

RATOS AB

Tax Position

Updated: July 2026

Supersedes: Tax Position dated May 2016

Ratos's General Position Regarding Tax

Ratos is a public investment company with high ambitions in terms of transparency and responsible ownership. Ratos owns its portfolio companies through Nordic holding structures. Our approach to tax reflects our role as an active, long-term owner committed to sustainable value creation.

We always strive to comply with current tax legislation — both in the spirit and the letter of the law — in all countries where Ratos and its portfolio companies operate. Our portfolio companies act as independent entities, while Ratos as owner has established guidelines applicable across all areas of tax:

- We maintain a conservative tax position. Ratos does not use tax havens or structures whose primary purpose is to achieve a tax advantage. Structures are driven by genuine commercial rationale.
- Tax is paid where Ratos and its portfolio companies conduct business and generate value, consistent with OECD principles and the Pillar Two framework.
- Ratos operates in accordance with the OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations (2022 edition). Transfer pricing is documented in line with Swedish and local requirements, and reflects genuine economic activity.
- Ratos provides all relevant information requested by tax authorities to determine our tax liability, and proactively meets disclosure obligations including CbCR and DAC 6 reporting.
- Given the introduction of public Country-by-Country Reporting from fiscal year 2025, Ratos recognises that its tax data will be visible to external stakeholders and communicates its position accordingly.

Through local presence across multiple countries, Ratos contributes to society via its direct operations and through the taxes paid to local governments, including corporate income tax, payroll tax, VAT, and other levies.

Tax Position

This tax position provides guidance to Ratos and its portfolio companies regarding compliance with the general principles above, with specific focus on governance, risk management, and the material regulatory changes since 2016.

I. Tax Governance

Each portfolio company acts strategically, operationally, and financially independent of other portfolio companies. Each company is responsible for implementing this position and maintaining adequate procedures for tax management and monitoring.

The Tax Group at Ratos has responsibility for initiating and documenting policies and guidelines for specific tax matters relating to Ratos and its portfolio companies, including oversight of Pillar Two compliance, CbCR obligations, and DAC 6 disclosures at group level.

Ratos's tax governance model operates through three lines of defence:

- First line of defence — Portfolio company CEO. Manages business-as-usual tax compliance, ongoing risk assessment, and day-to-day obligations including transfer pricing, local filing requirements, and DAC 6 reporting.
- Second line of defence — Board of each portfolio company. Responsible for tax oversight, monitoring tax risk levels, and escalation of material issues. Given the introduction of public CbCR, boards should be aware of the reputational as well as financial dimensions of tax risk.
- Third line of defence — External auditor. Provides independent assurance over tax positions and compliance.

II. Regulatory Developments — Key Requirements for Portfolio Companies

The following regulatory requirements require active management at portfolio company level:

Pillar Two	<i>The 15% global minimum effective tax rate applies to groups with revenues above €750 million. Portfolio companies within in-scope groups must assess their effective tax rate per jurisdiction and manage top-up tax exposure. Ratos's Tax Group is available to support this analysis.</i>
Public CbCR	<i>From fiscal year 2025, multinationals meeting the threshold must publish tax data by country. Boards and CEOs of portfolio companies should be aware that tax structures and effective rates will be publicly visible. Consistency between commercial substance and tax contribution is essential.</i>
DAC 6 / MDR	<i>Cross-border arrangements bearing certain hallmarks of potential tax avoidance must be disclosed to the Swedish Tax Agency. The reporting obligation falls primarily on intermediaries but also on taxpayers in certain circumstances. All potentially reportable arrangements should be reviewed with Ratos's Tax Group.</i>
Transfer Pricing	<i>Tax authorities globally have adopted an increasingly assertive stance on intra-group transactions, particularly regarding IP licensing arrangements, intragroup financing, and post-acquisition restructurings. All intra-group transactions must be supported by contemporaneous documentation aligned with the OECD Transfer Pricing Guidelines and reflect genuine economic substance in each relevant jurisdiction</i>
Interest Deductions	<i>Many jurisdictions have introduced substantial restrictions on intragroup interest deductions, commonly including EBITDA-based caps and targeted rules for affiliated party loans — reflecting the OECD BEPS Action 4 recommendations. Portfolio company CFOs should review financing structures for compliance with the rules applicable in each relevant jurisdiction</i>

III. Tax Risk Profile

Ratos maintains a conservative tax risk profile at Level 2 — Fairly Risk Averse — on the five-level scale set out in Appendix I which is appropriate given Ratos's values and the significantly tighter regulatory environment.

In the context of Pillar Two and public CbCR, sustaining a Level 2 profile provides both regulatory compliance and reputational protection. Behaviour approaching Levels 4 or 5 — involving routing of income to low-tax jurisdictions or use of complex financial instruments for tax arbitrage — would in most cases now trigger either Pillar Two top-up taxes or mandatory disclosure obligations, in addition to carrying significant reputational risk.

In practice, a Level 2 risk profile includes:

- Group contributions planning and use of excess depreciations to obtain tax consolidation and reduce tax payable.
- Optimising recovery rate within a domestic VAT group.
- Developing and implementing efficient, commercially-motivated financing and dividend routes.
- Proactive transfer pricing documentation and arm's-length pricing of intra-group transactions.

Any tax risk position above Level 2, or any transaction with material tax consequences, must be escalated to the second line of defence and discussed with Ratos's Tax responsible before implementation. This includes any structure that might constitute a reportable arrangement under DAC 6, or that could affect a group's Pillar Two effective tax rate.

Appendix I — Five-Level Tax Risk Profile

The table below sets out the five-level scale used to assess tax risk across the Ratos Group. Ratos targets Level 2 for itself and all portfolio companies.

Level	Profile	Description
Level 1	Risk Averse	Pure compliance focus. Tax returns filed, audits managed, Tax Agency inquiries answered. No active tax planning.
Level 2	Fairly Risk Averse ★	Compliance plus prudent planning to reduce unnecessary tax charges. Includes group contributions, VAT group optimisation, and commercially-motivated financing structures. Ratos's target level.
Level 3	Moderate	Tax planning used to a limited extent as a business driver. Includes off-shoring of certain service functions, sophisticated use of depreciations, and active participation in structuring decisions.
Level 4	Fairly Risk Tolerant	Tax planning is a major strategic focus. Includes off-shoring core activities to low-tax jurisdictions, use of complex instruments for tax arbitrage, and double-dip structures. Likely to trigger Pillar Two top-up taxes and DAC 6 reporting.

Level 5	Risk Tolerant	Aggressive tax planning is central. Extensive use of low-tax jurisdictions, minimal taxable revenue recognised in standard jurisdictions. Incompatible with Ratos's values and modern regulatory requirements.
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★ Ratos Group target. Any deviation above this level requires escalation to the second line of defence and discussion with Ratos's Tax responsible prior to implementation.

Approved by the Board of Ratos AB

July 16, 2026

For questions regarding this position, contact Ratos's Tax responsible.