,546	–16
FINANCING ACTIVITES			
Dividend		–5,998	–6,554
Loans raised		3,408	0
Loans repaid		–2,756	–4,860
Stock purchase plans		–112	–181
Cash flow from financing activities		–5,459	–11,594
CASH FLOW		2	–2
CASH AND CASH EQUIVALENTS			
Cash and cash equivalents at January 1		0	2
Cash flow		2	–2
Cash and cash equivalents at December 31		2	0

Introduction
Who we are
ASSA ABLOY as an investment
Divisions overview
Report of the Board of Directors
Financial statements
→ Accounts
Notes
Five years in summary
Comments on five years in summary
Definitions of key ratios
Board of Directors and CEO assurance
Auditor's report
Auditor's limited assurance report on ASSA ABLOY AB (publ)'s sustainability statement
Shareholder information
The ASSA ABLOY share
Information for shareholders
Financial calendar
Contact details

Change in equity – Parent company

SEK M	Restricted equity				Non-restricted equity		Total
	Share capital	Revaluation reserve	Statutory reserve	Fund for development expenses	Share premium reserve	Retained earnings	
Opening balance, January 1, 2024	371	275	8,905	58	787	14,734	25,130
Net income						7,548	7,548
Total comprehensive income						7,548	7,548
Dividend						–5,998	–5,998
Stock purchase plans						–19	–19
Reclassifications				–27		27	–
Total transactions with shareholders				–27		–5,990	–6,017
Closing balance, December 31, 2024	371	275	8,905	31	787	16,292	26,661
Opening balance, January 1, 2025	371	275	8,905	31	787	16,292	26,661
Net income						10,164	10,164
Total comprehensive income						10,164	10,164
Dividend						–6,554	–6,554
Stock purchase plans						–71	–71
Reclassifications				–16		16	–
Total transactions with shareholders				–16		–6,609	–6,625
Closing balance, December 31, 2025	371	275	8,905	15	787	19,846	30,200

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

Accounts

→ Notes

Five years in summary

Comments on five years in summary

Definitions of key ratios

Board of Directors and CEO assurance

Auditor’s report

Auditor’s limited assurance report on
ASSA ABLOY AB (publ)’s sustainability statement

Shareholder information

The ASSA ABLOY share

Information for shareholders

Financial calendar

Contact details

Notes

Note 1 Significant accounting and valuation principles

Group

The Annual Report of ASSA ABLOY AB (publ), corporate identity number 556059-3575, contains the consolidated financial statements for the fiscal year January 1 through December 31, 2025, including the nature and focus of the business. The annual report is prepared in Swedish kronor and all amounts are in millions of kronor, unless otherwise stated.

ASSA ABLOY is a Swedish public limited company and a world leader in access solutions, with innovations that enable safe, secure, convenient access solutions for both physical and digital locations. The company is a limited company registered in Sweden, with its registered office in Stockholm, Sweden, and is listed on Nasdaq Stockholm. The address of the head office, where the company conducts its main activities, is Klarabergsviadukten 90, 111 64 Stockholm.

ASSA ABLOY applies International Financial Reporting Standards (IFRS) as adopted by the European Union (EU), the Swedish Annual Accounts Act and the Swedish Corporate Reporting Board’s RFR 1 Supplementary Accounting Rules for Corporate Groups. The accounting principles are based on IFRS as endorsed as at December 31, 2025 and have been applied to all years presented, unless stated otherwise. This Note describes the most significant accounting principles that have been applied in the preparation of the financial statements, which comprise the information provided on pages 46–64 and 119–160. The presentation currency is Swedish kronor (SEK), and the financial statements are presented in millions of SEK, unless stated otherwise.

Basis of preparation

ASSA ABLOY’s consolidated financial statements have been prepared in accordance with IFRS as endorsed by the EU. The consolidated financial statements have been prepared in accordance with the cost method, except for financial assets and liabilities (including derivative instruments) measured at fair value through profit or loss.

Totals quoted in tables and statements may not

always be the exact sum of the individual items because of rounding differences. The aim is that each line item should correspond to its source and rounding differences may therefore arise.

The annual report was approved for issue by the Board of Directors and the CEO on March 11, 2026. The balance sheets and income statements for the parent company and the Group are subject to approval by the Annual General Meeting on April 28, 2026.

Key estimates and assessments for accounting purposes

Estimates and assessments are continually evaluated and are based on both historical experience and reasonable expectations about the future.

The Group considers that estimates and assessments relating to impairment testing of goodwill and other intangible assets with indefinite useful life are of material importance to the consolidated financial statements. The Group tests carrying amounts for impairment on an annual basis and where there is an indication of a need for impairment. The recoverable amounts of cash generating units are determined by calculating their values in use. The calculations are based on certain assumptions about the future. Material assumptions and the effects of reasonable changes in them are described in Note 14.

The actuarial assumptions made when calculating post-employment employee benefits also have material importance for the consolidated financial statements. For information on the actuarial assumptions, see Note 25.

New and revised standards applied by the Group

No new standards or interpretations were applied by the Group for the first time in 2025.

New and revised IFRS not yet effective

IFRS 18 Presentation and Disclosure in Financial Statements is effective from January 1, 2027, with retrospective application. IFRS 18 introduces new requirements for presentation in the income statement, aggregation and disaggregation of financial information and

presentation of management-defined performance measures. In addition, there are consequential amendments to several standards, such as IAS 7 Statement of Cash Flows.

The Group is currently working to identify all the effects that the amendments will have on the financial statements and their notes. ASSA ABLOY is also monitoring the outcome of the IFRIC agenda decision on exchange rates in intra-Group balances.

The initial expected material effects on the consolidated financial statements are as follows:

- Exchange differences will be classified in the category in which the related revenue and costs for the item that gives rise to the exchange difference are recognized.
- New disclosures will be added: (a) management’s defined performance measures; (b) specified costs by nature of the costs that are recognized by function in the income statement’s operating category; (c) a reconciliation for each line item in the income statement between the translated amounts recognized under IFRS 18 and the amounts previously recognized under IAS 1.
- Interest received and interest paid will be classified in the investing and financing activities, respectively, in the cash flow statement.

Amendments to IFRS 9 and IFRS 7 - Changes in classification and measurement of financial instruments: In May 2024, the IASB issued amendments that are effective for financial years beginning on or after January 1, 2026, with early application permitted only for the classification of financial assets and related disclosures.

The Group does not expect the amendments to have any material impact on the financial statements.

Consolidated financial statements

The consolidated financial statements include ASSA ABLOY AB (the parent company) and all companies over which the Group has control.

Non-controlling interests

The Group determines on an individual basis for each acquisition whether a non-controlling interest in the acquired company will be recognized at fair value or at the interest’s proportional share of the acquired company’s net assets.

Segment reporting

The most senior executive decision-maker is the President and CEO of the parent company. The divisions form the operational structure for internal control and reporting and also constitute the Group’s segments for external financial reporting. No segments have been aggregated in the Group’s reporting.

The Group’s business is divided into five divisions. Three divisions are based on products sold in local markets in the respective division: EMEA, Americas and Asia Pacific. Global Technologies and Entrance Systems consist of products sold worldwide.

Foreign currency translation

Functional currency corresponds to local currency in each country where Group companies operate. Transactions in foreign currencies are translated to functional currency by application of the exchange rates prevailing on the transaction date. Foreign exchange gains and losses arising from the settlement of such transactions are normally recognized in the income statement, as are those arising from translation of monetary balance sheet items in foreign currencies at the year-end rate. Exceptions are transactions relating to qualifying cash flow hedges, which are recognized in other comprehensive income. Receivables and liabilities are measured at the year-end rate.

In translating the accounts of foreign subsidiaries prepared in functional currencies other than the Group’s presentation currency, all balance sheet items except net income are translated at the year-end rate and net income is translated at the average rate. The income statement is translated at the average rate for the period. Exchange differences arising from the translation of foreign subsidiaries are recognized as

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

Accounts
→ Notes
Five years in summary
Comments on five years in summary
Definitions of key ratios
Board of Directors and CEO assurance
Auditor’s report
Auditor’s limited assurance report on ASSA ABLOY AB (publ)’s sustainability statement
Shareholder information
The ASSA ABLOY share
Information for shareholders
Financial calendar
Contact details

Financial statements | Notes

Note 1 continued

translation differences in other comprehensive income. IAS 29 has been applied since 2023 for ASSA ABLOY’s operations in Turkey, as a business in Turkey was acquired at the end of 2022. The index applied is the consumer price index with base period 2002 from the Turkish Statistical Institute. The revaluation of periods before 2023 is recognized in the translation difference within equity. The application of IAS 29 has not had a material impact on the consolidated financial statements.

The table below shows the weighted average rate and the closing rate for important currencies used in the Group, relative to the Group’s presentation currency (SEK).

Country	Cur- rency	Average rate		Closing rate	
		2024	2025	2024	2025
United Arab Emirates	AED	2.87	2.69	2.99	2.50
Argentina	ARS	0.009	0.008	0.009	0.006
Australia	AUD	6.96	6.34	6.86	6.15
Brazil	BRL	1.96	1.75	1.78	1.65
Canada	CAD	7.70	7.03	7.64	6.70
Switzerland	CHF	12.01	11.82	12.19	11.63
Chile	CLP	0.011	0.010	0.011	0.010
China	CNY	1.47	1.37	1.51	1.31
Czech Republic	CZK	0.45	0.45	0.45	0.44
Denmark	DKK	1.53	1.48	1.54	1.45
Euro zone	EUR	11.41	11.07	11.46	10.80
United Kingdom	GBP	13.49	12.97	13.83	12.39
Hong Kong	HKD	1.35	1.27	1.42	1.18
Hungary	HUF	0.029	0.028	0.028	0.028
Israel	ILS	2.86	2.86	3.00	2.88
India	INR	0.126	0.113	0.129	0.102
Kenya	KES	0.078	0.076	0.085	0.071
South Korea	KRW	0.0077	0.0070	0.0075	0.0063
Mexico	MXN	0.58	0.51	0.54	0.51
Malaysia	MYR	2.32	2.30	2.46	2.27
Norway	NOK	0.98	0.94	0.97	0.91
New Zealand	NZD	6.39	5.72	6.23	5.33
Poland	PLN	2.65	2.61	2.69	2.55
Romania	RON	2.29	2.20	2.30	2.12
Thailand	THB	0.30	0.30	0.32	0.29
Turkey	TRY	0.32	0.25	0.31	0.21
USA	USD	10.55	9.86	10.99	9.17
South Africa	ZAR	0.58	0.55	0.59	0.55

Income statement
In the income statement costs are broken down by function.

Revenue
The Group’s revenue mainly consists of product sales. Service related to products sold represents a limited share of revenue. Revenue for the sale of the Group’s products is recognized at a given point in time when the customer gains control over the product, usually at the time of delivery. ASSA ABLOY also carries out installation services, which are recognized over time. For shorter installation jobs, revenue is recognized in practice upon completion of installation. Revenue from service contracts is recognized over time.

For product sales, a receivable is recognized when the goods have been delivered, since this is usually the point in time when the consideration becomes unconditional. The payment terms for trade receivables differ between geographical markets, types of goods or services, and different customers.

ASSA ABLOY allocates the transaction price for each performance obligation on the basis of a stand-alone selling price. The stand-alone selling price is the price for which the Group would sell the good or service separately to a customer. In cases where a stand-alone selling price is not directly observable, it is usually calculated based on the adjusted market assessment approach or the expected cost plus a margin approach.

Any discounts are allocated proportionately to all performance obligations in the contract, provided there is not observable evidence that the discount does not relate to all performance obligations.

Outstanding performance obligations for contracts with an original expected term of one year or less at the reporting date are recognized at the amount that ASSA ABLOY is entitled to invoice. This is because the Group is entitled to payment from a customer in the amount that directly corresponds to the value to the customer of the entity’s performance achieved at the reporting date.

ASSA ABLOY receives payment in advance from customers to a limited extent. No customer contracts within the Group relating to the sale of goods or services are assessed to contain a significant financing component. The Group does not recognize any contract costs since the Group applies the practical expedient permitted by the standard, under which incremental costs of obtaining a contract are recognized as an expense when incurred if the amortization period of the asset that the Group otherwise would have recognized is one year or less.

Compensation from insurance and litigation is recognized when it is virtually certain that an inflow of resources will occur.

Intra-group sales
Transactions between Group companies are carried out at arm’s length and thus at market prices.

Government grants
Grants relating to assets are recognized after reducing the carrying amount of the asset by the amount of the grant.

Operating expenses
Operating expenses are recognized in their respective functions as follows.

- Cost of goods sold corresponds to direct and indirect costs attributable to sales, such as expenses for merchandise, personnel and consultants, and depreciation of non-current assets in the production process.
- Selling expenses include sales and marketing efforts. The expenses also include personnel and hired consultants, depreciation, travel and marketing and PR-related activities.
- Administrative expenses include expenses that are not directly attributable to sales, manufacturing or purchasing. The expenses include administrative premises and legal and finance functions.
- Research and development costs include costs for the development and production of products that are not capitalizable.

ASSA ABLOY has an established process with well-defined steps to define the research and development phases of the Group’s product development. The process also serves as a tool to assess when expenditure should be expensed or capitalized. Research expenditure is expensed as incurred and consists of feasibility studies, requirements definition and specification. Development expenditure is recognized in the balance sheet to the extent that it is expected to generate future economic benefits and provided such benefits can be reliably measured.

The development phase includes product and process design, industrialization and market preparation. Capitalized expenditure is amortized on a straight-line basis over its estimated useful life, usually 3–5 years. Only expenditure on the development of new products is capitalized, while expenditure on the further development of existing products is expensed as incurred.

Tax on income
The Group recognizes deferred tax assets and tax liabilities for temporary differences, i.e. the difference between the recognized tax bases of assets and liabilities. Deferred tax assets are recognized for tax loss carryforwards when they are expected to be realized within the foreseeable future.

Deferred tax liabilities for temporary differences relating to investments in subsidiaries are not recognized in the consolidated financial statements, since the parent company can control the time at which the temporary differences are reversed, and it is not considered likely that such reversal will occur in the foreseeable future.

The Group measures each uncertain tax position using either the most likely amount or the expected value, based on the method expected to reflect the outcome in the best way. Assessments are reconsidered when there is new information that affects earlier assessments.

Cash flow statement
The cash flow statement has been prepared according to the indirect method.

Cash and cash equivalents
Cash and cash equivalents include cash and bank balances, and short-term financial investments that mature within three months of the acquisition date and are subject to a negligible risk of fluctuation in value.

Goodwill and other acquisition-related intangible assets
Goodwill is allocated to cash-generating units (CGUs), which consist of the Group’s five divisions except for Global Technologies, whose two business units, HID and Global Solutions, each constitute a CGU.

The Group’s CGUs are tested for impairment annually and where there is an indication of a need for impairment. Cash-generating units are subject to systematic annual impairment testing using a valuation model based on discounted future cash flows. Other acquisition-related intangible assets consist chiefly of various types of intangible assets, such as brands, technology and customer relationships. Identifiable acquisition-related intangible assets are initially recognized at fair value at the acquisition date and subsequently at cost less accumulated amortization and impairment losses. Amortization is on a straight-line basis over the estimated useful life and amounts to 5–12 years for

Note 1 continued

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

Accounts

→ Notes

Five years in summary

Comments on five years in summary

Definitions of key ratios

Board of Directors and CEO assurance

Auditor’s report

Auditor’s limited assurance report on
ASSA ABLOY AB (publ)’s sustainability statement

Shareholder information

The ASSA ABLOY share

Information for shareholders

Financial calendar

Contact details

technology and 8–15 years for customer relationships. Acquisition-related intangible assets with an indefinite useful life are tested for impairment annually, and where there is an indication of a need for impairment, in the same way as goodwill.

Other intangible assets

An intangible asset that is not acquisition-related is initially recognized at cost and is amortized over its estimated useful life, usually between three and five years.

Property, plant and equipment

Property, plant and equipment are recognized at cost less accumulated depreciation and impairment losses. Land is not depreciated. For other assets, cost is depreciated on a straight-line basis over the estimated useful life, which for the Group results in the following average depreciation periods:

- Buildings 25–50 years
- Land improvements 10–25 years
- Machinery 7–10 years
- Equipment 3–6 years

Gain or loss on the disposal of property, plant and equipment is recognized in the income statement as ‘Other operating income’ or ‘Other operating expenses’.

Leases

Within the Group there are a large number of current leases for which the Group is the lessee, mostly relating to offices, premises and vehicles. The Group recognizes a right-of-use asset and a lease liability corresponding to the present value of future lease payments in the balance sheet on the day the leased asset is made available for use. In calculating the present value, the Group’s incremental borrowing rate by currency is used. When measuring right-of-use and lease liability, the Group made estimates and assumptions such as whether any options to extend or terminate a lease agreement will be exercised.

After the initial date, the right-of-use asset is measured at cost and depreciated on a straight-line basis over the lease term, or over the period of use of the underlying asset if the lease transfers ownership of the underlying asset to the Group by the end of the lease term. Depreciation is recognized as an expense in profit or loss, while interest expense attributable to the lease liability is recognized in net financial items.

In the cash flow statement, the lease payments are split between interest paid in cash flow from operating

activities and amortization of lease liabilities in financing activities.

Operating cash flow includes amortization of lease liabilities as an operating component.

The Group does not recognize any right of use or lease liability regarding obligations for short-term leases and low-value leases. Lease payments relating to such leases are recognized as operating expenses over the lease term.

Inventories

Inventories are valued in accordance with the ‘first in, first out’ principle at the lower of cost and net realizable value at the reporting date.

Financial assets at amortized cost

Financial assets at amortized cost mainly comprise trade receivables and cash and cash equivalents.

Financial assets at fair value through profit or loss

At the reporting date, this category consists of shares and participations and derivatives with a positive fair value that are not used for hedge accounting.

Financial liabilities at fair value through profit or loss

This category includes derivatives with a negative fair value that are not used for hedge accounting and deferred considerations. Liabilities are measured at fair value on a continuous basis and changes in value are recognized in the income statement.

Significant deferred considerations are discounted to present value. Acquisition-related transaction costs are expensed as incurred.

Financial liabilities at amortized cost

Amortized cost is determined based on the effective interest rate calculated when the loan was raised. Accordingly, surplus values and negative surplus values as well as direct issue expenses are allocated over the term of the loan. Non-current loan liabilities have an anticipated term of more than one year, while current loan liabilities have a term of less than one year.

Recognition and measurement of financial assets and liabilities

Acquisitions and sales of financial assets are recognized on the trade date, the date on which the Group commits to purchase or sell the asset.

Impairment of financial assets

The Group applies the IFRS 9 simplified approach to measuring expected credit losses for trade receivables. The method involves setting aside provisions for expected credit losses on trade receivables and contract assets throughout their lifetime. For calculation of expected credit losses, the trade receivables are grouped based on the number of days past due. Expected credit losses on trade receivables that are not past due are primarily based on actual credit losses from recent years.

Impairment that would be considered for other financial assets that are within the scope of expected credit losses has not been assessed to be material.

Derivative instruments and hedging

Derivative instruments are recognized in the balance sheet at the transaction date and are measured at fair value, both initially and in subsequent revaluations. The method for recognizing profit or loss depends on whether the derivative instrument is designated as a hedging instrument, and if so, the nature of the hedged item. For derivatives not designated as hedging instruments, changes in value are recognized on a continuous basis through profit or loss under financial items, either as income or expense.

The fair value of forward exchange contracts is calculated at net present value based on prevailing forward rates on the reporting date, while interest rate swaps are measured by estimating future discounted cash flows.

For information on the fair value of derivative instruments, see Note 36, ‘Financial risk management and financial instruments’. Derivatives at fair value, with a maturity of more than 12 months, are classified as non-current interest-bearing loans or receivables. Other derivatives are classified as current interest-bearing liabilities and investments respectively.

Fair value hedges

For derivatives that are designated and qualify as fair value hedges, changes in value of both the hedged item and the hedging instrument are recognized on a continuous basis in the income statement (under financial items). Fair value hedges are used to hedge interest rate risk in borrowing linked to fixed interest terms. If the hedge would no longer qualify for hedge accounting, the fair value adjustment of the carrying amount is dissolved through profit or loss over the remaining term using the effective interest method.

Cash flow hedges

For derivatives that are identified as and qualify as cash flow hedges, changes in value of the hedging instrument are recognized on a continuous basis in other comprehensive income for the part relating to the effective portion of the hedges. Gain or loss arising from ineffective portions of derivatives is recognized directly in the income statement under financial items. When a hedging instrument expires, is sold or no longer qualifies for hedge accounting, and accumulated gains or losses relating to the hedge are recognized in equity, these gains/losses remain in equity and are taken to income, while the forecast transaction is finally recognized in the income statement. When a forecast transaction is no longer expected to occur, the accumulated gain or loss recognized in equity is immediately transferred to Other comprehensive income in the income statement. When a forecast transaction is no longer expected to occur, the gain or loss recognized in Other comprehensive income is recognized directly under financial items.

Net investment hedges

For derivatives that are identified as and qualify as net investment hedges, the portion of value changes in fair value designated as effective is recognized in Other comprehensive income. The ineffective portion of the gain or loss is recognized directly in profit or loss for the period under financial items. Accumulated gain or loss in Other comprehensive income is recognized in the income statement when the foreign operation, or part thereof, is sold.

Financial guarantees

Financial guarantees are recognized as financial liabilities when they are issued. The liability is recognized initially at fair value and subsequently at the higher of:

- The amount calculated using the model for expected credit losses in accordance with IFRS 9 Financial Instruments, and
- The amount originally recognized less accumulated accruals, where applicable.

The fair value of financial guarantee contracts is calculated as the present value of the difference between future contractual net cash flows (as per the debt instrument) and the payments that would be demanded without the guarantee. Alternatively, the guarantee contract is measured at the estimated amount that would be paid to a third party for the third party to assume the liability.

Note 1 continued

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

Accounts
→ Notes
Five years in summary
Comments on five years in summary
Definitions of key ratios
Board of Directors and CEO assurance
Auditor's report
Auditor's limited assurance report on ASSA ABLOY AB (publ)'s sustainability statement
Shareholder information
The ASSA ABLOY share
Information for shareholders
Financial calendar
Contact details

Assets and liabilities of disposal group classified as held for sale
Assets and liabilities are classified as held for sale when their carrying amounts will principally be recovered through a sale and when such a sale is considered highly probable. They are recognized at the lower of carrying amount and fair value less selling expenses. As of the reporting date, the Group had no assets or liabilities held for sale.

Equity-based incentive programs
The Group has equity-based remuneration plans in the form of ASSA ABLOY's incentive program. Detailed information about the structure of the various programs can be found in Note 35 Employees. For the long-term incentive program, personnel costs during the vesting period are recognized based on the shares' fair value on the allotment date, that is, when the company and the employees entered into an agreement on the terms and conditions for the program.
Fair value is based on the share price on the allotment date; a reduction in fair value relating to the anticipated dividend has not been made as the participants are compensated for this. The employees pay a price equivalent to the share price on the investment date. The vesting terms are not stock market based and affect the number of shares that ASSA ABLOY will give to the employee on allotment. If an employee stops investing in the program, all remaining personnel costs are recognized in the income statement. Personnel costs for shares relating to the performance-based program are calculated on each accounting date based on an assessment of the probability of the performance targets being achieved. The costs are calculated based on the number of shares that ASSA ABLOY expects to need to settle at the end of the vesting period. When allocating shares, social security costs must be paid in some countries to the value of the employee's benefit. This value is based on fair value on each accounting date and recognized as a provision for social security contributions.
The long-term incentive programs are essentially equity settled and an amount equivalent to the personnel cost is recognized against retained earnings in equity. In the income statement, the personnel cost is allocated to the respective function.

Climate-related issues
ASSA ABLOY has analyzed its climate-related risks and opportunities through two of the scenarios identified by the UN Intergovernmental Panel on Climate Change (IPCC):
• RCP 2.6 – Greenhouse gas emissions decrease radically in the coming decades.
• RCP 6 – Greenhouse gas emissions decrease at an insufficient rate.

See more information on sustainability in the Report of the Board of Directors.

The risks identified include supply chain uncertainty and material shortages. In preparing the consolidated financial information, ASSA ABLOY analyzed the impact of these scenarios on the estimates and assumptions used. The assessment included:
• The impact of climate change on the analysis of impairment indicators and the cash flow projections used in the impairment testing of goodwill and intangible assets with indefinite useful lives. See Note 14 for information about the assumptions used.
• The impact of climate change on the recognition of provisions for environmental commitments.

For 2025, climate change was not assessed as having a material impact on the financial statements or on the estimates and assumptions made in the preparation of the annual report.

Parent company accounting policies
The Group's parent company, ASSA ABLOY AB, is responsible for Group management and provides Group-wide functions. The parent company's revenue consists of intra-Group franchise and royalty revenues. The significant balance sheet items consist of shares in subsidiaries, intra-Group receivables and liabilities, and external borrowing. The parent company has prepared its annual accounts in accordance with the Swedish Annual Accounts Act (1995:1554) and the Swedish Corporate Reporting Board's RFR 2 Accounting for Legal Entities. RFR 2 requires the parent company, in its annual accounts, to apply all the International Financial Reporting Standards (IFRS) endorsed by the EU in so far as this is possible within the framework of the

Annual Accounts Act and with regard to the relationship between accounting and taxation. The recommendation states which exceptions from and additions to IFRS should be made.

Revenue
The parent company's revenue consists of intra-Group franchise and royalty revenues. These are recognized in the income statement as Other operating income to make clear that the parent company has no product sales like other Group companies with external operations.

Dividend
Dividend revenue is recognized when the right to receive payment is considered certain.

Research and development costs
Research and development costs are expensed as incurred, with the exception of large product development projects which have been capitalized.

Intangible assets
Intangible assets comprise patented technology and other intellectual property rights. Intangible assets are amortized over a maximum of five years, except for acquisition-related intangible assets, which are amortized over 5–10 years.

Property, plant and equipment
Property, plant and equipment owned by the parent company are recognized at cost less accumulated depreciation and any impairment losses in the same way as for the Group. They are depreciated over their estimated useful life, which entails 5–10 years for equipment and 3–5 years for IT equipment.

Trade receivables
Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method. The parent company applies the IFRS 9 simplified approach to measuring expected credit losses for trade receivables. However, the expected credit losses attributable to the parent company's trade receivables have been assessed to be immaterial.

Pension obligations
The parent company's pension obligations are recognized in accordance with the simplification rule in RFR 2, which means that defined benefit pensions are recognized as a defined contribution plan, and are covered by taking out insurance with an insurance company.

Leases
The parent company recognizes leases in accordance with RFR 2, which means that lease payments are expensed in a straight line over the lease term.

Shares in subsidiaries
Shares in subsidiaries are recognized at cost less impairment plus acquisition costs. When there is an indication that the value of shares and interests in subsidiaries or associates has fallen, the recoverable amount is calculated. If this is lower than the carrying amount, an impairment loss is recognized. Impairment losses are recognized in Financial expenses in the income statement.

Group contributions
The parent company recognizes Group contributions in accordance with RFR 2. Group contributions received and paid are recognized under appropriations in the income statement. The tax effect of Group contributions is recognized in accordance with IAS 12 in the income statement.

Contingent liabilities
The parent company has provided guarantees to the benefit of its subsidiaries. Such an obligation is classified as a financial guarantee in accordance with IFRS. For these guarantees, the parent company applies the alternative rule in RFR 2, reporting these guarantees as a contingent liability.

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

Accounts

→ Notes

Five years in summary

Comments on five years in summary

Definitions of key ratios

Board of Directors and CEO assurance

Auditor’s report

Auditor’s limited assurance report on
ASSA ABLOY AB (publ)’s sustainability statement

Shareholder information

The ASSA ABLOY share

Information for shareholders

Financial calendar

Contact details

Note 2 Revenue from contracts with customers and segment information

Disaggregation of revenue from contracts with customers

Sales by product group

SEK M	EMEIA		Americas		Asia Pacific		Global Technologies		Entrance Systems		Other items		Group	
	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025
Mechanical locks, lock systems and fittings	11,518	11,270	21,769	20,240	5,135	4,570	443	431	7	7	–874	–750	37,999	35,768
Electromechanical and electronic locks	8,401	9,451	10,740	10,582	1,636	1,497	23,708	25,631	1,231	1,168	–853	–813	44,864	47,517
Security doors and hardware	4,774	4,883	11,718	12,544	2,257	2,023	28	15	4,359	4,822	–182	–187	22,955	24,099
Entrance automation	405	218	113	122	92	55	–	–	43,852	44,718	–119	–89	44,344	45,024
Total	25,098	25,822	44,340	43,489	9,120	8,145	24,179	26,077	49 451	50,715	–2,027	–1,839	150,162	152,409

Sales by continent

SEK M	EMEIA		Americas		Asia Pacific		Global Technologies		Entrance Systems		Other items		Group	
	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025
Europe	21,475	22,312	87	58	686	578	6,844	7,696	19,166	20,336	–1,000	–905	47,257	50,075
North America	681	748	39,951	39,288	2,122	2,196	11,377	12,811	26,765	26,539	–541	–443	80,354	81,139
Central and South America	106	88	3,891	3,750	52	30	793	649	284	309	–55	–49	5,071	4,777
Africa	1,045	1,032	7	9	7	14	932	502	75	101	–42	–38	2,025	1,620
Asia	1,641	1,474	372	357	3,518	2,867	3,013	3,235	1,647	1,762	–239	–241	9,952	9,454
Oceania	150	168	32	27	2,736	2,460	1,221	1,184	1 514	1,668	–150	–163	5,503	5,344
Total	25,098	25,822	44,340	43,489	9,120	8,145	24,179	26,077	49 451	50,715	–2,027	–1,839	150,162	152,409

See also segment information in the Reporting by division section on page 114.

Customer sales by country

SEK M	Group	
	2024	2025
USA	71,151	72,621
United Kingdom	6,676	7,105
France	7,077	6,839
Germany	5,743	6,666
Canada	6,440	6,174
Sweden	5,035	5,200
Australia	4,392	4,417
Netherlands	3,121	3,423
Mexico	2,763	2,344
Brazil	2,291	2,179
Switzerland	1,957	2,118
Spain	1,876	2,114
China	2,582	2,099
Finland	1,840	1,931

SEK M	Group	
	2024	2025
Belgium	1,876	1,856
Italy	1,464	1,739
Poland	1,557	1,725
Denmark	1,741	1,634
India	1,252	1,316
Norway	1,310	1,289
Austria	1,046	1,232
South Korea	1,238	1,117
Ireland	903	1,059
United Arab Emirates	879	954
New Zealand	1,044	893
South Africa	771	796
Czech Republic	617	697
Turkey	566	556

SEK M	Group	
	2024	2025
Chile	482	507
Saudi Arabia	566	500
Singapore	504	490
Hong Kong	452	454
Japan	344	454
Portugal	389	448
Israel	382	441
Colombia	397	334
Hungary	311	325
Peru	374	315
Taiwan	303	302
Romania	305	296
Estonia	285	289
Croatia	306	276

Non-current assets in each country

Breakdown of non-current assets by geographical area, excluding financial instruments, deferred tax assets and assets related to post-employment benefits.

SEK M	2024	2025
USA	91,416	79,416
Sweden	17,785	17,164
United Kingdom	6,559	7,697
France	5,097	4,676
Canada	2,389	4,615
Switzerland	4,666	4,187
Germany	2,703	4,168
Australia	4,162	3,732
China	3,419	3,221
Austria	3,857	3,118
Other countries	22,301	24,057
Total	164,353	156,051

SEK M	Group	
	2024	2025
Thailand	259	267
Guatemala	253	256
Costa Rica	239	242
Malaysia	170	229
Philippines	219	208
Latvia	105	149
Slovakia	134	139
Luxembourg	132	138
Other countries	4,043	3,255
Total	150,162	152,409

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

- Accounts
- Notes
- Five years in summary
- Comments on five years in summary
- Definitions of key ratios
- Board of Directors and CEO assurance
- Auditor’s report
- Auditor’s limited assurance report on ASSA ABLOY AB (publ)’s sustainability statement
- Shareholder information
 - The ASSA ABLOY share
 - Information for shareholders
 - Financial calendar
 - Contact details

Note 2 continued

Revenue recognition
Of the Group’s revenue in 2025, SEK 22,781 M (22,197) has been recognized over time, while SEK 129,628 M (127,965) related to commitments transferred at a certain point in time. The breakdown by segment was as follows:

EMEIA: SEK 4,207 M (3,838) and SEK 20,995 M (20,609), respectively.
Americas: SEK 1,071 M (944) and SEK 42,281 M (43,268), respectively.
Asia Pacific: SEK 49 M (25) and SEK 7,318 M (8,175), respectively.
Global Technologies: SEK 8,600 M (8,928) and SEK 17,260 M (15,027), respectively.
Entrance Systems: SEK 8,854 M (8,461) and SEK 41,773 M (40,886), respectively.

Contract assets and contract liabilities
The Group recognizes the following revenue-related contract assets and contract liabilities:

	Group	
SEK M	2024	2025
Accrued revenue	1,104	1,152
Total	1,104	1,152

	Group	
SEK M	2024	2025
Non-current advances from customers and deferred revenue	78	72
Current advances from customers and deferred revenue	3,982	3,547
Total	4,060	3,619

Contract assets increased by SEK 48 M during the year, of which acquired companies contributed SEK 19 M. Contract liabilities decreased by SEK 441 M. Acquired and divested companies resulted in a net decrease in contract liabilities of SEK 53 M during the year. The total contract liability at December 31, 2024 of SEK 4,060 M was largely recognized as income in 2025.

Remaining performance obligations
The total transaction price allocated to unsatisfied performance obligations at the reporting date amounts to SEK 22,827 M. Of this amount, SEK 21,280 M is expected to be recognized as revenue in 2026, while

SEK 1,547 M is expected to be recognized as revenue in 2027 or later.
At December 31, 2024, the total transaction price allocated to unsatisfied performance obligations was SEK 25,885 M.

Segment assets and liabilities

	EMEIA		Americas		Asia Pacific		Global Technologies		Entrance Systems		Other items		Group	
SEK M	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025
Segment assets	29,023	30,383	78,466	68,052	11,661	10,095	36,418	37,210	58,342	55,170	4,738	3,033	218,648	203,944
- of which goodwill	14,552	15,500	36,524	32,219	5,582	4,874	21,504	22,260	28,711	26,265	–	–	106,874	101,119
Unallocated assets													4,957	4,428
Total assets													223,605	208,371
Segment liabilities	7,472	7,366	12,877	10,807	2,757	2,822	7,159	7,410	14,435	13,969	68,679	59,735	113,379	102,109
Unallocated liabilities													3,146	4,544
Total													116,525	106,652

	Group		Parent company	
SEK M	2024	2025	2024	2025
Audit assignment				
EY	83	88	15	18
Misc.	52	50	–	–
Audit-related services in addition to audit assignment				
EY	0	0	0	0
Tax advice				
EY	4	2	–	–
Misc.	27	17	3	2
Other services				
EY	9	4	5	1
Misc.	70	33	1	1
Total	245	195	23	22

The auditors’ fee for EY in Sweden during the year was SEK 22 M (22) and the fee for extra services was SEK 1 M (0).

	Group	
SEK M	2024	2025
Change in insurance reserve	75	79
Remeasurement of deferred considerations	46	140
Profit on sales of non-current assets	107	82
Business-related taxes	–29	–40
Transaction expenses from acquisitions	–307	–322
Exchange differences	–107	–150
Other, net	231	–170
Total	17	–381

In addition to the above, the significant item Capital gain on divestment of subsidiaries is recognized separately in the income statement.

Parent company
Other operating income in the parent company consists mainly of franchise and royalty revenues from subsidiaries.

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

Accounts

→ Notes

Five years in summary

Comments on five years in summary

Definitions of key ratios

Board of Directors and CEO assurance

Auditor’s report

Auditor’s limited assurance report on
ASSA ABLOY AB (publ)’s sustainability statement

Shareholder information

The ASSA ABLOY share

Information for shareholders

Financial calendar

Contact details

Note 5 Share of earnings in associates

SEK M	Group	
	2024	2025
Goal Co., Ltd	22	12
PT Jasuindo Arjo Wiggins Security	12	–
Saudi Crawford Doors Ltd	6	14
Skidata Parking System Ltd	2	8
Misc.	4	–5
Total	45	28

Note 6 Recognition of leases for the parent company

The parent company recognizes leases in accordance RFR 2, which means that lease payments are expensed in a straight line over the lease term. Leases in the parent company mainly relate to rented premises and cars.

SEK M	Parent company	
	2024	2025
Lease payments during the year	19	43
Total	19	43
Nominal value of agreed future lease payments:		
Due for payment in:		
(2025) 2026	25	42
(2026) 2027	23	35
(2027) 2028	15	22
(2028) 2029	11	21
(2029) 2030	11	9
Total	85	129

Note 7 Expenses by nature and function

In the income statement expenses are broken down by function. The expenses per function broken down into the main natures are shown below.

SEK M	Group	
	2024	2025
Remuneration of employees (Note 35)	45,184	47,980
Direct material costs	50,542	49,978
Depreciation, amortization and impairment (Notes 8, 14, 15)	5,645	6,081
Other purchase expenses	24,602	24,638
Total	125,974	128,677

Note 8 Depreciation, amortization and impairment

SEK M	Group		Parent company	
	2024	2025	2024	2025
Intangible assets	1,865	2,168	1,089	1,022
Machinery	917	901	–	–
Equipment	606	621	17	16
Buildings	350	318	–	–
Land improvements	7	5	–	–
Right-of-use assets	1,900	2,069	–	–
Total	5,645	6,081	1,105	1,038

Note 9 Exchange differences in the income statement

SEK M	Group		Parent company	
	2024	2025	2024	2025
Exchange differences recognized in operating income	–82	–150	19	–17
Exchange differences recognized in financial expenses	29	–28	–3	4
Total	–53	–178	16	–13

Note 10 Financial income

SEK M	Group		Parent company	
	2024	2025	2024	2025
Dividends received from subsidiaries	–	–	6,008	8,676
Dividends received from associates and other shares and interests	0	0	3	2
Capital gain/loss on sale of subsidiaries	–	–	0	–
Fair value adjustments of shares and interests	–	–	–	–
Intra-Group interest income	–	–	1,489	1,563
External interest income and similar items	119	85	0	0
Other financial income	13	14	0	–
Total	133	99	7,500	10,242

Note 11 Financial expenses

SEK M	Group		Parent company	
	2024	2025	2024	2025
Interest expenses ¹	–3,136	–2,981	–3,091	–2,590
Interest expenses on lease liabilities	–275	–300	–	–
Interest expenses on pension provisions, net	–56	–35	–	–
Exchange differences on financial items	29	–28	–3	4
Other financial expenses	–77	–83	–23	–34
Total	–3,515	–3,428	–3,117	–2,620

¹ Of which SEK 152 M (–244) is attributable to changes in value of derivative instruments, not hedge accounting, for the Group.

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

- Accounts
 - Notes
- Five years in summary
- Comments on five years in summary
- Definitions of key ratios
- Board of Directors and CEO assurance
- Auditor’s report
- Auditor’s limited assurance report on ASSA ABLOY AB (publ)’s sustainability statement
- Shareholder information
 - The ASSA ABLOY share
 - Information for shareholders
 - Financial calendar
 - Contact details

Note 12 Tax on income

SEK M	Group		Parent company	
	2024	2025	2024	2025
Current tax	−4,919	−4,765	−580	−522
Tax attributable to prior years	−206	254	0	0
Foreign Coupon Tax	−46	−58	−3	−4
Deferred tax	−102	−546	2	1
Total	−5,272	−5,115	−581	−525

Explanation for the difference between nominal Swedish tax rate and effective tax rate based on income before tax:

SEK M	Group		Parent company	
	2024	2025	2024	2025
Swedish rate of tax on income	21	21	21	21
Effect of foreign tax rates	3	3	1	2
Non-taxable income/non-deductible expenses	1	2	−15	−17
Exercised/new, not yet measured tax loss carryforwards	1	1	−	−
Tax attributable to prior years	−1	−1	−	−
Items affecting comparability (see Note 13)	0	1	−	−
Other items	0	−1	−	−
Effective tax rate in income statement	25	26	7	5

OECD Pillar Two model rules

ASSA ABLOY is subject to the OECD Pillar Two model rules. The legislation requires the Group to pay an additional tax on the difference between their GloBE effective tax rate per jurisdiction and the minimum tax rate of 15 percent. Pillar Two legislation has entered into force in Sweden, the jurisdiction where ASSA ABLOY is registered.

The Group applies the exemption to recognize and disclose deferred tax assets and tax liabilities related to income taxes from Pillar Two, as set out in the amendments to IAS 12 issued in May 2023.

ASSA ABLOY has evaluated its exposure to Pillar Two legislation for the 2025 financial year. Based on this, the total additional tax levied for the 2025 financial year is insignificant.

A majority of the entities in the Group have an effective tax rate exceeding 15 percent, for which reason ASSA ABLOY is only subject to additional tax on operations in a few jurisdictions. These jurisdictions are mostly jurisdictions with a nominal corporate tax rate below 15 percent, or jurisdictions with a nominal corporate tax rate of around 15 percent. This is on account of the effect of specific adjustments resulting from Pillar Two legislation, which give rise to different effective tax rates from those calculated in accordance with paragraph 86 of IAS 12.

Note 13 Earnings per share

SEK M	Group	
	2024	2025
Earnings attributable to the parent company’s shareholders	15,639	14,701
Net profit	15,639	14,701
Weighted average number of shares issued (thousands)	1,110,776	1,110,776
Earnings per share (SEK)	14.08	13.23

None of the Group’s outstanding long-term incentive programs are expected to result in significant dilution in the future.

SEK M	Group	
	2024	2025
Earnings attributable to the parent company’s shareholders	15,639	14,701
Items affecting comparability		
Capital gain/loss from the divestment of Emtek and Smart Residential, including exit costs	21	228
Tax effect of the capital gain/loss from the divestment of Emtek and Smart Residential, including exit costs	−5	−58
Restructuring costs	−	1,284
Tax effect of restructuring costs	−	−223
Total items affecting comparability after tax	15	1,231
- of which items affecting comparability before tax	21	1,513
- of which tax effect of items affecting comparability	−5	−281
Net profit excluding items affecting comparability	15,654	15,932
Weighted average number of shares issued (thousands)	1,110,776	1,110,776
Earnings per share excluding items affecting comparability (SEK)	14.09	14.34

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

Accounts
→ Notes
Five years in summary
Comments on five years in summary
Definitions of key ratios
Board of Directors and CEO assurance
Auditor’s report
Auditor’s limited assurance report on ASSA ABLOY AB (publ)’s sustainability statement
Shareholder information
The ASSA ABLOY share
Information for shareholders
Financial calendar
Contact details

Note 14 Intangible assets

2025, SEK M	Group				Parent company
	Goodwill	Brands	Other intangible assets	Total	Intangible assets
Opening accumulated acquisition cost	113,593	28,958	24,346	166,896	11,971
Purchasing	–	–	363	363	7
Acquisitions of subsidiaries	7,745	2,310	3,428	13,483	–
Divestments of subsidiaries	–	0	–392	–392	–
Sales, disposals and adjustments	–	–	–1,019	–1,019	–
Reclassifications	–	–	24	24	–
Exchange rate differences	–14,413	–4,164	–3,118	–21,695	–
Closing accumulated acquisition cost	106,926	27,103	23,631	157,660	11,978
Opening accumulated amortization/impairment	–6,719	–1,421	–13,351	–21,491	–10,275
Divestments of subsidiaries	–	0	385	385	–
Sales, disposals and adjustments	–	–	1,004	1,004	–
Amortization	–	–1	–2,062	–2,064	–1,022
Impairment	–	–	–104	–104	–
Impairment recognized in restructuring reserve	–	–	0	0	–
Reclassifications	–	–	0	0	–
Exchange rate differences	913	184	1,472	2,568	–
Closing accumulated amortization/impairment	–5,806	–1,238	–12,657	–19,702	–11,298
Carrying amount	101,119	25,865	10,973	137,958	680

2024, SEK M	Group				Parent company
	Goodwill	Brands	Other intangible assets	Total	Intangible assets
Opening accumulated acquisition cost	99,092	25,433	21,675	146,200	11,962
Purchasing	–	0	278	279	9
Acquisitions of subsidiaries	8,474	1,436	1,293	11,203	–
Divestments of subsidiaries	–151	–	–	–151	–
Sales, disposals and adjustments	–	–	–353	–353	–
Reclassifications	–	1	34	35	–
Exchange rate differences	6,177	2,086	1,420	9,683	–
Closing accumulated acquisition cost	113,593	28,958	24,346	166,896	11,971
Opening accumulated amortization/impairment	–6,219	–1,322	–10,956	–18,496	–9,187
Acquisitions of subsidiaries	–30	–3	–64	–98	–
Divestments of subsidiaries	–	–	–	–	–
Sales, disposals and adjustments	–	0	225	225	–
Amortization	–	–1	–1,857	–1,859	–1,089
Impairment	–	–	–6	–6	–
Impairment recognized in restructuring reserve	–	–	–	–	–
Reclassifications	–	0	5	5	–
Exchange rate differences	–469	–95	–699	–1,263	–
Closing accumulated amortization/impairment	–6,719	–1,421	–13,351	–21,491	–10,275
Carrying amount	106,874	27,537	10,995	145,405	1,695

Other intangible assets consist mainly of customer relations and technology. The carrying amount of intangible assets with an indefinite useful life, excluding goodwill, amounts to SEK 25,789 M (27,456) and relates to brands.

Useful life has been defined as indefinite where the time period, during which an asset is deemed to contribute economic benefits, cannot be determined.

Impairment testing of goodwill and intangible assets with indefinite useful life

Goodwill and intangible assets with an indefinite useful life are allocated to the Group's Cash Generating Units (CGUs). Since 2023, the Group has had six CGUs, equivalent to the Group's five divisions except for Global Technologies, whose two business units, HID and Global Solutions, each constitute a CGU. As a result of the acquisitions and strategy in recent years, Global Solutions and HID have started to differ in terms of business model and technology, and their cash flows have become more distinct from each other.

For each Cash Generating Unit, the Group tests goodwill and intangible assets with an indefinite useful life for impairment annually and when events or circumstances indicate that the carrying amount may not be recoverable. Recoverable amounts for Cash Generating Units have been determined by calculating value in use. These calculations are based on estimated future cash flows, which in turn are based on financial forecasts for a five-year period. Cash flows beyond the forecast period are extrapolated using estimated growth rates according to the information below.

- Material assumptions used to calculate values in use:**
- Forecast operating margin.
 - Growth rate for extrapolating cash flows beyond the forecast period.
 - Discount rate after tax used for estimated future cash flows.

Management has determined the forecast operating margin based on previous results and expectations of future market development. A growth rate of 3 percent (3) has been used for all CGUs to extrapolate cash flows beyond the forecast period. This growth rate is considered to be a conservative estimate. Further, an average discount rate in local currency after tax has been used in the calculations. The difference in value compared

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

Accounts

→ Notes

Five years in summary

Comments on five years in summary

Definitions of key ratios

Board of Directors and CEO assurance

Auditor's report

Auditor's limited assurance report on ASSA ABLOY AB (publ)'s sustainability statement

Shareholder information

- The ASSA ABLOY share
- Information for shareholders
- Financial calendar
- Contact details

Note 14 continued

with using a discount rate before tax is not deemed to be material. The discount rate has been determined by calculating the weighted average cost of capital (WACC) for each Cash Generating Unit.

The impact of climate-related risks on future cash flows has also been considered at CGU level, including commitments for capital and operating expenditure. No significant financial impact on the current year's impairment assessment was identified.

2025

A discount rate after tax of 8.0 percent has been used for all Cash Generating Units. No impairment was recognized for goodwill and other intangible assets during the year.

Below is a summary of goodwill and intangible as-sets with indefinite useful lives allocated to each CGU:

2025, SEK M	EMEIA	Americas	Asia Pacific	HID	Global Solutions	Entrance Systems	Total
Goodwill	15,500	32,219	4,874	16,029	6,231	26,265	101,119
Intangible assets with indefinite useful life	851	14,656	1,135	1,347	768	7,032	25,789
Total	16,351	46,876	6,009	17,376	6,999	33,297	126,908

2024

A discount rate after tax of 8.0 percent has been used for all Cash Generating Units. No impairment was recognized for goodwill and other intangible assets during the year.

Below is a summary of goodwill and intangible as-sets with indefinite useful lives allocated to each CGU:

2024, SEK M	EMEIA	Americas	Asia Pacific	HID	Global Solutions	Entrance Systems	Total
Goodwill	14,552	36,524	5,582	17,154	4,350	28,711	106,874
Intangible assets with indefinite useful life	469	17,335	1,277	1,356	273	6,746	27,456
Total	15,021	53,859	6,860	18,510	4,623	35,457	134,330

Sensitivity analysis

A sensitivity analysis has been carried out for each Cash Generating Unit. The results of this analysis are summarized below.

2025

If the estimated operating margin after the end of the forecast period had been one percentage point lower than the management's estimate, the total recoverable amount would have been 5 percent lower (EMEIA 6 percent, Americas 4 percent, Asia Pacific 9 percent, HID 5 percent, Global Solutions 5 percent, and Entrance Systems 5 percent).

If the estimated growth rate used to extrapolate cash flows beyond the forecast period had been one percentage point lower than the basic assumption of 3 percent, the total recoverable amount would have been 13 percent lower (EMEIA 13 percent, Americas 13 percent, Asia Pacific 13 percent, HID 13 percent, Global Solutions 13 percent, and Entrance Systems 13 percent).

If the estimated weighted capital cost used for the Group's discounted cash flows had been one percent-age point higher than the basic assumption of 8.0 per-cent, the total recoverable amount would have been 17 percent lower (EMEIA 17 percent, Americas 17 percent, Asia Pacific 17 percent, HID 17 percent, Global Solutions 17 percent, and Entrance Systems 17 percent).

These calculations are hypothetical and should not be viewed as an indication that these factors are any more or less likely to change. The sensitivity analysis should therefore be interpreted with caution.

None of the hypothetical cases above would lead to an impairment of goodwill in an individual Cash Generating Unit.

2024

If the estimated operating margin after the end of the forecast period had been one percentage point lower than the management's estimate, the total recoverable amount would have been 5 percent lower (EMEIA 6 percent, Americas 4 percent, Asia Pacific 9 percent, HID 5 percent, Global Solutions 5 percent, and Entrance Systems 5 percent).

If the estimated growth rate used to extrapolate cash flows beyond the forecast period had been one percentage point lower than the basic assumption of 3 percent, the total recoverable amount would have been 13 percent lower (EMEIA 13 percent, Americas 13 percent, Asia Pacific 13 percent, HID 13 percent, Global Solutions 13 percent, and Entrance Systems 13 percent).

If the estimated weighted capital cost used for the Group's discounted cash flows had been one percent-age point higher than the basic assumption of 8.0 per-cent, the total recoverable amount would have been 17 percent lower (EMEIA 17 percent, Americas 17 percent, Asia Pacific 17 percent, HID 17 percent, Global Solutions 17 percent, and Entrance Systems 17 percent).

These calculations are hypothetical and should not be viewed as an indication that these factors are any more or less likely to change. The sensitivity analysis should therefore be interpreted with caution.

None of the hypothetical cases above would lead to an impairment of goodwill in an individual Cash Generating Unit.

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

- Accounts
 - Notes
- Five years in summary
- Comments on five years in summary
- Definitions of key ratios
- Board of Directors and CEO assurance
- Auditor's report
- Auditor's limited assurance report on ASSA ABLOY AB (publ)'s sustainability statement
- Shareholder information
 - The ASSA ABLOY share
 - Information for shareholders
 - Financial calendar
 - Contact details

Note 15 Property, plant and equipment

2025, SEK M	Group						Parent company
	Buildings	Land and land improvements	Machinery	Equipment	Construction in progress	Total	Equipment
Opening accumulated acquisition cost	9,282	1,405	14,805	6,641	1,266	33,400	155
Purchasing	115	9	410	507	1,369	2,411	9
Acquisitions of subsidiaries	96	16	47	196	44	399	–
Divestments of subsidiaries	–319	–	–199	–43	–3	–563	–
Sales and disposals	–154	–25	–651	–765	–14	–1,609	–
Reclassifications	206	15	631	150	–966	35	–
Exchange rate differences	–1,077	–143	–2,067	–932	–185	–4,404	–
Closing accumulated acquisition cost	8,150	1,278	12,976	5,755	1,511	29,669	164
Opening accumulated depreciation/impairment	–5,109	–143	–10,515	–4,980	–	–20,747	–128
Divestments of subsidiaries	85	–	172	39	–	296	–
Sales and disposals	161	3	640	727	–	1,531	–
Depreciation	–309	–5	–873	–603	–	–1,790	–16
Impairment	–9	–	–4	–10	–	–23	–
Impairment recognized in restructuring reserve	0	0	–23	–7	–	–31	–
Reclassifications	–16	–	–1	–3	–	–20	–
Exchange rate differences	613	11	1,550	749	–	2,923	–
Closing accumulated depreciation/impairment	–4,583	–135	–9,056	–4,088	–	–17,862	–144
Carrying amount	3,566	1,143	3,920	1,667	1,511	11,807	20

2024, SEK M	Group						Parent company
	Buildings	Land and land improvements	Machinery	Equipment	Ongoing in progress	Total	Equipment
Opening accumulated acquisition cost	8,369	1,284	12,949	6,007	1,456	30,066	151
Purchasing	100	0	412	499	1,273	2,283	11
Acquisitions of subsidiaries	239	21	444	230	8	942	–
Divestments of subsidiaries	–	–	–2	–42	–	–43	–
Sales and disposals	–387	–14	–794	–613	–64	–1,871	–6
Reclassifications	412	23	823	189	–1,484	–37	–
Exchange rate differences	549	91	973	372	77	2,062	–
Closing accumulated acquisition cost	9,282	1,405	14,805	6,641	1,266	33,400	155
Opening accumulated amortization/impairment	–4,616	–127	–9,354	–4,508	–	–18,606	–118
Acquisitions of subsidiaries	–95	–1	–238	–150	–	–484	–
Divestments of subsidiaries	0	–	2	28	–	30	–
Sales and disposals	271	0	759	578	–	1,609	6
Depreciation	–345	–7	–898	–571	–	–1,821	–17
Impairment	–5	–	–21	–33	–	–59	–
Impairment recognized in restructuring reserve	0	–	2	–2	–	0	–
Reclassifications	–1	–2	–12	12	–	–3	–
Exchange rate differences	–318	–6	–756	–333	–	–1,413	–
Closing accumulated amortization/impairment	–5,109	–143	–10,515	–4,980	–	–20,747	–128
Carrying amount	4,173	1,262	4,290	1,662	1,266	12,653	27

Note 16 Right-of-use assets

The following amounts regarding right-of-use assets are recognized in the balance sheet.

SEK M	Group	
	2024	2025
Buildings	4,807	4,917
Machinery	31	29
Vehicles	1,302	1,254
Other equipment	155	87
Total	6,295	6,287

Additions to right-of-use assets for 2025 amounted to SEK 3,055 M (2,689).

The following amounts related to leases are recognized in the income statement:

SEK M	Group	
	2024	2025
Depreciation attributable to right-of-use assets:		
Buildings	–1,352	–1,444
Machinery	–12	–12
Vehicles	–491	–569
Other equipment	–45	–43
Operating expenses attributable to:		
Short-term leases	–66	–65
Leases of low-value assets	–12	–12
Variable lease payments not included in lease liabilities	–23	–13
Interest expenses relating to:		
Lease liabilities	–275	–300
Total	–2,275	–2,458

The total cash flow attributable to leases in 2025 was SEK 2,268 M (2,072).

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

Accounts

→ Notes

Five years in summary

Comments on five years in summary

Definitions of key ratios

Board of Directors and CEO assurance

Auditor’s report

Auditor’s limited assurance report on
ASSA ABLOY AB (publ)’s sustainability statement

Shareholder information

The ASSA ABLOY share

Information for shareholders

Financial calendar

Contact details

Note 17 Shares in subsidiaries

Company name	Corporate identity number, Registered office	Parent company		
		Number of shares	Share of equity, %	Carrying amount, SEK M
ASSA Sverige AB	556061-8455, Eskilstuna	70	100	197
ASSA ABLOY Entrance Systems AB	556204-8511, Landskrona	1,000	100	287
ASSA ABLOY Global Solutions AB	556666-0618, Stockholm	1,306,891	100	475
ASSA ABLOY Kredit AB	556047-9148, Stockholm	400	100	6,036
ASSA ABLOY Holding AB	559180-8646, Stockholm	6,500	100	7,813
ASSA ABLOY Försäkrings AB	516406-0740, Stockholm	60,000	100	185
ASSA ABLOY Asia Holding AB	556602-4500, Stockholm	1,000	100	2,001
ASSA ABLOY OY	1094741-7, Joensuu	800,000	100	4,257
ASSA ABLOY Norge AS	979207476, Moss	150,000	100	538
ASSA ABLOY Danmark A/S	CVR 10050316, Herlev	60,500	100	376
ASSA ABLOY Deutschland GmbH	HR B 66227, Berlin	1	100	1,086
ASSA ABLOY Nederland Holding B.V.	52153924, Raamsdonksveer	180	100	771
ASSA ABLOY France SAS	412140907, R.C.S. Versailles	15,184,271	100	1,964
HID Global Switzerland S.A.	CH-232-0730018-2, Granges	2,500	100	47
ASSA ABLOY Entrance Systems Austria GmbH	A-2320 Schwechat	1	100	109
ASSA ABLOY Ltd	2096505, Willenhall	1,330,000	100	3,091
Mul-T-Lock Ltd	520036583, Yavne	13,787,856	100	901
ASSA ABLOY Holdings (SA) Ltd	1948/030356/06, Roodepoort	100,220	100	447
ASSA ABLOY Inc	039347-83, Oregon	100	100	9,157
ABLOY Canada Inc.	1148165260, Montreal	1	100	0
ASSA ABLOY of Canada Ltd	104722749 RC0003, Ontario	9,621	100	511
ASSA ABLOY Australia Pacific Pty Ltd	ACN 095354582, Oakleigh, Victoria	48,190,000	100	844
Cerramex, S.A de C.V	CER8805099Y6, Mexico City	4	0 ¹	0
ASSA ABLOY Mexico, S.A de CV	AAM961204CI1, Mexico City	50,108,549	100	1,329
Cerraduras y Candados Phillips S.A de C.V	CCP910506LK2, Mexico City	112	0 ¹	0
ASSA ABLOY Colombia S.A.S	860009826-8, Bogota	3,115,080	100	203
ASSA ABLOY Asia Pacific Ltd	53451, Hong Kong	999,999	99 ¹	72
ASSA ABLOY Entrance Systems IDDS AB	556071-8149, Landskrona	25,000,000	100	5,323
ASSA ABLOY Portugal, Unipessoal, Lda (Portugal)	PT500243700, Alfragide	1	100	23
ASSA ABLOY Holding Italia S.p.A.	IT01254420597, Rome	650,000	100	1,019
HID SA (Argentina)	CUIT 30-61783980-2, Buenos Aires	240	2 ¹	0
HID Global SAS	FR21341213411, Nanterre	1,000,000	100	2,672
ASSA ABLOY East Africa Ltd	C.20402, Nairobi	13,500	100	90
Omni-ID Ltd	6163600, Bristol	2,200,000	100	26
ASSA ABLOY Industrietore GmbH	574125b, Schwechat	1,000	100	0
HID Ireland Limited	752101, Galway	1,000,000	100	88
Total				51,938

¹ The Group's holdings amount to 100 percent.

Note 18 Investments in associates

Company name	Country of registration	Number of shares	Share of equity 2024, %	Group		
				Share of equity 2025, %	Carrying amount 2024, SEK M	Carrying amount 2025, SEK M
Goal Co., Ltd	Japan	2,778,790	46	46	571	491
PT Jasuindo Arjo Wiggins Security	Indonesia	1,533,412	49	–	61	–
APT Skidata Ltd	United Kingdom	2,600	26	26	6	36
Skidata (India) Private Ltd	India	9,608	49	–	22	–
Skidata Parking System Ltd	United Kingdom	2,600	26	26	30	30
SARA Loading Bay Ltd	United Kingdom	4,990	50	–	14	–
Saudi Crawford Doors Ltd	Saudi Arabia	800	40	40	5	5
Misc.					1	2
Total					710	564

Note 19 Deferred tax

SEK M	Group	
	2024	2025
Deferred tax assets		
Non-current assets	274	1,036
Pensions	297	241
Tax loss carryforwards etc.	75	26
Leases	1,402	1,315
Other deferred tax assets	1,492	3,136
Offset deferred tax assets	–1,444	–4,021
Deferred tax assets	2,097	1,735
Deferred tax liabilities		
Non-current assets	2,155	6,176
Pensions	161	174
Leases	1,341	1,258
Other deferred tax liabilities	1,110	435
Offset deferred tax liabilities	–1,444	–4,021
Deferred tax liabilities	3,322	4,022
Deferred tax assets, net	–1,225	–2,287

Change in deferred tax	Group	
	2024	2025
SEK M		
Opening balance	–1,128	–1,225
Acquisitions and divestments	27	–652
Recognized in income statement	–102	–546
Actuarial gain/loss on post-employ- ment benefit obligations	48	–66
Exchange differences	–70	203
Closing balance	–1,225	–2,287

The Group's total tax loss carryforwards amount to SEK 7,861 M, of which SEK 7,578 M (7,102) are tax loss carryforwards for which deferred tax assets have not been measured, as the extent to which it is likely that future taxable profit will be available against which the tax loss carryforwards can be utilized is deemed uncertain.

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

Accounts

→ Notes

Five years in summary

Comments on five years in summary

Definitions of key ratios

Board of Directors and CEO assurance

Auditor’s report

Auditor’s limited assurance report on
ASSA ABLOY AB (publ)’s sustainability statement

Shareholder information

The ASSA ABLOY share

Information for shareholders

Financial calendar

Contact details

Note 19 continued

The unmeasured losses relate to companies in the following countries:

SEK M	2025	SEK M	2025
United Arab Emirates	111	China	3,054
Argentina	3	Malaysia	9
Australia	2	Mexico	46
Belgium	71	Netherlands	122
Brazil	997	Poland	54
Bulgaria	1	Portugal	42
Chile	63	Singapore	7
Denmark	60	Slovakia	76
Egypt	14	United Kingdom	237
Philippines	60	South Africa	55
Finland	73	Thailand	13
France	1,246	Turkey	63
India	80	Germany	57
Indonesia	12	Uganda	29
Ireland	3	Vietnam	7
Israel	30	Austria	330
Italy	548	Total	7,578
Canada	3		

Of the total tax loss carryforwards, SEK 3,775 M is due within five years, while SEK 4,086 M has no due date.

Note 20 Other financial assets

SEK M	Group		Parent company	
	2024	2025	2024	2025
Investments in associates	–	–	462	462
Other shares and interests	325	271	–	–
Non-current interest-bearing receivables	224	204	–	–
Other non-current receivables	148	150	44	45
Total	698	626	505	507

Note 21 Inventories

SEK M	Group	
	2024	2025
Materials and supplies	5,939	5,286
Work in progress	4,051	3,661
Finished goods	10,875	10,212
Advances paid	155	88
Total	21,020	19,247

Impairment of inventories during the year amounted to SEK 462 M (534).

Note 22 Trade receivables

SEK M	Group	
	2024	2025
Trade receivables	26,307	23,952
Loss allowance	–2,864	–2,625
Total	23,444	21,327

Trade receivables by currency

SEK M	Group	
	2024	2025
USD	11,020	9,989
EUR	5,279	4,877
GBP	1,092	1,002
CAD	729	660
SEK	720	723
AUD	513	525
CNY	466	241
BRL	316	344
Other currencies	3,310	2,967
Total	23,444	21,327

Maturity analysis

SEK M	Group	
	2024	2025
Trade receivables not due	18,862	17,469
Trade receivables due:		
< 3 months	4,927	4,434
3–12 months	1,269	961
> 12 months	1,250	1,088
	7,445	6,483
Impaired trade receivables:		
Not yet due	–788	–876
Trade receivables due:		
< 3 months	–596	–461
3–12 months	–232	–200
> 12 months	–1,247	–1,088
	–2,864	–2,625
Total	23,444	21,327

Change in loss allowance for trade receivables

SEK M	Group	
	2024	2025
Opening balance	2,910	2,864
Acquisitions and divestments of subsidiaries	29	–91
Receivables written off	–288	–181
Reversal of unused amounts	–362	10
Provision for bad debts	365	412
Exchange rate differences	211	–389
Closing balance	2,864	2,625

Note 23 Parent company’s equity and proposed distribution of earnings

The parent company’s equity is split between restricted and non-restricted equity. Restricted equity consists of share capital, revaluation reserve, statutory reserve and the fund for development expenses. The statutory reserve contains premiums (amounts received from share issues that exceed the nominal value of the shares) relating to shares issued up to 2005. Non-restricted equity consists of share premium reserve, retained earnings and net income for the year.

Earnings of SEK 20,633,753,470 are at the disposal of the Annual General Meeting. The Board of Directors proposes a dividend for the 2025 financial year of SEK 6.40 per share, SEK 7,108,968,538 in total, and that the remainder, SEK 13,524,784,932, be carried forward to the new financial year.

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

Accounts
→ Notes
Five years in summary
Comments on five years in summary
Definitions of key ratios
Board of Directors and CEO assurance
Auditor's report
Auditor's limited assurance report on ASSA ABLOY AB (publ)'s sustainability statement
Shareholder information
The ASSA ABLOY share
Information for shareholders
Financial calendar
Contact details

Note 24 Share capital, number of shares and dividend per share

SEK M	Number of shares, thousands			Share capital, SEK K
	Series A shares	Series B shares	Total	
Opening balance at January 1, 2024	57,525	1,055,052	1,112,576	370,859
Closing balance at December 31, 2024	57,525	1,055,052	1,112,576	370,859
Number of votes, thousands	575,259	1,055,052	1,630,311	
Opening balance at January 1, 2025	57,525	1,055,052	1,112,576	370,859
Closing balance at December 31, 2025	57,525	1,055,052	1,112,576	370,859
Number of votes, thousands	575,259	1,055,052	1,630,311	

All shares have a par value of around SEK 0.33 (0.33) and give shareholders equal rights to the company's assets and earnings. All shares are entitled to dividends subsequently determined. Each Series A share carries ten votes and each Series B share one vote. All issued shares are fully paid.	outstanding long-term incentive programs are expected to result in significant dilution in the future. The total number of treasury shares at December 31, 2025 amounted to 1,800,000. No shares were repurchased during the year.
The weighted average number of shares was 1,110,776 (1,110,776) during the year. None of the Group's	The dividend paid during the financial year totaled SEK 6,554 M (5,998), equivalent to SEK 5.90 (5.40) per share.

Note 25 Post-employment employee benefits

Post-employment employee benefits include pensions and medical benefits. Pension plans are classified as either defined benefit plans or defined contribution plans. Pension obligations in the balance sheet mainly relate to defined benefit plans. ASSA ABLOY has defined benefit pension plans in a number of countries. The most comprehensive defined benefit plans are in the US, the UK and Switzerland.	term and the breakdown between active members and pensioners. The Group has not changed the processes used for managing these risks.
The defined benefit plans in the US, the United Kingdom and Switzerland are backed by pension fund assets. Unfunded plans for post-employment medical benefits also exist in the US, and are recognized in the same way as defined benefit pension plans.	The investments are well diversified so that depreciation of an individual investment should not have any material impact on the plan assets. The majority of assets are invested in shares as the Group considers that shares produce the best long-term return at an acceptable risk level. The total allocation to shares should not, however, exceed 60 percent of total assets. Fixed income assets are invested in a combination of ordinary government bonds and corporate bonds but also in inflation-indexed bonds. The average term of these is normally somewhat shorter than the term of the underlying liability. Bonds should not account for less than 30 percent of assets. A small proportion of assets is also invested in real estate and alternative investments, mainly hedge funds.
The operations of pension funds are regulated by national regulations and practice. The responsibility for monitoring the pension plans and their assets rests mainly with the boards of the pension funds, but can also rest more directly with the company. The Group has an overall policy for the limits within which asset allocation should be made. Each pension fund adjusts its local asset allocation according to the nature of the local pension obligation, particularly the remaining	As at December 31, 2025, shares accounted for 27 percent (23) and fixed income securities for 46 percent (38) of plan assets, while other assets accounted for 27 percent (39). The actual return on plan assets in 2025

was SEK 456 M (214), while the effect of changes in assumptions of pension liabilities totaled SEK –148 M (–177).

Swedish Group companies calculate tax on pension costs based on the difference between pension expense determined in accordance with IAS 19 and liability in accordance with the regulations applicable in the legal entity.

Amounts recognized in the income statement

Pension costs, SEK M	2024	2025
Defined contribution pension plans	1,064	1,174
Defined benefit pension plans	173	163
Post-employment medical benefit plans	28	27
Total	1,264	1,364
of which, included in:		
Operating income	1,209	1,329
Net financial items	56	35

Amounts recognized in the balance sheet

Pension provisions, SEK M	2024	2025
Provisions for defined benefit pension plans	944	688
Provisions for post-employment medical benefit plans	510	424
Provisions for defined contribution pension plans	24	24
Total	1,478	1,136

Pensions with Alecta

Commitments for old-age pensions and family pensions for salaried employees in Sweden are secured in part through insurance with Alecta. According to UFR 10, this is a defined benefit plan that covers many employers. For the 2025 financial year, the company has not had access to information making it possible to report this plan as a defined benefit plan. The pension plan in accordance with ITP secured through insurance with Alecta is therefore reported as a defined contribution plan. The year's pension contributions that are contracted to Alecta total SEK 15 M (14), of which SEK 9 M (8) relates to the parent company. Pension contributions are expected to remain largely unchanged in 2026.

Alecta's surplus can be distributed to policyholders and/or the insured. As at December 31, 2025, Alecta's surplus expressed as the collective consolidation level amounted preliminarily to 167 percent (162 percent as at December 31, 2024). The collective consolidation level consists of the market value of Alecta's assets as a percentage of its insurance commitments calculated according to Alecta's actuarial calculation assumptions, which do not comply with IAS 19. The collective consolidation level is normally allowed to vary between 125 and 170 percent. If the consolidation level deviates from this range, measures in the form of an adjustment of the premium level should be taken to return to the normal range.

Note 25 continued

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

Accounts

→ Notes

Five years in summary

Comments on five years in summary

Definitions of key ratios

Board of Directors and CEO assurance

Auditor’s report

Auditor’s limited assurance report on
ASSA ABLOY AB (publ)’s sustainability statement

Shareholder information

The ASSA ABLOY share

Information for shareholders

Financial calendar

Contact details

Specification of defined benefit pension plans, post-employment medical benefits and plan assets by country

	United Kingdom		Switzerland		USA		Other countries		Total	
Specification of pension provisions, SEK M	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025
Present value of funded obligations	3,545	3,085	1,808	1,717	1,870	1,541	742	552	7,964	6,894
Fair value of plan assets	−4,235	−3,796	−1,522	−1,488	−2,315	−1,979	−251	−229	−8,322	−7,491
Net value of funded plans	−690	−711	287	229	−445	−438	491	323	−358	−597
Present value of unfunded obligations	–	–	–	–	–	–	1,302	1,285	1,302	1,285
Present value of unfunded medical benefits	–	–	–	–	506	421	3	3	510	424
Net value of defined benefit pension plans	−690	−711	287	229	61	−17	1,797	1,611	1,454	1,112
Provisions for defined contribution pension plans	–	–	–	–	3	7	20	17	24	24
Total	−690	−711	287	229	65	−10	1,817	1,628	1,478	1,136

Movement in obligations

2025, SEK M	Medical benefits	Defined benefit pension plans	Plan assets	Total
Opening balance, January 1, 2025	510	9,267	−8,322	1,454
Acquisitions and divestments	–	1	–	1
Recognized in the income statement:				
Current service cost	3	148	–	151
Past service cost	1	−9	–	−8
Interest expense/income	24	356	−345	35
Total recognized in the income statement	27	495	−345	178
Recognized in other comprehensive income:				
Return on plan assets, excluding amounts included above	–	–	−111	−111
Gain/loss from change in demographic assumptions	–	−1	–	−1
Gain/loss from change in financial assumptions	−3	−139	–	−142
Experience-based gains/losses	–	−17	–	−17
Remeasurement of net pension obligations	−3	−157	−111	−270
Exchange rate differences	−84	−867	923	−28
Total recognized in other comprehensive income	−87	−1,024	813	−298
Contributions and payments:				
Employer contributions	–	–	−106	−106
Employee contributions	–	113	−112	1
Payments	−27	−672	582	−116
Total contributions and payments	−26	−559	364	−222
Closing balance, December 31, 2025	424	8,180	−7,491	1,112

Key actuarial assumptions

Key actuarial assumptions (weighted average), %	United Kingdom		Switzerland		USA	
	2024	2025	2024	2025	2024	2025
Discount rate	5.5	5.5	1.1	1.1	5.5	5.3
Expected annual salary increases	n/a	n/a	1.5	1.5	4.0	4.0
Expected annual pension increases	3.7	3.5	0.0	0.0	1.5	1.5
Expected annual medical benefit increases	n/a	n/a	n/a	n/a	5.0	5.0
Expected annual inflation	3.2	2.9	1.0	1.0	n/a	n/a

2024, SEK M	Medical benefits	Defined benefit pension plans	Plan assets	Total
Opening balance, January 1, 2024	482	8,677	−7,742	1,418
Acquisitions and divestments	–	92	–	92
Recognized in the income statement:				
Current service cost	3	136	–	139
Past service cost	–	6	–	6
Interest expense/income	24	360	−329	56
Total recognized in the income statement	28	502	−329	201
Recognized in other comprehensive income:				
Return on plan assets, excluding amounts included above	–	–	114	114
Gain/loss from change in demographic assumptions	–	46	–	46
Gain/loss from change in financial assumptions	−10	−212	–	−222
Experience-based gains/losses	–	41	–	41
Remeasurement of net pension obligations	−10	−125	114	−21
Exchange rate differences	48	560	−600	7
Total recognized in other comprehensive income	37	435	−486	−13
Contributions and payments:				
Employer contributions	–	–	−97	−97
Employee contributions	0	74	−74	0
Payments	−38	−513	406	−145
Total contributions and payments	−38	−439	234	−243
Closing balance, December 31, 2024	510	9,267	−8,322	1,454

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

Accounts

→ Notes

Five years in summary

Comments on five years in summary

Definitions of key ratios

Board of Directors and CEO assurance

Auditor’s report

Auditor’s limited assurance report on
ASSA ABLOY AB (publ)’s sustainability statement

Shareholder information

The ASSA ABLOY share

Information for shareholders

Financial calendar

Contact details

Note 25 continued

Plan assets allocation			
Plan assets	2024	2025	
Publicly traded shares	1,897	2,019	
Government bonds	1,582	1,623	
Corporate bonds	1,412	1,192	
Inflation-linked bonds	147	647	
Property	409	289	
Cash and cash equivalents	400	118	
Alternative investments	–	–	
Insurance policies and other assets	2,475	1,604	
Total	8,322	7,491	

Sensitivity analysis of defined benefit obligations and post-employment medical benefits		
The effect on defined benefit obligations and post-employment medical benefits of a 0.5 percentage point change in significant actuarial assumptions, change in percent	+0.5%	–0.5%
Discount rate	–5.0	5.6
Inflation	1.9	–1.9
Pension increases	2.5	–1.4
Expected annual medical benefit increases	3.1	–2.9
Sensitivity analyses for the main assumptions affecting the recognized pension liability are presented above. Note however that the sensitivity analysis is not intended to express an opinion by ASSA ABLOY on the likelihood of these occurring.		
For 2026, ASSA ABLOY's assessment of the effects of future cash flows is that only minor contributions to the pension plans will be required.		

Note 26 Other provisions

	Group		
	Restruc-turing reserve	Other items	Total
SEK M			
Opening balance, January 1, 2025	39	919	958
Provisions for the year	1,284	147	1,432
Acquisitions of subsidiaries	–	131	131
Divestments of subsidiaries	–4	–2	–6
Reversal of non-utilized amounts	–	–111	–111
Payments	–645	–79	–724
Utilized without cash flow effect	–31	–	–31
Exchange rate differences	–22	–62	–83
Closing balance, December 31, 2025	622	942	1,565

	Group		
	Restruc-turing reserve	Other items	Total
SEK M			
Opening balance, January 1, 2024	767	860	1,627
Provisions for the year	–	213	213
Acquisitions of subsidiaries	–	31	31
Divestments of subsidiaries	–	–2	–2
Reversal of non-utilized amounts	–	–69	–69
Payments	–748	–100	–848
Utilized without cash flow effect	0	–	0
Exchange rate differences	21	–14	7
Closing balance, December 31, 2024	39	919	958

Balance sheet breakdown:	Group	
	2024	2025
Other non-current provisions	527	741
Other current provisions	431	824
Total	958	1,565

The restructuring reserve relates mainly to the ongoing restructuring program launched in 2025. The restructuring reserve is expected to be used over the next two years. The non-current part of the reserve totaled SEK 207 M. For further information on the restructuring programs, see the Report of the Board of Directors. Other provisions relate in part to legal obligations including future environment-related measures.

Note 27 Other current liabilities

	Group	
	2024	2025
SEK M		
VAT and excise duties	1,325	1,184
Employee withholding tax	195	202
Advances received	2,468	1,938
Social security contributions and other taxes	135	160
Current deferred considerations	1,109	883
Other current liabilities	1,070	1,029
Total	6,302	5,396

Note 28 Accrued expenses and deferred income

	Group		Parent company	
	2024	2025	2024	2025
SEK M				
Personnel-related expenses	5,971	5,826	188	193
Customer-related expenses	2,534	2,307	–	–
Deferred income	1,513	1,609	–	–
Accrued interest expenses	432	364	405	432
Other items	5,082	5,184	72	73
Total	15,532	15,290	665	697

Note 29 Assets pledged against liabilities to credit institutions

	Group		Parent company	
	2024	2025	2024	2025
SEK M				
Real estate mortgages	6	–	–	–
Other mortgages and collateral	72	59	–	–
Total	78	59	–	–

Note 30 Contingent liabilities

	Group		Parent company	
	2024	2025	2024	2025
SEK M				
Guarantees to the benefit of subsidiaries	–	–	17,575	11,977
Other guarantees and contingent liabilities	77	48	–	–
Total	77	48	17,575	11,977

In addition to the guarantees shown in the table above, the Group has a large number of minor bank guarantees for performance of obligations in operating activities. No material liabilities are expected as a result of these guarantees.

Maturity profile – guarantees, SEK M	Group	
	2024	2025
<1 year	64	39
>1 <2 years	5	2
>2 <5 Years	1	–
>5 years	8	6
Total	77	48

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

- Accounts
 - Notes
- Five years in summary
- Comments on five years in summary
- Definitions of key ratios
- Board of Directors and CEO assurance
- Auditor’s report
- Auditor’s limited assurance report on ASSA ABLOY AB (publ)’s sustainability statement
- Shareholder information
 - The ASSA ABLOY share
 - Information for shareholders
 - Financial calendar
 - Contact details

Note 31 Cash flow items

SEK M	Group	
	2024	2025
Adjustments for non-cash items		
Profit on sales of non-current assets	–107	–82
Profit/loss on sales of subsidiaries	–45	33
Change in pension provisions	137	142
Share of earnings in associates	–45	–28
Dividend from associates	3	24
Remeasurement of deferred considerations	–46	–140
Other items	118	134
Adjustments for non-cash items	14	83
Change in working capital		
Inventories increase/decrease (–/+)	–60	–277
Trade receivables increase/decrease (–/+)	–280	–142
Trade payables increase/decrease (+/–)	153	–339
Other working capital increase/decrease (–/+)	395	391
Change in working capital	208	–367
Divestments of subsidiaries		
Purchase prices received, net	473	1,206
Cash and cash equivalents in divested subsidiaries	–13	–371
Change in consolidated cash and cash equivalents due to divestments	460	835

Note 32 Significant events after the financial year-end

No significant events have occurred since the financial year-end.

Note 33 Reserves

SEK M	Hedging reserve		Translation differences	Total
	Cash flow hedges	Fair value hedges		
Opening balance, January 1, 2024	–335	–2	9,793	9,455
Other comprehensive income in associates	–	–	–1	–1
Cash flow hedges	94	–	–	94
Net investment hedges	–	–	–	–
Hedging cost	6	–14	–	–8
Exchange rate differences	–	–	5,669	5,669
Tax attributable to reserves	–	3	–6	–3
Closing balance, December 31, 2024	–235	–14	15,454	15,206
Opening balance, January 1, 2025	–235	–14	15,454	15,206
Other comprehensive income in associates	–	–	–83	–83
Cash flow hedges	–111	–	–	–111
Net investment hedges	–	–	–	0
Hedging cost	8	10	–	18
Exchange rate differences	–	–	–13,582	–13,582
Tax attributable to reserves	–	–2	6	4
Closing balance, December 31, 2025	–338	–6	1,796	1,453

Cash flow hedges include net investment hedges. Of the closing balance, SEK 255 M represents amounts related to closed hedging relationships for net investments where the hedged item remains.

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

- Accounts
 - Notes
- Five years in summary
- Comments on five years in summary
- Definitions of key ratios
- Board of Directors and CEO assurance
- Auditor’s report
- Auditor’s limited assurance report on ASSA ABLOY AB (publ)’s sustainability statement
- Shareholder information
 - The ASSA ABLOY share
 - Information for shareholders
 - Financial calendar
 - Contact details

Note 34 Business combinations

Consolidated acquisitions, 2025				
Acquired business	Division	Number of employees	2025 sales (SEK M)	Month of consolidation
3millID & Third Millenium	Global Technologies	<50	240	2025-01
InVue	Global Technologies	260	1,790	2025-01
Uhlmann & Zacher	EMEIA	110	280	2025-01
Wallace & Wallace	Entrance Systems	160	470	2025-02
Gesellschaft für Sicherheitstechnik	EMEIA	<50	130	2025-03
Senior Architectural Systems	EMEIA	150	570	2025-03
Pedestal PRO	Americas	50	120	2025-04
TeleAlarm Group	Global Technologies	70	280	2025-05
Kingspan Door Components	Entrance Systems	70	280	2025-06
Multi Acces	Entrance Systems	<50	<50	2025-06
Skidata India	Entrance Systems	100	<50	2025-06
Calmell	Global Technologies	100	380	2025-07
Automated Doors & Access	Entrance Systems	<50	130	2025-07
SiteOwl	Americas	<50	<50	2025-08
Intelligent Observation	Global Technologies	<50	<50	2025-08
ePark	Entrance Systems	<50	<50	2025-09
Kentix	EMEIA	<50	90	2025-10
IDmelon	Global Technologies	<50	<50	2025-10
Metal Products Inc.	Americas	170	220	2025-10
Door System	EMEIA	80	150	2025-11
International Door Products	Americas	80	220	2025-11
Sargent & Greenleaf	Americas	100	430	2025-12
Rhinotek Entrance Solutions	Entrance Systems	<50	60	2025-12

A description of some of the major acquisitions made in 2025 is given below, followed by some of the Group’s major acquisitions in 2024. See the Report of the Board of Directors for further information about acquisitions.

2025
3millID and Third Millennium
In January 2025, 3millID and Third Millennium, suppliers of readers and credentials for physical access control based in the US and UK, were acquired. 3millID and Third Millennium have their headquarters in Colorado, US, and Wales, UK, respectively. Intangible assets in the form of brands and customer relationships were recognized separately in the acquisition analysis. Residual goodwill mainly relates to synergies and other intangible assets that do not meet the criteria for separate recognition.

InVue
In January 2025, InVue, a US provider of precision-engineered connected asset protection and access control solutions, was acquired. The company is headquartered in Charlotte, US. Intangible assets in the form of brands, technology and customer relationships were recognized separately in the acquisition analysis. Residual goodwill mainly relates to synergies and other intangible assets that do not meet the criteria for separate recognition.

The table below includes fair value adjustments of acquired net assets from acquisitions made in previous years. Acquisition analyses were prepared for all acquisitions in 2025, some of which are preliminary and will be completed within one year of the acquisition date.

The net sales of acquired units for 2025 totaled SEK 5,985 M (7,782) and net income totaled SEK 866 M (271). Acquisition-related costs for 2025 totaled SEK 322 M (307) and have been recognized as other operating expenses in the income statement.

	2024	2025
SEK M	Total	Total
Purchase prices		
Cash paid for acquisitions during the year	12,796	11,608
Holdbacks and deferred consideration for acquisitions during the year	678	1,205
Fair value of previously owned shares in associates for acquisitions for the year	–	19
Adjustment of purchase prices for acquisitions in prior years	–517	–4
Total	12,957	12,848
Acquired assets and liabilities at fair value		
Intangible assets	2,662	5,738
Property, plant and equipment	476	399
Right-of-use assets	617	414
Deferred tax assets	202	127
Other financial assets	73	32
Inventories	1,420	700
Current receivables and investments	1,556	1,050
Cash and cash equivalents	532	715
Deferred tax liabilities	–180	–746
Pension provisions	–118	–1
Other non-current liabilities	–1,014	–1,377
Current liabilities	–1,686	–1,831
Total	4,541	5,220
Non-controlling interests in acquired businesses	27	138
Goodwill	8,443	7,745
Cash paid for acquisitions during the year	12,796	11,608
Cash and cash equivalents in acquired subsidiaries	–532	–715
Considerations paid and received for acquisitions in previous years	–127	516
Change in consolidated cash and cash equivalents due to acquisitions	12,136	11,409
Net sales from acquisition date	4,010	4,038
EBIT from acquisition date	337	771
Net income from acquisition date	407	898

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

Accounts
→ Notes
Five years in summary
Comments on five years in summary
Definitions of key ratios
Board of Directors and CEO assurance
Auditor’s report
Auditor’s limited assurance report on ASSA ABLOY AB (publ)’s sustainability statement
Shareholder information
The ASSA ABLOY share
Information for shareholders
Financial calendar
Contact details

Note 34 continued

Uhlmann & Zacher
In January 2025, Uhlmann & Zacher, a German supplier of access control handles and knobs and corresponding software, was acquired. The company is headquartered in Bavaria, Germany.
Intangible assets in the form of brands, technology and customer relationships were recognized separately in the acquisition analysis. Residual goodwill mainly relates to synergies and other intangible assets that do not meet the criteria for separate recognition.

Wallace & Wallace
In February 2025, Wallace & Wallace, a Canadian manufacturer, distributor and installer of perimeter fencing, door and gate solutions for the commercial and residential markets, was acquired. The company is headquartered in Winnipeg, Canada.
Intangible assets in the form of brands and customer relationships were recognized separately in the acquisition analysis. Residual goodwill mainly relates to synergies and other intangible assets that do not meet the criteria for separate recognition.

Gesellschaft für Sicherheitstechnik
In March 2025, Gesellschaft für Sicherheitstechnik (GfS), a German innovative player in emergency exit security solutions for commercial, industrial and public buildings, was acquired. The company is headquartered in Hamburg, Germany.
Intangible assets in the form of brands and customer relationships were recognized separately in the acquisition analysis. Residual goodwill mainly relates to synergies and other intangible assets that do not meet the criteria for separate recognition.

Senior Architectural Systems
In March 2025, Senior Architectural Systems, an independent supplier of innovative aluminum windows, doors and curtain wall systems and thermally efficient fenestration systems into the commercial construction sector in the UK, was acquired. The company is headquartered in Yorkshire, UK.
Intangible assets in the form of brands, technology and customer relationships were recognized separately in the acquisition analysis. Residual goodwill mainly relates to synergies and other intangible assets that do not meet the criteria for separate recognition.

TeleAlarm Group
In May 2025, TeleAlarm, a European provider of remote care technology that combines hardware and software solutions, enabling independent living across the social care and home care segment, based in Germany, was acquired. The company is headquartered in Leipzig, Germany.
On the reporting date the acquisition analysis is preliminary with respect to valuation of intangible assets, and will be concluded within one year of the acquisition date.

Calmell
In July 2025, Calmell, a Spanish manufacturer of smart cards, smart paper tickets and magnetic tickets, was acquired. The company is headquartered in Barcelona, Spain.
Intangible assets in the form of brands, technology and customer relationships were recognized separately in the acquisition analysis. Residual goodwill mainly relates to synergies and other intangible assets that do not meet the criteria for separate recognition.

International Door Products
In November 2025, International Door Products, a US manufacturer of standard and custom fire-rated steel door frames, was acquired. The company is headquartered in Michigan, US.
On the reporting date the acquisition analysis is preliminary with respect to valuation of intangible assets, and will be concluded within one year of the acquisition date.

Sargent & Greenleaf
In December 2025, Sargent and Greenleaf, a US manufacturer of high-security mechanical and electronic locking solutions and safe hardware, was acquired. The company is headquartered in Kentucky, US.
On the reporting date the acquisition analysis is preliminary with respect to valuation of intangible assets, and will be concluded within one year of the acquisition date.

2024 Integrated Warehouse Solutions
In January 2024, Integrated Warehouse Solutions, a US manufacturer of loading dock equipment, was acquired. The company is headquartered in Burleson, US.
Intangible assets in the form of brands, technology

and customer relationships were recognized separately in the acquisition analysis. Residual goodwill mainly relates to synergies and other intangible assets that do not meet the criteria for separate recognition.

Nomadix and Global Reach
In April 2024, Nomadix and Global Reach, leading providers of Wi-Fi access and engagement platform solutions for the hospitality and commercial real estate industry, were acquired in the US and UK. The companies have their respective headquarters in Los Angeles, US, and London, UK.
Intangible assets in the form of brands, technology and customer relationships were recognized separately in the acquisition analysis. Residual goodwill mainly relates to synergies and other intangible assets that do not meet the criteria for separate recognition.

Amecor
In May 2024, Amecor, a South African manufacturer of security communication equipment in the South African security market, was acquired. The company is headquartered in Johannesburg, South Africa.
Intangible assets in the form of brands and customer relationships were recognized separately in the acquisition analysis. Residual goodwill mainly relates to synergies and other intangible assets that do not meet the criteria for separate recognition.

Skidata
In September 2024, Skidata, an international leading provider of access management solutions, was acquired. The company is headquartered in Salzburg, Austria.
Intangible assets in the form of brands, technology and customer relationships were recognized separately in the acquisition analysis. Residual goodwill mainly relates to synergies and other intangible assets that do not meet the criteria for separate recognition.

Level Lock
In September 2024, Level Lock, a US technology solutions business, was acquired. The company is headquartered in Redwood City, US.
Intangible assets in the form of brands, technology and customer relationships were recognized separately in the acquisition analysis. Residual goodwill mainly relates to synergies and other intangible assets that do not meet the criteria for separate recognition.

Lawrence Doors
In November 2024, Lawrence Doors, a US manufacturer of coiling steel doors, grilles and counter shutters, was acquired. The company is headquartered in Baldwin Park, US.
Intangible assets in the form of brands and customer relationships were recognized separately in the acquisition analysis. Residual goodwill mainly relates to synergies and other intangible assets that do not meet the criteria for separate recognition.

Premier Steel Doors and Frames
In December 2024, Premier Steel Doors and Frames, a US manufacturer of hollow metal doors and frames, metal building door systems, and aluminum windows, was acquired. The company is headquartered in Monroe, US.
Intangible assets in the form of brands and customer relationships were recognized separately in the acquisition analysis. Residual goodwill mainly relates to synergies and other intangible assets that do not meet the criteria for separate recognition.

9Solutions
In December 2024, 9Solutions, a Finnish provider of highly integrated AI-powered real time locating healthcare solutions for critical communication and collaboration, with a focus on senior care, was acquired. The company is headquartered in Oulu, Finland.
Intangible assets in the form of brands, technology and customer relationships were recognized separately in the acquisition analysis. Residual goodwill mainly relates to synergies and other intangible assets that do not meet the criteria for separate recognition.

Roger
In December 2024, Roger, a Polish manufacturer of on-premise electronic access control systems and related hardware, was acquired. The company is headquartered in Gosciszewo, Poland.
Intangible assets in the form of brands and customer relationships were recognized separately in the acquisition analysis. Residual goodwill mainly relates to synergies and other intangible assets that do not meet the criteria for separate recognition.

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

- Accounts
 - Notes
- Five years in summary
- Comments on five years in summary
- Definitions of key ratios
- Board of Directors and CEO assurance
- Auditor’s report
- Auditor’s limited assurance report on ASSA ABLOY AB (publ)’s sustainability statement
- Shareholder information
 - The ASSA ABLOY share
 - Information for shareholders
 - Financial calendar
 - Contact details

Note 35 Employees

SEK M	Group		Parent company	
	2024	2025	2024	2025
Salaries, wages and other remuneration	35,189	37,571	343	348
Social security costs	9,995	10,409	190	195
– of which pensions	1,209	1,367	60	63
Total	45,184	47,980	533	543

Remuneration and other benefits for the Executive Team in 2025, SEK thousand

Name	Fixed salary	Variable salary	Stock-related benefits	Other benefits	Pension costs
Nico Delvaux, President and CEO	28,448	20,863	11,146	197	9,700
Other members of the Executive Team (9 positions)	63,886	42,766	21,184	3,575	10,465
Total remuneration and benefits	92,334	63,629	32,330	3,772	20,165

Total remuneration and other benefits for the Executive Team amounted to SEK 216.6 M in 2024.

Fees to Board members in 2025 (including committee work), SEK thousand

Name and post	Board of Directors	Remuneration Committee	Audit Committee	Total
Johan Hjertonsson, Chairman	3,540	202	–	3,742
Carl Douglas, Vice Chairman	1,316	–	–	1,316
Erik Ekudden, Board member	1,050	101	–	1,151
Sofia Schörling Högberg, Board member	1,050	–	–	1,050
Lena Olving, Board member	1,050	–	336	1,386
Victoria Van Camp, Board member	1,050	–	336	1,386
Susanne Pahlén Åklundh, Board member	1,050	–	493	1,543
Employee representatives (4)	–	–	–	–
Total	10,106	303	1,165	11,574

Total fees to Board members amounted to SEK 11.3 M in 2024.

Salaries and remuneration for the Board of Directors and the parent company’s Executive Team

Salaries and other remuneration for the Board of Directors and the parent company’s Executive Team for 2025 totaled SEK 84 M (78), excluding pension costs and social security costs. Pension costs amounted to SEK 12 M (11). Pension obligations for several senior executives are secured through pledged endowment insurance policies.

Remuneration guidelines for senior executives

The current guidelines for remuneration of senior executives that were adopted at the 2022 Annual General

Meeting are shown below. The Board of Directors has proposed new guidelines for the 2026 Annual General Meeting. See the Report of the Board of Directors.

Scope

The Board of Directors proposes that the Annual General Meeting adopts the following guidelines for the remuneration and other employment conditions of the President and CEO and other members of the ASSA ABLOY Executive Team (the ‘Executive Team’).

These guidelines are applicable to remuneration agreed, and amendments to remuneration already agreed, after adoption of the guidelines by the 2022

Annual General Meeting. These guidelines do not apply to any remuneration decided or approved by the General Meeting.

Employment conditions of a member of the Executive Team that is employed or resident outside Sweden or that is not a Swedish citizen may be duly adjusted for compliance with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of these guidelines.

Promotion of ASSA ABLOY’s business strategy, long-term interests and sustainability

One of the strategies for value creation followed by ASSA ABLOY is Evolution through people. With the objective that ASSA ABLOY will continue to be able to recruit and retain competent employees, the basic principle must be that remuneration and other employment conditions are offered on market conditions and are competitive, taking into account both global remuneration practice and practice in the home country of each member of the Executive Team. These guidelines enable ASSA ABLOY to offer the Executive Team a total remuneration that is on market conditions and competitive. Conditions are thereby established for successful implementation of the Group’s business strategy, which at the overall level is to lead the trend towards the world’s most innovative and well-designed access solutions, as well as safeguarding ASSA ABLOY’s long-term interests, including its sustainability. Further information about ASSA ABLOY’s business strategy and its sustainability statement can be found on ASSA ABLOY’s website at assaabloy.com.

ASSA ABLOY has ongoing share-based long-term incentive programs in place that have been resolved by the General Meeting and are therefore excluded from these guidelines. Future share-based long-term incentive programs proposed by the Board of Directors and submitted to the General Meeting for approval will be excluded for the same reason. The purpose of the share-based long-term incentive programs is to strengthen ASSA ABLOY’s ability to recruit and retain competent employees, contribute to ASSA ABLOY providing total remuneration that is on market conditions and competitive, and align the interests of the shareholders with the interests of the employees concerned. Through a share-based long-term incentive program, the employees’ remuneration is tied to ASSA ABLOY’s future earnings and value growth. At present the performance criteria used are linked to earnings

per share. The programs are further conditional upon the participant’s own investment and a holding period of several years. More information about these programs is available on ASSA ABLOY’s website at assaabloy.com.

Types of remuneration

The total yearly remuneration to the members of the Executive Team shall be on market conditions and be competitive and also reflect each member of the Executive Team’s responsibility and performance. The total yearly remuneration shall consist of fixed base salary, variable cash remuneration, pension benefits and other benefits (which are specified below excluding social security costs). Additionally, the General Meeting may – and irrespective of these guidelines – resolve on, among other things, share-related or share price-related remuneration.

The variable cash remuneration shall be linked to predetermined and measurable targets, which are further described below, and may amount to not more than 75 percent of the yearly base salary. In order to ensure that the remuneration levels are in line with market conditions and competitive, taking into account the current market conditions in the US, the variable cash remuneration for members of the Executive Team employed in the US may amount to no more than 100 percent of the yearly base salary.

Additional variable cash remuneration may be paid in specific cases in the form of remuneration with lump sums, provided that such remuneration is only provided on an individual basis for the purpose of recruiting senior executives. Such remuneration may not exceed an amount corresponding to 100 percent of the yearly base salary and the maximum variable cash remuneration, and may not be paid more than once per year per individual.

The members of the Executive Team shall be covered by defined contribution pension plans, for which pension premiums are based on each member’s yearly base salary and are paid by ASSA ABLOY during the period of employment. The pension premiums shall amount to not more than 35 percent of the yearly base salary.

Other benefits, such as company car, life insurance, extra health insurance or occupational healthcare, should be payable to the extent this is considered to be in line with market conditions in the market concerned for each member of the Executive Team. Premiums and other costs relating to such benefits may not total

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

Accounts

→ Notes

Five years in summary

Comments on five years in summary

Definitions of key ratios

Board of Directors and CEO assurance

Auditor’s report

Auditor’s limited assurance report on
ASSA ABLOY AB (publ)’s sustainability statement

Shareholder information

The ASSA ABLOY share

Information for shareholders

Financial calendar

Contact details

Note 35 continued

more than 10 percent of the yearly base salary. Furthermore, housing allowance benefit may be added in line with ASSA ABLOY’s policies and costs relating to such benefit may total no more than 25 percent of the yearly base salary. Premiums and other costs relating to other benefits and housing allowance benefit may, however, total no more than 30 percent of the yearly base salary.

Criteria for awarding variable cash remuneration

The variable cash remuneration shall be linked to predetermined and measurable financial targets, such as earnings per share (EPS), earnings before interest and taxes (EBIT), cash flow and organic growth and can also be linked to strategic 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 promoting the senior executive’s long-term development within ASSA ABLOY.

The Remuneration Committee shall, for the Board of Directors, prepare, monitor and evaluate matters regarding variable cash remuneration to the Executive Team. Ahead of each yearly measurement period for the criteria for awarding variable cash remuneration, the Board of Directors shall, based on the work of the Remuneration Committee, establish the criteria that are deemed to be relevant for the upcoming measurement period. The extent to which the criteria for awarding variable cash remuneration have been satisfied shall be determined when the measurement period has ended. Evaluations regarding fulfillment of financial targets shall be based on the determined financial basis for the relevant period.

Variable cash remuneration can be paid after the measurement period has ended or be subject to deferred payment. Paid variable cash remuneration can be claimed back when such right follows from general principles of law.

Duration of employment and termination of employment

The members of the Executive Team shall be employed until further notice. If notice of termination is made by ASSA ABLOY, the notice period may not exceed 12 months for the CEO and 6 months for the other members of the Executive Team. If the CEO is given notice, ASSA ABLOY is liable to pay the equivalent of maximum 24 months’ base salary and other employment benefits, including severance pay and remuneration during the

notice period. If any other member of the Executive Team is given notice, ASSA ABLOY is liable to pay a maximum of 6 months’ base salary and other employment benefits plus severance pay amounting to a maximum of an additional 12 months’ base salary. If notice of termination is given by a member of the Executive Team, the notice period may not exceed 6 months, with no right to severance pay.

A member of the Executive Team may, for such time when the member is not entitled to severance pay, be compensated for non-compete undertakings. Such compensation shall amount to not more than 60 percent of the monthly base salary at the time of the termination and shall only be paid as long as the non-compete undertaking is applicable, a maximum period of 12 months.

Remuneration and employment conditions for employees

In the preparation of the Board of Directors’ proposal for these remuneration guidelines, remuneration and employment conditions for employees of ASSA ABLOY have been taken into account by including information on the employees’ total remuneration, the components of the remuneration and its increase and growth rate over time in the Remuneration Committee’s and the Board of Directors’ basis of decision when evaluating whether the guidelines are reasonable.

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

The Remuneration Committee’s tasks include preparing the Board of Directors’ decision to propose guidelines for remuneration of the Executive Team. The Board of Directors shall prepare a proposal for new guidelines at least every four years and submit it to the Annual 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 of the Executive Team, the application of the guidelines for remuneration of the Executive Team as well as the applicable remuneration structures and remuneration levels in ASSA ABLOY. The members of the Remuneration Committee are independent of the company and its management. The CEO and other members of the Executive Team do not participate in the Board of Directors’ discussion of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

Deviation from guidelines

The Board of Directors may temporarily resolve to deviate from the guidelines, in whole or in part, if in a specific case there is special cause for the deviation and a deviation is necessary to serve ASSA ABLOY’s long-term interests, including its sustainability, or to ensure ASSA ABLOY’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 deviate from the guidelines.

Description of material changes to the guidelines and how the views of shareholders have been taken into consideration.

These guidelines, which are proposed for the 2022 Annual General Meeting, correspond to a large extent to the guidelines resolved upon by the 2020 Annual General Meeting. However, in the guidelines now proposed, an option to pay additional variable cash remuneration has been introduced and, in addition, the maximum level for variable cash remuneration for members of the Executive Team employed in the US has been adjusted. See also the section ‘Types of remuneration’ above.

No comments or questions on the remuneration guidelines have emerged in connection with general meeting proceedings.

Long-term incentive programs

At the 2010 Annual General Meeting, it was decided to launch a long-term incentive program (LTI 2010) for senior executives and other key employees in the Group. The purpose was to create the conditions for retaining and recruiting qualified employees to the Group, to contribute to providing a total remuneration that is on market conditions and competitive and align the interests of the shareholders with the interests of the employees concerned.

At the 2011 to 2025 Annual General Meetings, it was decided to implement further long-term incentive programs for senior executives and other key employees in the Group. The incentive programs were named LTI 2011 to LTI 2025. LTI 2011 to LTI 2017 were based on similar terms to LTI 2010. LTI 2018 to LTI 2025 were based on similar principles as the earlier programs, but with an extended measurement period of three years for the performance-based condition and removal of matching shares.

For each Series B share acquired by the CEO within

the framework of 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.

In accordance with the terms of the three programs (LTI 2023–LTI 2025), employees have acquired a total of 546,000 Series B shares in ASSA ABLOY AB, of which 186,012 Series B shares were acquired in 2025 within the framework of LTI 2025. Each performance-based share award for LTI 2023, LTI 2024 and LTI 2025 entitles the holder to receive one Series B share in the company free of charge three years after allotment, provided that the holder, with certain exceptions, at the time of the release of the interim report for the 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 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 measurement period January 1, 2023 – December 31, 2025 (LTI 2023), the measurement period January 1, 2024 – December 31, 2026 (LTI 2024) and the measurement period January 1, 2025 – December 31, 2027 (LTI 2025), where each year during the 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, none of the relevant performance-based share awards will give the right to any Series B shares. 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 that the other conditions are met.

Note 35 continued

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

Accounts

→ Notes

Five years in summary

Comments on five years in summary

Definitions of key ratios

Board of Directors and CEO assurance

Auditor’s report

Auditor’s limited assurance report on
ASSA ABLOY AB (publ)’s sustainability statement

Shareholder information

The ASSA ABLOY share

Information for shareholders

Financial calendar

Contact details

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

Outstanding performance-based share awards for LTI 2025 total 791,586. 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 allotment date. The fair value of ASSA ABLOY’s Series B share on the allotment date for LTI 2025 of June 12, 2025 was SEK 305.20. The fair value of ASSA ABLOY’s Series B share on the allotment date for LTI 2024 of June 13, 2024 was SEK 311.30. The fair value of ASSA ABLOY’s Series B share on the allotment date for LTI 2023, June 9, 2023, was SEK 255.90.

The total cost of the Group’s long-term incentive programs (LTI 2022–LTI 2025) excluding social security costs and financing costs and before income tax amounted to SEK 110 M (93) 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 the long-term incentive program LTI 2022 took place equivalent to 581,001 Series B shares (363,694) at a total market value at the time of vesting of SEK 181 M (112). The payment referred to above for the vested shares in LTI 2022 was recognized in equity.

Notice and severance pay

If the CEO is given notice, the company is liable to pay the equivalent of a maximum of 24 months’ base salary and other employment benefits. If one of the other members of the Executive Team is given notice, the company is liable to pay a maximum six months’ base salary and other employment benefits plus an additional maximum twelve months’ base salary.

Average number of employees per country, broken down by gender

	Group					
	2024		of which men	2025		of which men
	Total	of which women		Total	of which women	
USA	15,261	4,419	10,842	16,176	4,625	11,550
China	6,193	2,539	3,654	5,595	2,258	3,337
Mexico	4,423	1,716	2,708	3,929	1,569	2,360
France	3,024	868	2,156	3,086	914	2,172
United Kingdom	2,878	796	2,082	2,950	811	2,139
Brazil	2,372	799	1,573	2,405	833	1,572
Sweden	2,282	681	1,601	2,363	685	1,678
India	2,011	216	1,795	2,307	234	2,073
Germany	1,933	474	1,459	2,064	522	1,543
Poland	1,496	400	1,097	1,851	475	1,376
Netherlands	1,375	287	1,088	1,512	311	1,200
Philippines	1,811	848	963	1,456	696	760
Canada	1,318	370	947	1,422	359	1,063
Australia	1,375	467	909	1,420	399	1,022
Czech Republic	1,331	516	815	1,357	611	745
Finland	967	277	691	1,044	282	762
Spain	766	195	571	913	226	686
Malaysia	888	409	479	885	421	463
Austria	451	78	373	791	162	630
Switzerland	714	143	571	782	146	637
Belgium	722	156	566	750	135	616
Romania	753	289	464	718	294	423
South Africa	702	292	410	710	263	447
Italy	548	151	397	581	153	428
South Korea	522	141	381	509	129	380
Denmark	453	90	363	470	94	376
Portugal	430	248	182	428	243	185
New Zealand	420	123	297	415	124	291
Thailand	394	287	107	399	284	115
United Arab Emirates	381	46	335	391	50	340
Vietnam	–	–	–	381	201	180
Norway	352	73	279	361	79	282
Turkey	415	196	220	360	137	222
Chile	319	101	218	317	101	216
Misc.	3,545	1,258	2,282	2,788	933	1,858
Total	62,825	19,949	42,875	63,886	19,759	44,127

Note 35 continued

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

Accounts

→ Notes

Five years in summary

Comments on five years in summary

Definitions of key ratios

Board of Directors and CEO assurance

Auditor’s report

Auditor’s limited assurance report on
ASSA ABLOY AB (publ)’s sustainability statement

Shareholder information

The ASSA ABLOY share

Information for shareholders

Financial calendar

Contact details

	Parent company					
	2024			2025		
	Total	of which women	of which men	Total	of which women	of which men
Sweden	266	104	163	282	108	174
Total	266	104	163	282	108	174

Gender distribution of Board of Directors and Executive Team

	2024			2025		
	Total	of which women	of which men	Total	of which women	of which men
Board of Directors ¹	10	4	6	9	4	5
Executive Team	10	1	9	10	1	9
– of which parent company's Executive Team	2	0	2	2	0	2
Total	20	5	15	19	5	14

¹ Excluding employee representatives and deputies.

Note 36 Financial risk management and financial instruments

Financial risk management

ASSA ABLOY is exposed to a variety of financial risks due to its international business operations. Financial risk management is carried out in accordance with the Group's financial policy. The principles for financial risk management are described below.

Organization and activities

ASSA ABLOY's financial policy, which is determined by the Board of Directors, provides a framework of guidelines and regulations for the management of financial risks and financial activities.

ASSA ABLOY's financial activities are coordinated centrally by the Treasury function and the majority of financial transactions are conducted via the subsidiary ASSA ABLOY Financial Services AB, which is the Group's internal bank. External financial transactions are conducted by Treasury. Treasury achieves significant economies of scale when negotiating agreements for borrowing, interest risk management and management of currency flows.

Capital structure

The objective of the Group's capital structure is to safeguard its ability to continue as a going concern, and to generate good returns for shareholders and benefits for other stakeholders. Maintaining an optimal capital structure enables the Group to keep capital costs at a low level. The Group can adjust the capital structure based on the requirements that arise by varying the dividend paid to shareholders, returning capital to shareholders, issuing new shares or selling assets to reduce debt. The capital requirement is assessed on the basis of factors such as the net debt/equity ratio.

Net debt is defined as interest-bearing liabilities, including negative market values of derivatives, plus pension provisions and lease obligations, less cash and cash equivalents, and other interest-bearing investments including positive market values of derivatives. The table 'Net debt and equity' shows the position as at December 31.

Net debt and equity

SEK M	Group	
	2024	2025
Non-current interest-bearing liabilities	–224	–204
Short-term investments	–25	–6
Derivative instruments – positive market values	–419	–907
Cash and cash equivalents	–4,504	–1,398
Long-term loans	54,989	46,553
Short-term loans	11,958	12,185
Lease liabilities	6,554	6,615
Pension provisions	1,478	1,136
Derivative instruments – negative market values	445	303
Total	70,253	64,277
Equity	107,080	101,719
Debt/equity ratio	0.66	0.63

Rating

Another important variable in the assessment of the Group's capital structure is the credit rating assigned by credit rating agencies to the Group's debt. It is essential to maintain a solid credit rating in order to have access to both long-term and short-term financing from the capital markets. ASSA ABLOY maintains both long-term and short-term credit ratings from S&P Global and a short-term rating from Moody's. S&P Global changed its outlook for the long-term credit rating to Negative from the previous rating of Stable in 2025.

Agency	Short-term	Outlook	Long-term	Outlook
Standard & Poor's	A2/K1	Stable	A–	Negative
Moody's	P2	Stable	n/a	

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

Accounts
→ Notes
Five years in summary
Comments on five years in summary
Definitions of key ratios
Board of Directors and CEO assurance
Auditor’s report
Auditor’s limited assurance report on ASSA ABLOY AB (publ)’s sustainability statement
Shareholder information
The ASSA ABLOY share
Information for shareholders
Financial calendar
Contact details

Note 36 continued

SEK M²	December 31, 2024				December 31, 2025			
	<1 year	>1 <2 years	>2 <5 Years	>5 years	<1 year	>1 <2 years	>2 <5 Years	>5 years
Long-term bank loans	–1,670	–9,691	–5,784	–2,103	–2,143	–3,426	–4,319	–1,269
Long-term capital market loans	–5,375	–9,461	–13,778	–21,621	–9,266	–7,020	–19,407	–18,120
Short-term bank loans	–1,373				–1,257			
Commercial papers and short-term capital market loans	–6,205				–1,142			
Derivatives (outflow)	–25,391				–31,488			
Derivatives, hedge accounting (outflow)	–952	–7,901	–1,147	–748	–6,901	–655	–2,926	–661
Total by period	–40,966	–27,053	–20,709	–24,472	–52,196	–11,101	–26,552	–20,050
Cash and cash equivalents incl. interest-bearing receivables	4,715				1,448			
Non-current interest-bearing receivables	0	72	176	2	0	204	0	1
Derivatives (inflow)	25,208				31,419			
Derivatives, hedge accounting (inflow)	776	7,336	1,145	850	7,500	682	3,080	870
Deferred considerations	–1,109	–206	–47	0	–884	–723	–101	
Trade receivables	23,444				21,327			
Trade payables	–12,594				–11,029			
Lease liabilities	–1,987	–1,535	–2,412	–1,790	–1,969	–1,580	–2,560	–1,595
Net total	–2,513	–21,385	–21,847	–25,410	–4,383	–12,519	–26,232	–20,775
Confirmed credit facilities	12,794	–12,794			17,277		–17,277	
Adjusted maturity profile¹	10,281	–34,180	–21,847	–25,410	12,894	–12,519	–43,509	–20,775

¹ For maturity profile of guarantees, see Note 30.
² The amounts in the table are undiscounted and include future known interest payments. The exact amounts are therefore not all found in the balance sheet.

Financing risk and maturity profile
Financing risk is defined as the risk of being unable to meet payment obligations as a result of inadequate liquidity or difficulties in obtaining external financing, or external financing becoming more expensive. ASSA ABLOY manages financing risk at Group level. Treasury is responsible for external borrowings and external investments. ASSA ABLOY strives to have access to both short-term and long-term loan facilities at all times. In accordance with financial policy, the available loan facilities, including available cash and cash equivalents, should include a reserve (facilities available but not utilized) equivalent to at least 10 percent of the Group’s total annual sales.

Maturity profile
The ‘Maturity profile’ table above shows the maturities for ASSA ABLOY’s financial instruments, including confirmed credit facilities. The maturities are not concentrated to a particular date in the immediate future. An important component of liquidity planning is the Group’s Multi-Currency Revolving Credit Facility, which was renewed in 2025. The amount was increased to

EUR 1,600 M and the term was extended to April 2030. This credit facility was unutilized at year-end.
Moreover, existing financial assets are also taken into account in the table. The table shows undiscounted cash flows and future known interest payments relating to the Group’s financial instruments at the reporting date, and these amounts are therefore not found in the balance sheet.

Cash and cash equivalents and other interest-bearing receivables
Short-term interest-bearing investments totaled SEK 2 M (939) at year-end. In addition to cash and cash equivalents, ASSA ABLOY has interest-bearing receivables of SEK 210 M (249) with a maturity of more than three months and financial derivatives with a positive market value of SEK 907 M (419) which are included in the definition of net financial debt. Cash and cash equivalents are mainly invested in bank accounts, deposits in banks or interest-bearing instruments with high liquidity from issuers with a credit rating of at least A– according to S&P Global or a similar rating

agency. The average term for cash and cash equivalents was 1 day (3) at year-end 2025.
The parent company’s cash and cash equivalents are held in a sub-account to the Group account.

SEK M	Group		Parent company	
	2024	2025	2024	2025
Cash and bank balances	3,565	1,396	2	–
Short-term investments with maturity less than 3 months	939	2	–	–
Cash and cash equivalents	4,504	1,398	2	–
Short-term investments with maturity more than 3 months	25	6	–	–
Non-current interest-bearing receivables	224	204	–	–
Positive market value of derivatives	419	907	–	–
Total	5,172	2,515	2	–

Interest rate risks in interest-bearing assets
Treasury manages interest rate risk in interest-bearing assets. Derivative instruments such as interest rate swaps and FRAs (forward rate agreements) may be used to manage interest rate risk. These fixed income assets are mostly short-term. The fixed interest term for such short-term investments was 1 day (7) at year-end 2025. A downward change in the yield curve of one percentage point would reduce the Group’s interest income by around SEK 0 M (0) and consolidated equity by SEK 0 M (0).

Interest-bearing liabilities
The financing mainly consists of a GMTN Program of SEK 46,068 M (42,657), of which SEK 38,367 M (38,688) is long-term, bilateral bank loans of SEK 2,258 M (7,022) and loans from financial institutions such as the European Investment Bank (EIB) totaling USD 571 M, of which USD 458 M (571) is long-term, and the Nordic Investment Bank of EUR 235 M, of which EUR 167 M (235) is long-term. Six new issues under the GMTN Program for a total of SEK 10,027 M with maturities of 3 to 10 years were made during the year. A bilateral bank loan of USD 500 M was repaid ahead of schedule at the same time as a new loan of USD 100 M was raised and a bank loan of CAD 200 M was extended to optimize the maturity profile. Other changes in long-term loans are mainly due to some of the originally long-term loans now having less than 1 year to maturity. The size of the loans decreased because of currency fluctuations, in particular weaker USD.

The Group’s short-term loan financing mainly consists of two Commercial Paper Programs for a maximum USD 1,000 M (1,000) and SEK 5,000 M (5,000) respectively. At the year-end, the outstanding balance under the Commercial Paper Programs was SEK 1,142 M (6,177). In addition to the credit facilities described under the Maturity profile section, substantial credit commitments exist, mainly in the form of a Multi-Currency Revolving Credit Facility of EUR 1,600 M (1,116). At year-end the average time to maturity for the Group’s interest-bearing liabilities, excluding pension provisions and lease obligations, was 47 months (44).
Some of the Group’s main financing agreements contain a customary Change of Control clause. This clause means that lenders have the right in certain circumstances to demand the renegotiation of conditions or to terminate the agreements should control of the company change.

Note 36 continued

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

Accounts

→ Notes

Five years in summary

Comments on five years in summary

Definitions of key ratios

Board of Directors and CEO assurance

Auditor’s report

Auditor’s limited assurance report on
ASSA ABLOY AB (publ)’s sustainability statement

Shareholder information

The ASSA ABLOY share

Information for shareholders

Financial calendar

Contact details

External financing/net debt

Credit lines/facilities	Amount, SEK M	Maturity	Carrying amount, SEK M	Currency	Amount M currency 2024	Amount M currency 2025	Of which parent company, SEK M
Multi-Currency RCF	17,277	Apr 2030	–	EUR	1,116	1,600	
Bank loans	917	Apr 2027	917	USD	–	100	
Bank loans	1,341	Sep 2027	1,341 ¹	CAD	200	200	
Bank loan EIB	1,450	Mar 2028 ³	1,450 ¹	USD	228	158	
Bank loan EIB	2,753	Jun 2030 ³	2,753 ¹	USD	343	300	
Bank loan NIB	729	Jun 2028	729	EUR	68	68	
Bank loan NIB	1,080	Jun 2029	1,080	EUR	100	100	
Global MTN Program	100,280	Feb 2027	323	EUR	30	30	323
		Feb 2027	540	EUR	50	50	540
		Mar 2027	2,999 ¹	SEK	3,000	3,000	2,999
		Jun 2027	263 ²	NOK	300	300	274
		Sep 2027	539	EUR	50	50	539
		Oct 2027	176 ²	NOK	200	200	183
		Oct 2027	920 ²	USD	100	100	917
		Jan 2028	1,400 ¹	SEK	–	1,400	1,400
		Feb 2028	688 ¹	USD	75	75	688
		Apr 2028	1,201 ¹	SEK	1,200	1,200	1,201
		Feb 2029	999	SEK	–	1,000	999
		May 2029	161	EUR	15	15	161
		Jun 2029	92	USD	10	10	92
		Jun 2029	825 ¹	USD	–	90	825
		Aug 2029	108	EUR	10	10	108
		Aug 2029	999 ¹	SEK	1,000	1,000	999
		Oct 2029	285 ²	EUR	28	28	301
		Oct 2029	280	EUR	26	26	280
		Dec 2029	868 ²	USD	100	100	912
		Mar 2030	323	EUR	30	30	323
		Apr 2030	753	EUR	70	70	753
		Jun 2030	917	USD	100	100	917
		Sep 2030	6,504 ²	EUR	600	600	6,440
		Feb 2031	108	EUR	10	10	108
		Sep 2031	916	USD	100	100	917
		Mar 2032	908 ²	NOK	1,000	1,000	913
		Jun 2032	917	USD	–	100	917
		Sep 2032	5,340 ^{1,2}	EUR	–	500	5,380
		Aug 2034	1,070	EUR	100	100	1,070
		Mar 2035	311 ²	EUR	–	30	323
		Sep 2035	6,481 ²	EUR	600	600	6,420

Credit lines/facilities	Amount, SEK M	Maturity	Carrying amount, SEK M	Currency	Amount M currency 2024	Amount M currency 2025	Of which parent company, SEK M
Other long-term loans	69		69				–36
Total long-term loans/facilities	125,894		46,553				38,195
Bank loan EIB	1,034	Apr 2026 ³	1,034 ¹	USD	70	113	
Bank loan NIB	729	Jun 2026	729	EUR	–	68	
Global MTN Program	7,701		7,707 ^{1,2}	SEK	3,953	7,752	7,701
Global CP Program	9,173		817	USD	195	89	
			323	EUR	109	30	
Swedish CP Program	5,000		0	SEK	2,787	0	
Other bank loans	1,193		1,193				
Overdraft facility	3,316		382				
Total short-term loans/facilities	28,146		12,185				7,701
Total loans/facilities	154,040		58,738				45,896
Cash and cash equivalents			–1,398				
Non-current and current interest-bearing investments			–210				
Derivative financial instruments			–603				
Pension provisions			1,136				
Lease liabilities			6,614				119
Net debt			64,277				46,015

¹ The loan is subject to cash flow hedging, in whole or in part.
² The loan is subject to fair value hedging, in whole or in part.
³ The loans are amortizing. In the table the average dates of maturity of the loans have been stated.

Change in loans SEK M	Long-term loans	Short-term loans	Total
Opening balance, January 1, 2025	54,989	11,957	66,947
Cash flow from financing activities			
Long-term loans raised	11,001	–	11,001
Long-term loans repaid	–4,646	–4,357	–9,003
Net change in short-term loans	–	–4,607	–4,607
Total	6,355	–8,964	–2,609
Changes in non-cash items			
Acquisitions of subsidiaries	11	37	48
Divestments of subsidiaries	–	–	–
Reclassifications	–9,650	9,650	–
Unrealized exchange rate differences	–4,924	–428	–5,352
Other changes	–212	21	–191
Exchange rate differences	–16	–88	–105
Total	–14,791	9,192	–5,600
Closing balance, December 31, 2025	46,553	12,185	58,738

Note 36 continued

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

- Accounts
 - Notes
- Five years in summary
- Comments on five years in summary
- Definitions of key ratios
- Board of Directors and CEO assurance
- Auditor’s report
- Auditor’s limited assurance report on ASSA ABLOY AB (publ)’s sustainability statement
- Shareholder information
 - The ASSA ABLOY share
 - Information for shareholders
 - Financial calendar
 - Contact details

SEK M	Long-term loans	Short-term loans	Total
Opening balance, January 1, 2024	49,918	9,833	59,750
Cash flow from financing activities			
Long-term loans raised	7,044	–	7,044
Long-term loans repaid	–	–3,736	–3,736
Net change in short-term loans	–	929	929
Total	7,044	–2,808	4,236
Changes in non-cash items			
Acquisitions of subsidiaries	–	–	–
Divestments of subsidiaries	–	–	–
Reclassifications	–4,748	4,748	–
Unrealized exchange rate differences	2,790	267	3,057
Other changes	–24	–16	–40
Exchange rate differences	11	–66	56
Total	–1,972	4,932	2,961
Closing balance, December 31, 2024	54,989	11,958	66,948

Interest rate risks in borrowing

Changes in interest rates have a direct impact on ASSA ABLOY’s net interest expense. Treasury is responsible for identifying and managing the Group’s interest rate exposure. Treasury analyzes the Group’s interest rate exposure and calculates the impact on income of changes in interest rates on a rolling 12-month basis. The Group strives for a mix of fixed rate and variable rate borrowings in the loan portfolio, and uses interest rate swaps and cross currency swaps to adjust the fixed interest term. The financial policy stipulates that the average fixed interest term should normally be within the interval of 12 to 36 months. At year-end, the average fixed interest term on gross debt, excluding pension liabilities and lease commitments, was around 30 months (28). An upward change in the yield curve of one percentage point would increase the Group’s interest expense by around SEK 258 M (350) and reduce consolidated equity by SEK 193 M (262).

SEK M	Group	
	2024	2025
Opening balance	5,443	6,554
Acquisitions of subsidiaries	534	481
Divestments of subsidiaries	–16	–108
New and terminated leases	2,059	2,467
Amortization of lease liabilities	–1,797	–1,968
Exchange rate differences	330	–811
Closing balance	6,554	6,615

Balance sheet breakdown:	Group	
	2024	2025
Non-current lease liabilities	4,817	4,900
Current lease liabilities	1,737	1,715
Total	6,554	6,615

Currency composition

The currency composition of ASSA ABLOY’s borrowing depends on the currency composition of the Group’s assets and other liabilities. Currency swaps and cross currency swaps are used to achieve the desired currency composition.

Net debt by currency

SEK M	December 31, 2024		December 31, 2025	
	Net debt excl. derivatives	Net debt incl. derivatives	Net debt excl. derivatives	Net debt incl. derivatives
USD	23,674	39,335	15,904	34,786
EUR	32,363	12,444	34,818	12,850
SEK	8,249	5,870	8,620	4,864
AUD	145	2,787	90	2,290
CAD	1,576	1,747	1,472	2,042
GBP	–546	1,586	–448	1,992
CNY	243	1,434	686	1,349
PLN	4	1,097	47	1,057
BRL	676	676	454	454
CZK	50	387	126	415
AED	53	382	19	391
Other items	3,766	2,507	2,488	1,786
Total	70,253	70,253	64,277	64,277

Currency risk

Currency risk affects ASSA ABLOY mainly through translation of capital employed and net debt, translation of the income of foreign subsidiaries, and the impact on income of flows of goods between countries with different currencies.

Transaction exposure

Currency risk in the form of transaction exposure, or exports and imports of goods respectively, is relatively limited in the Group, even though it can be significant for individual business units. The main principle is to allow currency fluctuations to have an impact on the business as quickly as possible. As a result of this strategy, current currency flows are not normally hedged.

Currency, SEK M	Transaction flows relating to major currencies (import + and export –)	
	Currency exposure	
	2024	2025
AUD	658	707
CAD	1,665	1,538
CHF	–899	–968
CNY	–2,909	–2,359
CZK	–1,064	–923
EUR	989	1,875
GBP	1,142	1,006
MXN	–1,151	–521
SEK	–1,470	–792
USD	4,108	3,564

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

Accounts
→ Notes
Five years in summary
Comments on five years in summary
Definitions of key ratios
Board of Directors and CEO assurance
Auditor’s report
Auditor’s limited assurance report on ASSA ABLOY AB (publ)’s sustainability statement
Shareholder information
The ASSA ABLOY share
Information for shareholders
Financial calendar
Contact details

Note 36 continued

Translation exposure in income
The table below shows the impact on the Group’s income before tax of a reasonably possible change, in this case a 10 percent weakening of the Swedish krona (SEK) in relation to the major currencies, with all other variables constant.

Impact on income before tax of a 10 percent weakening of SEK		
Currency, SEK M	2024	2025
AUD	66	75
BRL	30	28
CAD	78	100
CHF	75	80
EUR	359	388
HKD	36	42
MXN	27	20
NOK	26	21
NZD	14	18
USD	1,676	1,670

Translation exposure in the balance sheet
The impact of translation of equity is limited by the fact that a large part of financing is in local currency.
The capital structure in each country is optimized based on local legislation. Whenever possible, according to local conditions, the aim should generally be to have the same debt/equity ratio per currency as for the Group as a whole to limit the impact of fluctuations in individual currencies. Treasury uses currency derivatives and loans to achieve appropriate financing and to eliminate undesirable currency exposure.
The ‘Net debt by currency’ table on page 157 shows the use of currency derivatives in relation to financing in major currencies. Forward exchange contracts are used to neutralize the exposure arising between external debt and internal requirements.

Financial credit risk
Financial risk management exposes ASSA ABLOY to certain counterparty risks. Such exposure may arise from the investment of surplus cash and from investment in debt instruments and derivative instruments.

ASSA ABLOY’s policy is to minimize the potential credit risk relating to surplus cash by using cash flow from subsidiaries to repay the Group’s loans. This is

primarily achieved through cash pools put in place by Treasury. Around 97 percent (96) of the Group’s sales were settled through cash pools in 2025. Smaller amounts may be held in other local banks for shorter time periods depending on how customers choose to pay. The Group can also invest surplus cash in the short term in banks to match borrowing and cash flow. The banks in which surplus cash is deposited have a high credit rating. In light of this and the short terms of the investments the effect of the calculated credit risk is assessed to be negligible.
Derivative instruments are allocated between banks based on risk levels defined in the financial policy, in order to limit counterparty risk. Treasury only enters into derivative contracts with banks that have a high credit rating.
ISDA agreements (full netting of transactions in case of counterparty default) have been entered into with respect to interest rate and currency derivatives. The table on page 159 shows the impact of this netting.

Commercial credit risk
The Group’s trade receivables are distributed across a large number of customers who are spread globally. No single customer accounts for more than 2 percent of the Group’s sales. The concentration of credit risks associated with trade receivables is considered to be limited, but the concentration of credit risks increased through the acquisition of HHI, which has a more concentrated customer base. The fair value of trade receivables is equivalent to the carrying amount. Credit risks relating to operating activities are managed locally at company level and monitored at division level. For more information see Note 22 and the ‘impairment of financial assets’ section in the information on accounting principles.

Commodity risk
The Group is exposed to price risks relating to purchases of certain commodities (primarily metals) used in production. Forward contracts are not used to hedge commodity purchases.

Fair value of financial instruments
Derivative financial instruments such as forward exchange contracts and forward rate agreements are used to the extent necessary. The use of derivative financial instruments is limited to reducing exposure to financial risks.

The positive and negative fair values in the ‘Out-standing derivative financial instruments’ table on page 159 show the fair values of outstanding instruments at year-end, based on available fair values, and are the same as the carrying amounts in the balance sheet. The nominal value is equivalent to the gross value of the contracts.
For accounting purposes, financial instruments are classified into measurement categories in accordance with IFRS 9. The ‘Financial instruments’ tables on page 160 provides an overview of financial assets and liabilities, measurement category, and carrying amount and fair value per item.

Risk management through hedge accounting
During the year the Group used hedge accounting in its financial risk management. Hedges can be divided into cash flow hedges, fair value hedges and net investment hedges. Changes in these are presented in the ‘Hedging instruments’ table on page 159. For information regarding the effects of cash flow hedging, which includes net investment hedging, in other comprehensive income, see Note 33. Fair value hedges are used to manage interest rate risk that arises when the Group takes out loans at a fixed interest rate. Cash flow hedges for interest rate risk in loans with variable interest rates are used to adjust the interest rate risk from variable interest rates. Net investment hedges are used to manage currency risk that arises through investments in foreign subsidiaries.
Interest rate risk related to the long-term loans is hedged using interest rate swaps. For a number of loans, cross currency swaps are also used to hedge both interest rate and currency exposures related to the borrowing. For risks related to net investments in foreign subsidiaries, hedge accounting is only applied to manage currency risk; no other related risks are managed by the hedges that are applied.
ASSA ABLOY does not hedge 100% of its long-term loans or its net investments. Instead, the decision on when hedge accounting is appropriate is taken on a case-by-case basis, in accordance with the risk levels described in the financial policy.
For fair value hedges the Group mainly uses interest rate swaps with critical terms that are equivalent to those of the hedged item, such as reference rate, settlement days, maturity date and nominal amounts. This approach ensures a financial relationship between the hedging items and the hedging instruments. Hedg-

ing relationship effectiveness is tested through period-ic forward-looking evaluation to ensure that a financial relationship still exists. Examples of identified sources of ineffectiveness in the hedging relationship include if a credit risk adjustment in the interest rate swap is not matched by an equivalent adjustment to the loan, or if for some reason differences in the critical terms between the interest rate swap and the loan should arise. As the Group also uses cross currency swaps, there may also be results if the currency basis spread between different currencies changes. The currency basis spread is recognized in other comprehensive income. All critical terms matched during the year. No ineffectiveness occurred due to non-compliance with the critical terms.

Note 36 continued

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

Accounts

→ Notes

Five years in summary

Comments on five years in summary

Definitions of key ratios

Board of Directors and CEO assurance

Auditor's report

Auditor's limited assurance report on
ASSA ABLOY AB (publ)'s sustainability statement

Shareholder information

The ASSA ABLOY share

Information for shareholders

Financial calendar

Contact details

Hedging instruments

SEK M	Cash flow hedges 2024	Cash flow hedges 2025	Fair value hedges 2024	Fair value hedges 2025
Carrying amount of hedged item – fair value	–	–	13,138	17,632
Carrying amount of hedged item – cash flow	7,645	12,242	–	–
Nominal amount of hedging instrument	7,645	12,242	13,138	17,632
Maturity	2026 to 2033	2026 to 2033	2025 to 2035	2026 to 2035
Hedge ratio	1:1	1:1	1:1	1:1
Total effect of hedging on hedged item	–	–	–76	476
Accrued remaining amount for terminated hedges (interest rate hedges)	–	–	71	45
Accrued remaining amount for terminated hedges (net investment hedges)	–255	–255	–	–
Change in value of hedging instruments since January 1	–514	1,020	137	–542
Change in value of hedged items	–	–	–152	552
Hedging cost for currency basis spread	6	8	–14	10
Ineffectiveness recognized in profit or loss	0	–	0	0

Changes in the value of fair value hedged items are recognized against long-term loans; changes in value of hedging instruments are recognized against derivative financial instruments; ineffectiveness, if any, is recognized against interest income or expenses, respectively. Changes in value of hedge instruments in cash flow hedges of interest rate risks and currency risks are recog-

nized in Other comprehensive income. Any ineffective-ness is recognized against interest income or interest ex-penses or currency gains or losses, respectively. Changes in value of net investment hedges are recognized in the hedging reserve in equity. Changes in value from changes in the currency basis spread are recognized as a hedging cost in other comprehensive income.

Disclosures of netting of financial assets and liabilities

SEK M	December 31, 2024					December 31, 2025				
	Gross amount	Amounts netted in the balance sheet	Net amounts recognized in the balance sheet	Amount covered by netting agreement but not netted	Net amount	Gross amount	Amounts netted in the balance sheet	Net amounts recognized in the balance sheet	Amount covered by netting agreement but not netted	Net amount
Financial assets	419	–	419	231	188	907	–	907	218	689
Financial liabilities	445	–	445	231	214	303	–	303	218	85

Netted financial assets and financial liabilities only consist of derivative financial instruments.

Outstanding derivative financial instruments at December 31

Instrument, SEK M	December 31, 2024			December 31, 2025		
	Positive market value ²	Negative market value ²	Nominal value	Positive market value ²	Negative market value ²	Nominal value
Forward exchange contracts	103	224	17,288	167	137	19,832
Interest rate deriv- atives ¹ , fair value hedges	274	87	7,405	123	88	10,613
Interest rate deriva- tives ¹ , cash flow hedges	42	27	6,495	5	78	9,550
Currency interest rate derivatives, fair value hedges	–	127	5,732	–	517	7,019
Currency interest rate derivatives, cash flow hedges	20	–	8,228	1,129	–	8,602
Total	439	465	45,150	1,424	820	55,616

¹ For interest rate derivatives, only one leg is included in nominal value.

² Assets are recognized against accrued revenue and liabilities against accrued expenses.

Note 36 continued

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

- Accounts
 - Notes
- Five years in summary
- Comments on five years in summary
- Definitions of key ratios
- Board of Directors and CEO assurance
- Auditor’s report
- Auditor’s limited assurance report on ASSA ABLOY AB (publ)’s sustainability statement
- Shareholder information
 - The ASSA ABLOY share
 - Information for shareholders
 - Financial calendar
 - Contact details

SEK M	2024		2025	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets at amortized cost				
Trade receivables	23,444	23,444	21,327	21,327
Other financial assets at amortized cost	397	397	360	360
Cash and cash equivalents	4,504	4,504	1,398	1,398
Financial assets at fair value through profit or loss				
Shares and interests	325	325	271	271
Derivative financial instruments				
Hedge accounting	316	316	743	743
Held for trading	103	103	164	164
Total financial assets	29,089	29,089	24,263	24,263
Financial liabilities at amortized cost				
Trade payables	12,594	12,594	11,029	11,029
Lease liabilities¹	6,554	6,554	6,615	6,615
Long-term loans – hedge accounting	19,902	19,902	20,671	20,671
Long-term loans – non-hedge accounting¹	35,088	35,072	25,883	26,010
Short-term loans – hedge accounting	877	877	7,459	7,459
Short-term loans – non-hedge accounting¹	11,081	11,103	4,726	4,724
Financial liabilities at fair value through profit or loss				
Deferred considerations	1,362	1,362	1,708	1,708
Derivative financial instruments				
Hedge accounting	221	221	172	172
Held for trading	224	224	131	131
Total financial liabilities	87,902	87,909	78,396	78,519

¹ Last year's figures have been corrected as they contained incomplete data.

The fair value of long-term borrowing is based on observable data by discounting cash flows to market rate, which is deemed to correspond to level 2 according to the fair value hierarchy. The fair value of current receivables and current liabilities is considered to correspond to the carrying amount.

Financial instruments: measured at fair value

SEK M	2024				2025			
	Carrying amounts	Quoted prices (level 1)	Observable data (level 2)	Non-observable data (level 3)	Carrying amounts	Quoted prices (level 1)	Observable data (level 2)	Non-observable data (level 3)
Financial assets								
Derivative financial instruments	419	–	419	–	907	–	907	–
Financial liabilities								
Derivative financial instruments	445	–	445	–	303	–	303	–
Deferred considerations	1,362	–	–	1,362	1,708	–	–	1,708

Measurement at fair value is classified hierarchically in three different levels based on input data used in measurement of the instruments. Deferred considerations relate to additional payments for acquired companies. The size of a deferred consideration is usually linked to the earnings and sales trend in an acquired company during a specific period of time. Deferred considerations are measured on the acquisition date based on

management’s best assessment of future outcomes. Discounting takes place in the case of significant amounts. Deferred considerations belong to level 3 of the hierarchy. For derivatives, the present value of future cash flows is calculated based on observable yield curves and exchange rates on the balance sheet date. These belong to level 2 in the hierarchy.

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

Accounts

Notes

→ Five years in summary

Comments on five years in summary

Definitions of key ratios

Board of Directors and CEO assurance

Auditor’s report

Auditor’s limited assurance report on
ASSA ABLOY AB (publ)’s sustainability statement

Shareholder information

The ASSA ABLOY share

Information for shareholders

Financial calendar

Contact details

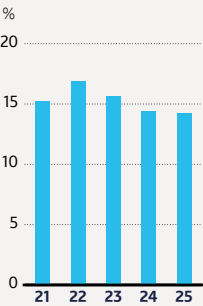
Five years in summary

SEK M	2021	2022	2023	2024	2025
Sales and income					
Sales	95,007	120,793	140,716	150,162	152,409
Organic growth, %	11	12	3	–1	3
Acquisitions and divestments, %	2	2	8	8	5
Operating income (EBIT) excluding items affecting comparability	14,181	18,532	22,185	24,296	24,664
Operating income (EBIT)	14,181	18,532	21,785	24,275	23,151
Income before tax (EBT)	13,538	17,521	19,254	20,893	19,823
Net income	10,901	13,296	13,639	15,621	14,708
Cash flow					
Cash flow from operating activities	12,456	14,357	21,294	21,391	21,412
Cash flow from investing activities	–3,094	–10,561	–47,899	–13,925	–13,163
Cash flow from financing activities	–7,813	–4,699	24,726	–4,447	–11,181
Cash flow	1,549	–904	–1,880	3,019	–2,932
Operating cash flow	13,265	15,808	25,232	23,052	22,660
Capital employed and financing					
– Goodwill	62,502	75,873	92,873	106,874	101,119
– Other intangible assets	13,834	15,024	34,831	38,531	36,838
– Property, plant and equipment	8,753	10,106	11,460	12,653	11,807
– Right-of-use assets	3,436	3,804	5,296	6,295	6,287
– Other capital employed	8,796	13,244	12,060	13,019	10,566
Adjusted capital employed	97,321	118,052	156,520	177,373	166,618
– Restructuring reserve	–658	–294	–767	–39	–622
Capital employed	96,663	117,758	155,753	177,333	165,996
Non-controlling interests	9	12	16	10	122
Equity, excluding non-controlling interest	69,582	86,014	91,629	107,071	101,597
Data per share, SEK					
Earnings per share before and after dilution	9.81	11.97	12.27	14.08	13.23
Earnings per share before and after dilution and excluding items affecting comparability	9.81	11.97	13.54	14.09	14.34
Equity per share after dilution	62.64	77.44	82.49	96.39	91.47
Dividend per share	4.20	4.80	5.40	5.90	6.40 ¹
Price of Series B share at year-end	276.20	223.70	290.30	326.80	358.90

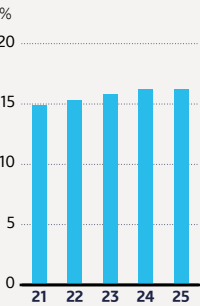
SEK M	2021	2022	2023	2024	2025
Key figures					
Operating margin (EBIT), % excluding items affecting comparability	14.9	15.3	15.8	16.2	16.2
Operating margin (EBIT), %	14.9	15.3	15.5	16.2	15.2
Profit margin (EBT), %	14.2	14.5	13.7	13.9	13.0
Cash conversion	0.98	0.90	1.28	1.10	1.06
Return on capital employed, %	15.2	16.9	15.6	14.4	14.2
Return on equity, %	17.0	17.1	15.3	15.7	14.1
Equity ratio, %	53.5	55.7	46.7	47.9	48.8
Debt/equity ratio	0.39	0.37	0.70	0.66	0.63
Net debt/EBITDA ³	1.5	1.4	2.3	2.3	2.1
Total number of shares, thousands	1,112,576	1,112,576	1,112,576	1,112,576	1,112,576
Number of outstanding shares, thousands	1,110,776	1,110,776	1,110,776	1,110,776	1,110,776
Weighted average number of shares outstanding before and after dilution, thousands	1,110,776	1,110,776	1,110,776	1,110,776	1,110,776
Average number of employees	50,934	52,463	56,845	62,825	63,886

¹ Dividend proposed by the Board of Directors.

Return on capital employed

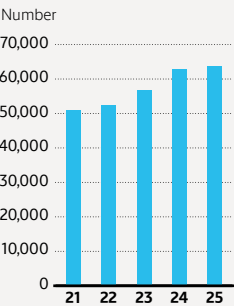


Operating margin (EBIT)²



² Excluding items affecting comparability.

Average number of employees



Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

- Accounts
- Notes
- Five years in summary
 - Comments on five years in summary
- Definitions of key ratios
- Board of Directors and CEO assurance
- Auditor's report
- Auditor's limited assurance report on ASSA ABLOY AB (publ)'s sustainability statement
- Shareholder information
 - The ASSA ABLOY share
 - Information for shareholders
 - Financial calendar
 - Contact details

Comments on five years in summary

2021
The mature markets in the US and Europe gradually recovered during the year despite the continuation of the Covid-19 pandemic and restrictions in many countries. The continued restrictions in Asia meant weaker recovery of demand. Organic growth was very strong for the Group as a whole at 11 percent, with a positive sales trend in all divisions.

Operating income excluding items affecting comparability increased overall by 19 percent, and the operating margin was 14.9 percent (13.6). Operating cash flow remained strong during the year. Acquisition activity was high, with thirteen businesses acquired, primarily in the US and Europe.

Sustainability remains a priority area for ASSA ABLOY. New initiatives were introduced during the year in our effort to meet the Group's sustainability targets for 2025, with continued reductions in emissions, waste and water consumption.

2022
Demand was strong in most major market regions apart from Asia during the year. The markets in both the Americas and Europe developed well. Demand remained weak in Asia, primarily in respect of China. Organic growth was very strong for the Group as a whole at 12 percent. Growth in electromechanical products continued to develop well.

Business operations were affected negatively by rising inflation, high material costs and supply chain disruption. However, it was possible to manage these challenges successfully thanks

to the excellent engagement of our employees. Operating income increased by 31 percent, and the operating margin was 15.3 percent (14.9). Operating cash flow remained strong.

Acquisition activity was very high during the year, with 21 businesses acquired, primarily in the US and Europe. The focus on product development and innovation continued undiminished during the year, partly in the form of major recruitment initiatives.

Sustainability remains a priority area for ASSA ABLOY. Among other things, the Group had its sustainability targets confirmed by the Science Based Targets initiative (SBTi) during the year.

2023
Organic growth was good during the year, despite gradually weaker demand from the private residential market in general. The North American market continued to develop well during the year in the commercial business segments. In Europe, demand was stable. Demand remained weak in Asia. Overall, organic growth amounted to 3 percent. Growth in electromechanical products continued to develop well.

Operating income improved owing to strong growth in fixed currency, good leverage from sales price in relation to material costs combined with continuous efficiency enhancements and cost savings. A new restructuring program was launched early in the year. Operating income excluding items affecting comparability increased by 20 percent, and the equivalent operating margin was 15.8 percent (15.3). Operating cash flow remained very strong thanks to good earnings and a reduction in working capital tied up.

Acquisition activity was very high during the year, with 24 businesses acquired, primarily in the US and Europe. The acquisition of HHI was the largest acquisition in ASSA ABLOY's history and significantly strengthens its presence in the private residential market in North America. In connection with the acquisition of HHI, Emtek and the Smart Residential business in the US and Canada were divested.

Earnings per share before and after dilution, excluding items affecting comparability, increased by 13 percent on the previous year.

2024
In North America and Europe, organic sales were stable for the year. Organic growth was strong for Latin America and Africa, while it was negative for Asia and Oceania. Organic growth totaled –1 percent. Growth from acquisitions and divestments remained strong, totaling 8 percent.

Operating income rose 11 percent to SEK 24,275 M (21,785), primarily attributable to strong growth in fixed currency and good leverage from sales price in relation to material costs combined with continuous efficiency enhancements and cost savings. The operating margin amounted to 16.2 percent (15.5), which is in line with the Group's long-term margin target. Operating cash flow also remained very strong thanks to good earnings and stable working capital tied up.

Acquisition activity remained very high during the year, with 26 businesses acquired, primarily in the US and Europe. Two divestment agreements were signed during the year, including

the sale of the Citizen ID business unit in the Global Technologies division.

Earnings per share before and after dilution increased by 15 percent on the previous year.

2025
In North and Latin America, organic growth was strong for the year, while it was good for Europe and Oceania. Sales decreased in Asia. Organic growth totaled 3 percent. Growth from acquisitions and divestments totaled 5 percent.

Operating income excluding items affecting comparability rose by 2 percent to SEK 24,664 M (24,275), primarily attributable to strong growth in fixed currency of 8 percent and good leverage from sales price in relation to material costs combined with continuous efficiency enhancements and savings. The equivalent operating margin was 16.2 percent (16.2). Operating cash flow remained very strong thanks to good earnings and stable working capital tied up.

Acquisition activity was very high during the year, with 23 businesses acquired, primarily in the US and Europe. One divestment was carried out.

Earnings per share before and after dilution, excluding items affecting comparability, increased by 2 percent on the previous year.

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

- Accounts
- Notes
- Five years in summary
- Comments on five years in summary
- Definitions of key ratios
- Board of Directors and CEO assurance
- Auditor's report
- Auditor's limited assurance report on ASSA ABLOY AB (publ)'s sustainability statement
- Shareholder information
 - The ASSA ABLOY share
 - Information for shareholders
 - Financial calendar
 - Contact details

Definitions of key ratios

Organic growth

Change in sales for comparable units after adjustments for acquisitions, divestments and exchange rate effects.

Operating margin (EBITDA)

Operating income before depreciation, amortization and impairment as a percentage of sales.

Operating margin (EBITA)

Operating income before amortization of intangible assets recognized in business combinations, as a percentage of sales.

Operating margin (EBIT)

Operating income as a percentage of sales.

Profit margin (EBT)

Income before tax as a percentage of sales.

Items affecting comparability

Restructuring costs and significant non-recurring operating expenses such as revaluation of previously owned shares in associates and goodwill impairment.

Operating cash flow

Cash flow from operating activities excluding restructuring payments and tax paid on income minus net capital expenditure and repayment of lease liabilities. See the table on operating cash flow for detailed information.

Cash conversion

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

Net capital expenditure

Investments in, less sales of, intangible assets and property, plant and equipment.

Capital employed

Total assets less interest-bearing assets and non-interest-bearing liabilities including deferred tax liability.

Average adjusted capital employed

Average capital employed excluding restructuring reserves for the last twelve months.

Net debt

Interest-bearing liabilities less interest-bearing assets. See the table on net debt for detailed information.

Net debt/EBITDA

Net debt at the end of the period in relation to EBITDA for the last twelve months.

Debt/equity ratio

Net debt in relation to equity.

Equity ratio

Equity as a percentage of total assets.

Equity per share

Equity excluding non-controlling interests in relation to number of outstanding shares.

Return on equity

Net income attributable to the parent company's shareholders for the last twelve months as a percentage of average equity attributable to the parent company's shareholders for the same period.

Return on capital employed

Operating income (EBIT), excluding items affecting comparability, for the last twelve months as a percentage of average adjusted capital employed.

Earnings per share before and after dilution

Net income attributable to the parent company's shareholders divided by weighted average number of outstanding shares. None of the Group's outstanding long-term incentive programs are expected to result in significant dilution in the future.

Earnings per share before and after dilution excluding items affecting comparability

Net income attributable to the parent company's shareholders, excluding items affecting comparability, net of tax, divided by weighted average number of outstanding shares. None of the Group's outstanding long-term incentive programs are expected to result in significant dilution in the future.

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

- Accounts
- Notes
- Five years in summary
- Comments on five years in summary
- Definitions of key ratios
- Board of Directors and CEO assurance
- Auditor’s report
- Auditor’s limited assurance report on ASSA ABLOY AB (publ)’s sustainability statement
- Shareholder information
 - The ASSA ABLOY share
 - Information for shareholders
 - Financial calendar
 - Contact details

Board of Directors and CEO assurance

The Board of Directors and the CEO declare that the consolidated accounts have been prepared in accordance with International Financial Reporting Standards, IFRS, as adopted by the EU and give 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 principles in Sweden and give a true and fair view of the parent company’s financial position and results.

The Report of the Board of Directors for the Group and the parent company gives a true and fair view of the development of the Group’s and the parent company’s business operations, financial position and results, and describes material risks and uncertainties to which the parent company and the other companies in the Group are exposed.

The Board of Directors and the CEO also certify that the consolidated accounts and the annual accounts have been prepared in accordance with the European Sustainability Reporting Standards (ESRS) and the specifications adopted under the EU Taxonomy Regulation.

The content of the annual report was approved on March 11, 2026.

Signed by all members of the Board of Directors and the CEO on March 11, 2026.

<i>Johan Hjertonsson</i> Chairman	<i>Carl Douglas</i> Vice Chairman	<i>Nico Delvaux</i> President and CEO
<i>Erik Ekudden</i> Board member	<i>Sofia Schörling Högberg</i> Board member	<i>Lena Olving</i> Board member
<i>Victoria Van Camp</i> Board member	<i>Susanne Pahlén Åklundh</i> Board member	
<i>Rune Hjältn</i> Board member Employee representative	<i>Bjarne Johansson</i> Board member Employee representative	

Our auditor’s report was issued on March 13, 2026. Our limited assurance report on the statutory sustainability statement was issued on March 13, 2026.

Ernst & Young AB
Hamish Mabon
Authorized Public Accountant, Auditor in charge

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

- Accounts
- Notes
- Five years in summary
- Comments on five years in summary
- Definitions of key ratios
- Board of Directors and CEO assurance
- Auditor's report
- Auditor's limited assurance report on ASSA ABLOY AB (publ)'s sustainability statement
- Shareholder information
 - The ASSA ABLOY share
 - Information for shareholders
 - Financial calendar
 - Contact details

Auditor's report

This is a translation from the Swedish original.
To the general meeting of the shareholders of ASSA ABLOY AB (publ), corporate identity number 556059-3575

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of ASSA ABLOY AB (publ) for the year 2025, except the corporate governance statement on the pages 55–64 and the sustainability statement on pages 65–118. The annual accounts and consolidated accounts of the company are included on pages 46–160 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 31 December 2025 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 31 December 2025 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 55–64 or the sustainability statement on pages 65–118. 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 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

- Accounts
- Notes
- Five years in summary
- Comments on five years in summary
- Definitions of key ratios
- Board of Directors and CEO assurance
- Auditor's report
- Auditor's limited assurance report on ASSA ABLOY AB (publ)'s sustainability statement
- Shareholder information
 - The ASSA ABLOY share
 - Information for shareholders
 - Financial calendar
 - Contact details

Goodwill and other intangible assets with an indefinite useful life

Description	How our audit addressed this key audit matter
The value of goodwill and other intangibles with an indefinite useful life as of 31 December 2025 amounted to 126.9 billion SEK. The Company performs an annual impairment test as well as whenever impairment indicators are identified. The recoverable amount for each cash-generating unit is determined as the value in use, which is calculated based on the discounted present value of future cash flows. Key assumptions in these calculations include forecast operating results, growth rates to extrapolate future cash flows and discount rates to be applied on future estimated cash flows. Applied discount rate (also referred to as” WACC- Weighted Average Cost of Capital”) is presented in note 14.	In our audit we have evaluated and reviewed key assumptions, the application of recognized valuation practices, discount rate (and other source data that the Company has applied. We have made an independent evaluation of whether there is a risk that reasonably probable events would give rise to a situation where the value in use would be lower than the carrying amount. In this assessment, we have also compared the company’s historical forecasts in the impairment tests with the amounts that is the actual outcome, in order to assess the company’s historical precision in its estimates and assessments. We have included valuation experts with appropriate skills in the team performing our review. Finally, we have evaluated disclosures provided in note 14, specifically with regards to the disclosure of which of the stated assumptions that are most sensitive in calculating the value in use and the sensitivity analysis for those key assumptions.
An impairment test is a complex process and contains a high degree of judgment regarding future cash flows and other assumptions, not least because it is based on estimates of how the Company’s business will be affected by future market developments and by other economic events. Therefore, we have assessed valuation of goodwill and other intangibles assets with an indefinite useful life to be a key audit matter.	

Provisions – restructuring program

Description	How our audit addressed this key audit matter
The restructuring program is described in the Report of Board of Directors in the annual report in note 26. The outgoing balance as per December 31, 2025 amounts to 0.62 billion SEK. A provision for restructuring measures is recognized when the Group has established a detailed plan and either implementation has begun, or the main features of the measures have been communicated to the parties involved. In our audit we have focused on the recognition in the proper period and valuation of the restructuring provision as they require management’s judgment and estimates. Because of the significant amount and considerable estimates involved, we have assessed restructuring provision to be a key audit matter.	We have reviewed the company’s process for identifying restructuring projects and the estimated costs for these projects. Our audit procedures include evaluating if the restructuring programs in all material respects are in line with the accounting principles for provisions, i.e. IAS 37. We have evaluated if there is an obligation that represent future obligations. We have challenged management’s assumptions that there are basis for the restructuring provisions with the aim of assessing the reasonability of the provisions. Based on risk and materiality, we have reconciled the parameters in the calculation against supporting documentation. This includes, among other things, the examination of communication with employees. We have evaluated management’s assessments of remaining cashflows by reviewing their quarterly project updates. Finally, we have evaluated the disclosures provided regarding restructuring activities in note 26.

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

Accounts
Notes
Five years in summary
Comments on five years in summary
Definitions of key ratios
Board of Directors and CEO assurance
→ Auditor's report
Auditor's limited assurance report on ASSA ABLOY AB (publ)'s sustainability statement
Shareholder information
The ASSA ABLOY share
Information for shareholders
Financial calendar
Contact details

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1–45, 65–118, 161–163 and 172–176. The other information also consists of the compensation report that we obtained prior to the date of this auditor's report. The Board of Directors and the Managing Director 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.

The Board of Directors and the Managing Director 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 as adopted by the EU. The Board of Directors and the Managing Director 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.

In preparing the annual accounts and consolidated accounts, The Board of Directors and

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 Managing Director

the Managing Director 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 Managing Director intends 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 skepticism 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 Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director'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.
- Plan and perform the group audit to obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated accounts. We are responsible for the direction, supervision and review of the audit work

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

Accounts
Notes
Five years in summary
Comments on five years in summary
Definitions of key ratios
Board of Directors and CEO assurance
→ Auditor's report
Auditor's limited assurance report on ASSA ABLOY AB (publ)'s sustainability statement
Shareholder information
The ASSA ABLOY share
Information for shareholders
Financial calendar
Contact details

performed for purposes 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, actions taken to eliminate threats or related safeguards applied. 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.

Report on other legal and regulatory requirements

Report on the audit of the administration and the proposed appropriations of the company's 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 Managing Director of ASSA ABLOY AB (publ) for the year 2025 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated (loss be dealt with) in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director 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 Responsibili-

ties 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 Managing Director
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 Managing Director 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 Managing Director 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

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

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 skepticism 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 whether the proposal is in accordance with the Companies Act.

Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) according to the Swedish Securities

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

- Accounts
- Notes
- Five years in summary
- Comments on five years in summary
- Definitions of key ratios
- Board of Directors and CEO assurance
- Auditor's report
- Auditor's limited assurance report on ASSA ABLOY AB (publ)'s sustainability statement
- Shareholder information
 - The ASSA ABLOY share
 - Information for shareholders
 - Financial calendar
 - Contact details

Market Act (2007:528) for ASSA ABLOY AB (publ) for the financial year 2025.

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 ASSA ABLOY 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 Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with 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 Managing Director 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 ISQM 1 Quality Management for Firms that Perform Audits and Reviews of Financial Statements, and other Assurance and Related Services Engagements which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with professional ethical requirements, professional standards and 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 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 audit 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 Managing Director, 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 assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a technical validation of the Esef report, i.e. if the file containing the Esef report meets the technical

specification set out in the Commission's Delegated Regulation (EU) 2019/815 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 Esef report has been marked with iXBRL which enables a fair and complete machine-readable version of the consolidated statement of financial performance, financial position, changes in equity and cash flow.

The auditor's examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages 55–64 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.

Ernst & Young AB with Hamish Mabon as auditor in charge, Box 7850, 103 99 Stockholm was appointed auditor of ASSA ABLOY AB (publ) by the general meeting of the shareholders on 23 April 2025 and has been the company's auditor since the 29 April 2020.

Stockholm, March 13, 2026

Ernst & Young AB

Hamish Mabon
Authorized Public Accountant

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

- Accounts
- Notes
- Five years in summary
- Comments on five years in summary
- Definitions of key ratios
- Board of Directors and CEO assurance
- Auditor's report
 - Auditor's limited assurance report on ASSA ABLOY AB (publ)'s sustainability statement
- Shareholder information
 - The ASSA ABLOY share
 - Information for shareholders
 - Financial calendar
 - Contact details

Auditor's limited assurance report on ASSA ABLOY AB (publ)'s sustainability statement

This is the translation of the auditor's report in Swedish

To the General Meeting of the shareholders of ASSA ABLOY AB (publ), corporate identity number 556059-3575

Conclusion

We have conducted a limited assurance engagement of the sustainability statement prepared by ASSA ABLOY AB (publ) for the financial year 2025. The sustainability statement is included on pages 65 to 118 of this document.

Based on our limited assurance engagement as described in the section Auditor's Responsibility, nothing has come to our attention that causes us to believe that the sustainability statement is not, in all material respects, prepared in accordance with the Swedish Annual Accounts Act, which includes:

- Whether the sustainability statement meets the requirements of ESRS
- Whether the process carried out by the company to identify reported sustainability information has been conducted as described in the sustainability statement; and
- Compliance with the reporting requirements in Article 8 of the EU's Green Taxonomy Regulation.

Basis for conclusion

We have conducted the limited assurance engagement in accordance with FAR's recommendation RevR 19 – *Revisorns översiktliga granskning av den lagstadgade hållbarhetsrapporten*. Our responsibility under this recommendation is described in more detail in the section Auditor's Responsibility.

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

Other Information than the sustainability statement
This document also contains other information than the sustainability statement, found on pages 1 to 64 and 119 to 176. The Board of Directors and the Managing Director are responsible for this other information.

Our conclusion on the sustainability statement does not cover this other information, and we do not express any conclusion with assurance regarding this other information.

In connection with our limited assurance engagement on the sustainability statement, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the sustainability statement. In this procedure we also take into account our knowledge otherwise obtained in the limited assurance engagement 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 Managing Director
The Board of Directors and the Managing Director are responsible for the preparation of sustainability statement in accordance with Chapter 6, Sections 12–12f of the Swedish Annual Accounts Act, and for such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of the sustainability statement that is free from material misstatements, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express a conclusion whether the sustainability statement is prepared in accordance with Chapter 6, Sections 12–12 f of the Swedish Annual Accounts Act based on our limited assurance engagement. The limited assurance engagement has been conducted in accordance with FAR's recommendation *RevR 19 Revisorns översiktliga granskning av den lagstadgade hållbarhetsrapporten*. This recommendation requires that we plan and perform our procedures to obtain limited assurance that the sustainability statement is prepared in accordance with these requirements.

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance

engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. This means that it is not possible for us to obtain such assurance that we become aware of all significant matters that could have been identified if a reasonable assurance engagement had been performed.

Our firm applies ISQM 1 (International Standard on Quality Management), which requires the firm to design, implement, and manage a quality management system including guidelines or procedures regarding compliance with ethical requirements, standards of professional practice, and applicable laws and regulations. We are independent of ASSA ABLOY AB (publ) in accordance with professional ethics for accountants in in Sweden and have otherwise fulfilled our ethical responsibilities according to these requirements.

A limited assurance engagement involves performing procedures to obtain evidence to support the sustainability information. The auditor selects the procedures to be performed, including assessing the risks of material misstatements in the sustainability statement, whether due to fraud or error. In this risk assessment, the auditor considers the parts of

Introduction

Who we are

ASSA ABLOY as an investment

Divisions overview

Report of the Board of Directors

Financial statements

Accounts
Notes
Five years in summary
Comments on five years in summary
Definitions of key ratios
Board of Directors and CEO assurance
Auditor's report
→ Auditor's limited assurance report on ASSA ABLOY AB (publ)'s sustainability statement
Shareholder information
The ASSA ABLOY share
Information for shareholders
Financial calendar
Contact details

the internal control that are relevant to how the Board of Directors and the Managing Director prepares the sustainability statement, in order to design procedures that are appropriate under the circumstances, but not for the purpose of providing a conclusion on the effectiveness of the company's internal control. The review consists of making inquiries, primarily of persons responsible for the preparation of the sustainability statement, performing analytical review, and conducting other limited review procedures.

Our review procedures regarding the sustainability statement included, but were not limited to the following:

- Through inquiries, obtaining a general understanding of the internal control environment, reporting processes, and information systems relevant to the preparation of the information in the sustainability statement.
- Evaluating whether information identified as material through the process the company has undertaken to identify the content of the sustainability statement is also included.
- Evaluating whether the structure and presentation of the sustainability statements are consistent with the requirements of ESRS;
- Conducting inquiries with relevant personnel and analytical review procedures regarding selected disclosures in the sustainability statements;
- Performing substantive review procedures based on a sample of selected disclosures in the sustainability statements;
- Obtain, through inquiries and analytical review procedures, support for the methods used for preparing material estimates and forward-looking information and on how these methods were applied;

Our review procedures regarding the process the company have undertaken to identify sustainability information to report included, but were not limited to the following:

- Obtaining an understanding of the process by:
- Conducting inquiries to understand the sources of the information used by management (e.g., stakeholder dialogues, business plans, and strategy documents), and
- Reviewing the company's internal documentation of its process; and
- Evaluating whether the information obtained from our procedures regarding the process implemented by the Company aligns with the description of the process in pages 77 to 78 in the sustainability statement.

Our review procedures regarding the taxonomy disclosures included but was not limited to the following review procedures:

- Obtaining an understanding of the process for identifying economic activities that are covered by and are consistent with the EU Green Taxonomy and the corresponding disclosures in the sustainability statement by:
- Conducting inquiries to relevant personnel and analytical review procedures on the taxonomy disclosures
- Conducting inquiries to understand the sources of the information used in the taxonomy disclosures
- Evaluating whether the presentation of the taxonomy disclosures is consistent with the requirements of the EU Taxonomy Regulation
- Performing substantive review procedures based on a sample of selected disclosures in the sustainability statement regarding the EU Green Taxonomy

Inherent limitations

In reporting forward-looking information in accordance with ESRS, the board and management of ASSA ABLOY AB (publ) must prepare forward-looking information based on specified assumptions about events that may occur in the future and possible future activities of ASSA ABLOY AB (publ). Actual outcomes are likely to differ as expected often do not occur as anticipated.

Stockholm, 13th of March 2026

Ernst & Young AB

Hamish Mabon
Authorized Auditor

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Financial statements

- Financial statements
- Notes
- Five year summary
- Comments on the five year summary
- Definitions of key ratios
- Board of Directors and CEO assurance
- Auditor's report
- Auditor's limited assurance report on ASSA ABLOY AB (publ)'s sustainability statement
- Shareholder information
 - The ASSA ABLOY share
 - Information for shareholders
 - Financial calendar
 - Contact details

The ASSA ABLOY share

Share price trend

The stock market increased at the beginning of the year but was significantly down during March and April following the uncertainty around the introduction of tariffs in the US. From the bottom in April the stock market had a positive trend and the OMX Stockholm PI index finished the year up by 9.5 percent.

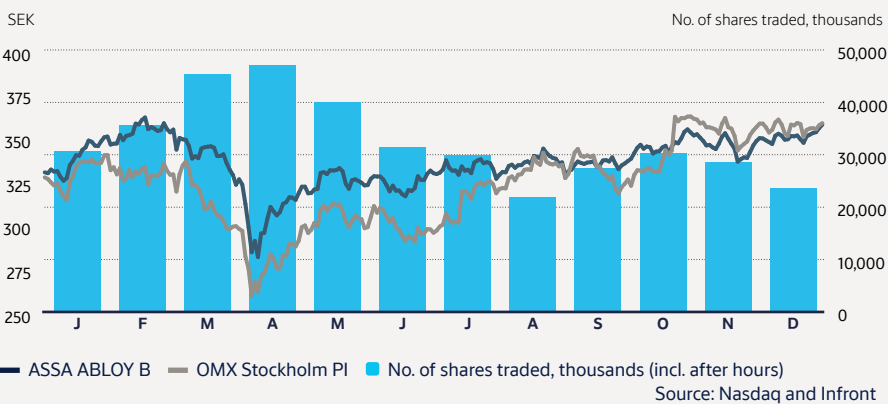
The ASSA ABLOY share price had a stable development in the beginning of the year but was also impacted by the uncertainty around the introduction of tariffs in March and April. Positive earnings announcements in July and October had a positive effect on the share price and for the full year ASSA ABLOY's share price increased 9.8 percent and closed at SEK 358.90. On October 21, 2025, for the first time, ASSA ABLOY's market capitalization was above SEK 400 billion.

The highest closing price for the ASSA ABLOY Series B share in 2025 was SEK 362.70, recorded on October 28. The lowest price of SEK 260.10 was recorded on April 7. At year-end, market capitalization amounted to SEK 399,304 M (363,590), calculated on both Series A and Series B shares.

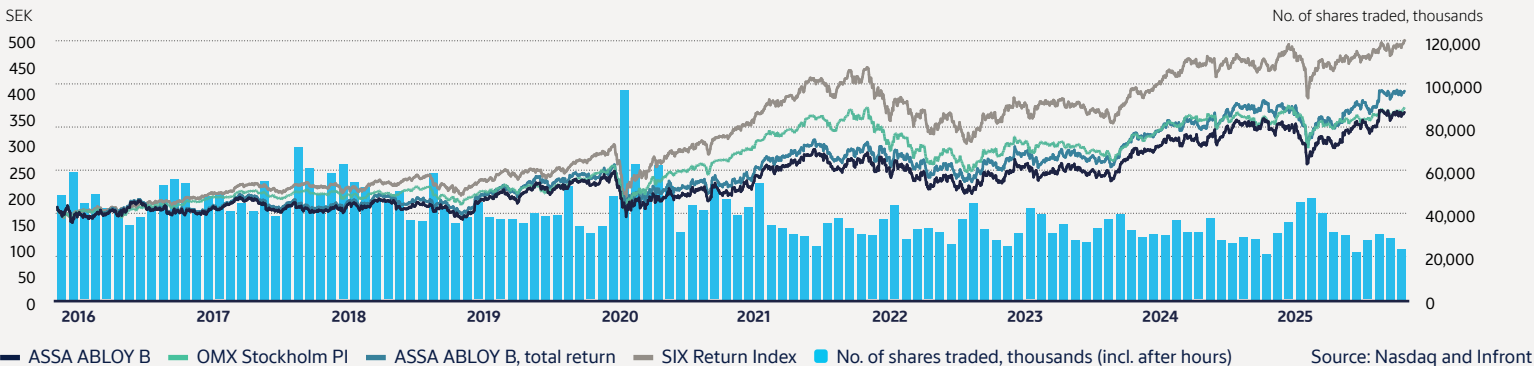
Listing and trading

ASSA ABLOY's Series B share has been listed on Nasdaq Stockholm, Large Cap list, since November 8, 1994, under the ISIN code SE 0007100581. Turnover of the Series B share on Nasdaq Stockholm in 2025 amounted to 392 million shares (358), equivalent to a turnover rate of 37 percent (34). Trading takes place on both regulated markets and other trading platforms with a large proportion of shares traded on markets other than Nasdaq Stockholm.

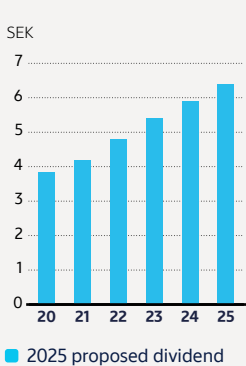
Share price and turnover 2025



Share price and turnover 2016–2025



Dividend per share 2020–2025



Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Financial statements

Financial statements

Notes

Five year summary

Comments on the five year summary

Definitions of key ratios

Board of Directors and CEO assurance

Auditor’s report

Auditor’s limited assurance report on
ASSA ABLOY AB (publ)’s sustainability statement

Shareholder information

→ The ASSA ABLOY share

Information for shareholders

Financial calendar

Contact details

Data per share

SEK/share	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Earnings after tax and dilution	7.09 ¹	7.77	8.09 ¹	9.22 ¹	7.54 ¹	9.81	11.97	13.54 ¹	14.09 ¹	14.34 ¹
Dividend	3.00	3.30	3.50	3.85	3.90	4.20	4.80	5.40	5.90	6.40 ²
Dividend yield, % ³	1.8	1.9	2.2	1.8	1.9	1.5	2.1	1.9	1.8	1.8
Dividend, % ⁴	42.3	42.5	43.3	41.8	51.7	42.8	40.1	39.9	41.9	44.6
Share price at year-end	169.10	170.40	158.15	219.00	202.50	276.20	223.70	290.30	326.80	358.90
Highest share price	190.10	197.10	193.90	231.40	246.50	288.20	281.80	290.50	346.80	362.70
Lowest share price	148.40	163.80	155.85	154.45	159.35	200.20	203.70	226.10	278.10	260.10
Equity	42.51	45.60	46.71	53.25	53.00	62.64	77.44	82.49	96.39	91.47
Number of shares, millions	1,112.6	1,112.6	1,112.6	1,112.6	1,112.6	1,112.6	1,112.6	1,112.6	1,112.6	1,112.6

¹ Excluding items affecting comparability.
² Dividend proposed by the Board of Directors.
³ Dividend as percentage of share price at year-end.
⁴ Dividend as percentage of earnings per share after tax and dilution, excluding items affecting comparability.

Ownership structure

The number of shareholders at the end of 2025 was 60,700 (59,699) and the ten largest shareholders accounted for 35.9 percent (35.1) of the share capital and 56.3 percent (55.7) of the votes. Shareholders with more than 50,000

shares, a total of 274 shareholders, accounted for 97 percent (97) of the share capital and 98 percent (98) of the votes. Investors outside Sweden, owning 66.7 percent (64.1) of the share capital, accounted for 45.5 percent (43.7) of the votes, and were mainly in the US and the UK.

ASSA ABLOY’s ten largest shareholders

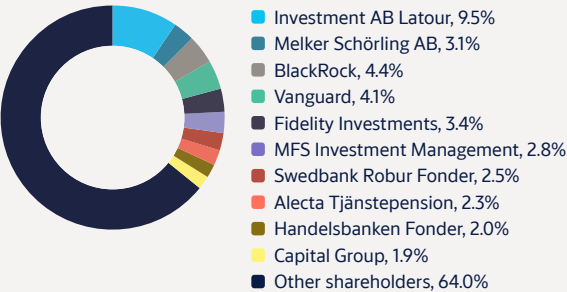
Based on the share register at December 31, 2025.

Shareholders	Series A shares	Series B shares	Total number of shares	Share capital ¹ , %	Votes ¹ , %
Investment AB Latour	41,595,729	63,832,576	105,428,305	9.5	29.4
Melker Schörling AB	15,930,240	18,093,629	34,023,869	3.1	10.9
BlackRock		48,490,694	48,490,694	4.4	3.0
Vanguard		45,880,583	45,880,583	4.1	2.8
Fidelity Investments		37,715,997	37,715,997	3.4	2.3
MFS Investment Management		31,086,157	31,086,157	2.8	1.9
Swedbank Robur Fonder		28,108,651	28,108,651	2.5	1.7
Alecta Tjänstepension		25,523,839	25,523,839	2.3	1.6
Handelsbanken Fonder		22,276,716	22,276,716	2.0	1.4
Capital Group		21,066,952	21,066,952	1.9	1.3
Other shareholders		712,974,571	712,974,571	64.0	43.7
Total number	57,525,969	1,055,050,365	1,112,576,334	100.0	100.0

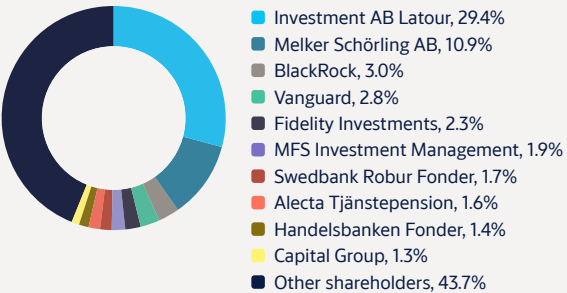
¹ Based on the number of outstanding shares and votes of 1,112,576,334 and 1,630,310,055 respectively.

Source: Modular Finance AB and Euroclear Sweden AB

Ownership structure (share capital)



Ownership structure (votes)



Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Financial statements

Financial statements
Notes
Five year summary
Comments on the five year summary
Definitions of key ratios
Board of Directors and CEO assurance
Auditor's report
Auditor's limited assurance report on ASSA ABLOY AB (publ)'s sustainability statement
Shareholder information
→ The ASSA ABLOY share
Information for shareholders
Financial calendar
Contact details

Share capital and voting rights

The share capital amounted to SEK 370,858,778 at year-end 2025, distributed among a total of 1,112,576,334 shares, comprising 57,525,969 Series A shares and 1,055,050,365 Series B shares. All shares have a par value of around SEK 0.33 and give shareholders equal rights to the company's assets and earnings. The total number of votes amounted to 1,630,310,055. Each Series A share carries ten votes, and each Series B share one vote.

Repurchase of own shares

Since 2010, the Board of Directors has requested and received a mandate from the Annual General Meeting to repurchase and transfer ASSA ABLOY Series B shares. The aim has been, among other things, to secure the company's undertakings in connection with its long-term incentive programs (LTI). The 2025 Annual General Meeting authorized the Board of Directors to acquire, during the period until the next Annual General Meeting, a maximum number of Series B shares so that after each repurchase ASSA ABLOY holds a maximum 10 percent of the total number of shares in the company, and to transfer a maximum of as many Series B shares as are held by the company at the time of the Board of Directors decision. ASSA ABLOY holds a total of 1,800,000 Series B shares after repurchase. The cost for these shares amounts to SEK 103 M. The shares account for around 0.2 percent of the share capital and each share has

a par value of around SEK 0.33. No shares were repurchased or transferred in 2025.

Dividend and dividend policy

The objective of the dividend policy is that, in the longterm, the dividend should be equivalent to 33-50 percent of income after standard tax while taking into account ASSA ABLOY's long-term financing requirements.

The Board of Directors proposes a dividend to shareholders of SEK 6.40 per share (5.90) for the 2025 financial year. The dividend is proposed to be paid in two equal installments, the first with the record date April 30, 2026, and the second with the record date November 11, 2026. If the proposal is adopted at the Annual General Meeting, the first installment is estimated to be paid on May 6, 2026, and the second installment on November 16, 2026. The proposal is equivalent to a total dividend yield on the Series B share of 1.8 percent (1.8).

In 2025 the total return on the ASSA ABLOY share, defined as market price movement plus reinvested dividends, was 11.9 percent compared with the reinvested SIX Return Index in Stockholm, which was up 12.7 percent. Over the five-year period 2021–2025, the total return on ASSA ABLOY's Series B share was 92.0 percent, compared with the reinvested SIX Return Index in Stockholm, which increased by 56.9 percent.

Changes in share capital

Year	Transaction	Series A shares	Series C shares	Series B shares	Share capital, SEK¹
1989			20,000		2,000,000
1994	Split 100:1			2,000,000	2,000,000
1994	Bonus issue				
1994	Non-cash issue	1,746,005	1,428,550	50,417,555	53,592,110
1996	New share issue	2,095,206	1,714,260	60,501,066	64,310,532
1996	Conversion of Series C shares into Series A shares	3,809,466		60,501,066	64,310,532
1997	New share issue	4,190,412		66,541,706	70,732,118
1998	Converted debentures	4,190,412		66,885,571	71,075,983
1999	Converted debentures before split	4,190,412		67,179,562	71,369,974
1999	Bonus issue				
1999	Split 4:1	16,761,648		268,718,248	285,479,896
1999	New share issue	18,437,812		295,564,487	314,002,299
1999	Converted debentures after split and new share issues	18,437,812		295,970,830	314,408,642
2000	Converted debentures	18,437,812		301,598,383	320,036,195
2000	New share issue	19,175,323		313,512,880	332,688,203
2000	Non-cash issue	19,175,323		333,277,912	352,453,235
2001	Converted debentures	19,175,323		334,576,089	353,751,412
2002	New share issue	19,175,323		344,576,089	363,751,412
2002	Converted debentures	19,175,323		346,742,711	365,918,034
2010	Converted debentures	19,175,323		347,001,871	366,177,194
2011	Converted debentures	19,175,323		349,075,055	368,250,378
2012	Converted debentures	19,175,323		351,683,455	370,858,778
2015	Split 3:1	57,525,969		1,055,050,365	370,858,778

¹ SEK 1 per share before split in 2015 – number of shares at the end of the period and around SEK 0.33 per share after split in 2015. Number of shares at the end of the period 1,112,576,334 (including repurchase of own shares).

Introduction

Who we are

ASSA ABLOY as an investment

Divisional overview

Report of the Board of Directors

Financial statements

Financial statements
Notes
Five year summary
Comments on the five year summary
Definitions of key ratios
Board of Directors and CEO assurance
Auditor's report
Auditor's limited assurance report on ASSA ABLOY AB (publ)'s sustainability statement
Shareholder information
The ASSA ABLOY share
→ Information for shareholders
→ Financial calendar
Contact details

Information for shareholders

Annual General Meeting

The 2026 Annual General Meeting of ASSA ABLOY AB will be held on Tuesday, April 28, 2026, at 3.30 p.m., at 7A Posthuset, Vasagatan 28, 111 20 Stockholm, Sweden.

Right to participate and notification

A person has the right to participate at the Annual General Meeting if the person:

- is recorded as a shareholder in the share register kept by Euroclear Sweden AB on Monday, April 20, 2026, and
- has given notice of its participation to ASSA ABLOY AB no later than Wednesday, April 22, 2026. Notice of participation shall be given via the company's website assaabloy.com/general-meeting, by telephone +46 8-402 90 71 or in writing by mail to ASSA ABLOY AB, "2026 Annual General Meeting", c/o Euroclear Sweden AB, P.O. Box 191, SE-101 23 Stockholm, Sweden.

The notification must state name, personal or corporate identification number, address, telephone number and names of any assistants attending.

Proxy

If the shareholder is represented by proxy, a written and dated power of attorney signed by the shareholder must be enclosed to the notification and be presented in original at the latest at the Annual General Meeting. Proxy form is available upon request and will be available on the company's website assaabloy.com/general-meeting. If the proxy is issued by a legal entity, a certificate of incorporation or equivalent authorization document must be enclosed.

Nominee registered shares

Shareholders whose shares are nominee registered through a bank or other nominee must, in addition to giving notice of participation, request that their shares be temporarily registered in their own name in the share register kept by Euroclear Sweden AB (so called voting right registration) in order to be entitled to participate in the Annual General Meeting. The shareholders' register for the General Meeting as of the record date Monday, April 20, 2026, will take into account voting right registrations completed no later than Wednesday, April 22, 2026. Shareholders concerned must, in accordance with each nominee's routines, request that the nominee makes such voting right registration well in advance of that date.

Nomination Committee

The Nomination Committee has the task of preparing, on behalf of the shareholders, proposals regarding the election of Chairman of the General Meeting, members of the Board of Directors, Chairman of the Board, Vice Chairman of the Board, auditor, fees for the Board members including division between the Chairman, the Vice Chairman, and the other Board members, as well as fees for committee work, fees to the company's auditor and any changes of the instructions for the Nomination Committee.

The Nomination Committee prior to the 2026 Annual General Meeting comprises Johan Menckel (Investment AB Latour), Mikael Ekdahl (Melker Schörling AB), Caroline Sjösten (Swedbank Robur Fonder), Carina Silberg (Alecta) and Yvonne Sörberg (Handelsbanken Fonder). Johan Menckel is Chairman of the Nomination Committee.

Dividend

The Board of Directors proposes a dividend to shareholders of SEK 6.40 per share for the 2025 financial year. The dividend is proposed to be paid in two equal installments, the first with the record date April 30, 2026, and the second

with the record date November 11, 2026. If the proposal is adopted by the Annual General Meeting, the first installment is estimated to be paid on May 6, 2026, and the second installment on November 16, 2026.

Financial calendar

Annual General Meeting and dividend

Annual General Meeting	April 28, 2026
Shares traded excluding right to dividend of SEK 3.20	April 29, 2026
Record day for dividend	April 30, 2026
Payment of dividend	May 6, 2026

Shares traded excluding right to dividend of SEK 3.20	November 10, 2026
Record day for dividend	November 11, 2026
Payment of dividend	November 16, 2026

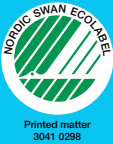
Financial reporting

Interim Report January–March 2026	April 28, 2026
Half-year Report January–June 2026	July 17, 2026
Interim Report January–September 2026	October 27, 2026
Year-end Report 2026	February 2027

This copy of the annual financial reporting of ASSA ABLOY AB (publ) for the year ended December 31, 2025 is not presented in the ESEF format as specified in the Regulatory Technical Standards on ESEF (Delegated Regulation (EU) 2019/815). The ESEF reporting package is available at ASSA ABLOY's website assaabloy.com

ASSA ABLOY AB
Box 70340
SE-107 23 Stockholm
Sweden
Visiting address:
Klarabergsviadukten 90
Tel +46 (0)8 506 485 00
Fax +46 (0)8 506 485 85
Reg. No. 556059-3575
assaabloy.com
© ASSA ABLOY

Production: ASSA ABLOY in cooperation
with Narva Communications.
Photo: ASSA ABLOY’s own photographic
library, among others.
Printing: Larsson Offset, Stockholm, 2026.



Front cover: The VAL100 ticket validator from HID combines a reliable multimedia ticket reader with an open-architecture Linux computer to deliver a robust ticket validation and fare collection solution. Designed for buses, trams, and other public transit systems, the VAL100 ensures consistent performance across all ticket media providing riders with a fast, seamless ticketing experience.

Contact details
Christiane Belfrage
Corporate Communications
Telephone +46 (0)8 506 485 10
Christiane.Belfrage@assaabloy.com

Björn Tibell
Investor Relations
Telephone +46 (0)8 506 485 73
Bjorn.Tibell@assaabloy.com