

Protokoll fört vid årsstämma i Securitas AB (publ), 556302-7241, Stockholm, den 5 maj 2021.

Minutes of Annual General Meeting of shareholders in Securitas AB (publ), 556302-7241, held in Stockholm, on 5 May 2021.

§ 1

Styrelsens ordförande Marie Ehrling utsågs till ordförande vid stämman. Det noterades att Frida Rosenholm förde protokollet vid stämman.

Det noterades vidare att bolagsstämman genomförs i enlighet med 20 och 22 §§ lagen (2020:198) om tillfälliga undantag för att underlätta genomförandet av bolags- och föreningsstämmor, innebärande att aktieägarna enbart kunnat delta genom poströstning.

Sammanställning över utfallet av mottagna poströster, avseende varje punkt som omfattas av poströster, bilades protokollet som Bilaga 1, vari framgår de uppgifter som anges i 26 § ovan angivna lag (2020:198).

The Chair of the Board, Marie Ehrling, was appointed Chair of the meeting. It was noted that Frida Rosenholm was to keep the minutes of the meeting.

It was further noted that the Annual General Meeting is carried out in accordance with sections 20 and 22 of the Act (2020:198) on temporary exceptions to facilitate the execution of general meetings in companies and other associations, meaning that the shareholders could only exercise their voting rights by postal voting.

A compilation of the result of received postal votes, for each item subject to postal voting, was attached as Appendix 1, which states the information specified in section 26 of the abovementioned Act (2020:198).

§ 2

Den förteckning, Bilaga 2, som upprättats av Euroclear Sweden AB på uppdrag av bolaget godkändes såsom röstlängd vid stämman.

The list, Appendix 2, which had been prepared by Euroclear Sweden AB on behalf of the company was approved as voting list for the meeting.

§ 3

Det i kallelsen intagna förslaget till dagordning godkändes av stämman.

The agenda proposed in the convening notice was approved by the meeting.

§ 4

Charlotte Kyller, representerande Investment AB Latour, och Axel Mårtensson, representerande Melker Schörling AB, utsågs att jämte ordföranden justera dagens protokoll.

Charlotte Kyller, representing Investment AB Latour, and Axel Mårtensson, representing Melker Schörling AB were appointed to approve the minutes of the meeting together with the Chair.

§ 5

Det noterades att kallelse till stämman skett genom att kungörelse härom varit införd i Post- och Inrikes Tidningar den 31 mars 2021 och funnits tillgänglig på bolagets webbplats sedan den 26 mars 2021. Därtill har en annons om att kallelse skett varit införd i Svenska Dagbladet den 31 mars 2021. Stämman konstaterades vara i behörig ordning sammankallad.



It was noted that a convening notice in respect of the meeting had been published on 31 March 2021 in the Swedish Official Gazette (Sw. Post- och Inrikes Tidningar) and had been made available on the company's website on 26 March 2021. An advertisement stating that summons has been issued had also been published in Svenska Dagbladet on 31 March 2021. The meeting was declared to have been duly convened.

§ 6

Det noterades att årsredovisningen med tillhörande balans- och resultaträkning samt koncernbalans- och koncernresultaträkning för räkenskapsåret 2020, styrelsens förslag till vinstutdelning och motiverat yttrande däröver samt revisorns yttrande om huruvida de riktlinjer för ersättning till ledande befattningshavare som gällt sedan föregående årsstämma har följts, hade funnits tillgängliga hos bolaget och på bolagets hemsida sedan senast den 26 mars 2021 samt skickats till de aktieägare som begärt det.

Konstaterades att nämnda handlingar skulle anses såsom framlagda vid stämman. Konstaterades vidare att aktieägarna beretts möjlighet att skriftligen begära upplysningar från bolaget och att ingen sådan begäran inkommit.

It was noted that the Annual Report of the company together with the Balance Sheet and Income Statement and the Consolidated Balance Sheet and Consolidated Income Statement for the financial year 2020, the Board's proposal and motivated statement regarding dividend and the auditor's statement on whether the guidelines for remuneration to the management applicable since the previous Annual General Meeting had been adhered to, had been available at the company and on the company website since 26 March 2021 at the latest, and had been sent to all shareholders who had requested copies.

It was noted that the above-mentioned documents should be considered as duly presented at the meeting. It was further noted that the shareholders had been given the opportunity to request information from the company in writing, but that no such request had been submitted.

§ 7

Beslutade stämman härafter:

- a. att fastställa den framlagda resultaträkningen och balansräkningen samt koncernresultaträkningen och koncernbalansräkningen,
- b. att disponera till stämmans förfogande stående vinstmedel i enlighet med styrelsens förslag, nämligen:

	Kronor
Säkringsreserv	75 128 702
Balanserat resultat	19 763 385 374
Årets resultat ¹	1 430 335 011
Summa	21 268 849 087

¹ Inkluderar lämnade koncernbidrag till dotterbolag med 381 197 618 kronor.

så att vinstmedlen disponeras enligt följande:

	Kronor
att i utdelning till aktieägarna lämnas 4,00 kronor per aktie	1 459 735 588
att i ny räkning överföres	19 809 113 499
Summa	21 268 849 087

- c. att avstämningsdag för utdelningen ska vara den 7 maj 2021, samt



- d. att bevilja styrelseledamöterna och den verkställande direktören ansvarsfrihet för räkenskapsåret 2020.

Antecknades att styrelseledamöterna och den verkställande direktören inte deltog i beslutet under punkten (d) såvitt avser dem själva.

Thereafter the meeting resolved:

- a. to adopt the presented Income Statement and Balance Sheet and the Consolidated Income Statement and Consolidated Balance Sheet,
b. that the profit at the disposal of the meeting, i.e.

	SEK
Hedging reserve	75,128,702
Retained earnings	19,763,385,374
Net income for the year ¹	1,430,335,011
Total	21,268,849,087

¹ Includes Group contributions to subsidiaries of SEK 381,197,618.

should be disposed as follows, in accordance with the Board's proposal;

	SEK
a dividend to the shareholders of SEK 4.00 per share	1,459,735,588
retained earnings to be carried forward	19,809,113,499
Total	21,268,849,087

- d. *that the Board and the Presidents should be discharged from liability for the financial year 2020.*

It was noted that neither the board members nor the President participated in the resolution under item (d) as regards themselves.

§ 8

Beslutade stämman att antalet av stämman valda styrelseledamöter skulle vara åtta utan suppleanter.

It was resolved that the number of Board members to be appointed by the meeting should be eight, without any deputies.

§ 9

Beslutade stämman att arvode till styrelsen för perioden till och med utgången av årsstämman 2022 ska utgå med sammanlagt belopp om 8 950 000 kronor (inklusive ersättning för kommittéarbete) att fördelas mellan ledamöterna enligt följande: ordföranden 2 400 000 kronor och var och en av de övriga ledamöterna 800 000 kronor.

Som ersättning för kommittéarbete ska ordföranden för revisionskommittén erhålla 350 000 kronor, ordföranden för ersättningskommittén 100 000 kronor, ledamot av revisionskommittén 225 000 kronor samt ledamot av ersättningskommittén 50 000 kronor.

Beslutades att arvode till revisorn ska utgå enligt avtal.

It was resolved that fees to the Board for the period up to and including the Annual General Meeting 2022 should amount to a total of SEK 8,950,000 (including fees for committee work), to



be distributed among the Board members as follows: the Chair SEK 2,400,000 and each of the other Board members SEK 800,000.

As consideration for committee work, the Chair of the Audit Committee shall receive SEK 350,000, the Chair of the Remuneration Committee shall receive SEK 100,000, each member of the Audit Committee SEK 225,000 and each member of the Remuneration Committee SEK 50,000.

It was resolved that the auditor's fees are to be paid as per agreement.

§ 10

Det noterades att de uppdrag som de av valberedningen föreslagna styrelseledamöterna innehar i andra företag framgår av handling som funnits tillgänglig på bolagets hemsida sedan kallelsen publicerades.

Valde stämman för tiden intill dess nästa årsstämma hållits till styrelseledamöter: omval av Ingrid Bonde, John Brandon, Fredrik Cappelen och Sofia Schörling Högberg, samt nyval av Jan Svensson, Gunilla Fransson, Harry Klagsbrun och Johan Menckel. Jan Svensson valdes till styrelsens ordförande.

Det noterades att arbetstagarorganisationerna utsett Åse Hjelm och Jan Prang som styrelseledamöter, med Thomas Fanberg som suppleant.

Avgående styrelseordföranden och styrelseledamöterna avtackades, på uppdrag av valberedningen, av bolagets VD och koncernchef Magnus Ahlqvist.

It was noted that the assignments in other companies of the Board members proposed by the Nomination Committee were presented in a document that had been available on the company's website since the issuance of the notice.

For the period up to and including the next Annual General Meeting, the following Board members were elected: re-election of Ingrid Bonde, John Brandon, Fredrik Cappelen and Sofia Schörling Högberg, and new election of Jan Svensson, Gunilla Fransson, Harry Klagsbrun and Johan Menckel. Jan Svensson was elected as Chair of the Board.

It was noted that the employee organizations had appointed Åse Hjelm and Jan Prang as Board members, with Thomas Fanberg as deputy Board member.

The resigning Chair of the Board and the resigning board members were thanked, on behalf of the Nomination Committee, by the CEO and President.

§ 11

Valdes revisionsbyrån Ernst & Young AB, med auktoriserade revisorn Rickard Andersson som huvudansvarig revisor, till revisor för tiden intill slutet av årsstämman 2022.

Den avgående revisorn PricewaterhouseCoopers AB, med auktoriserade revisorn Patrik Adolfson, som huvudansvarig revisor, avtackades av ordföranden.

The auditing firm Ernst & Young AB, with the authorized public accountant Rickard Andersson as auditor in charge, were elected auditor for a period up to and including the Annual General Meeting in 2022.

The resigning auditor, PricewaterhouseCoopers AB, with the authorized public accountant Patrik Adolfson as auditor in charge, were thanked by the Chair.

§ 12

Beslutade stämman att godkänna styrelsens rapport över ersättningar enligt 8 kap. 53 a § aktiebolagslagen, [Bilaga 3](#).

It was resolved to approve the Board of Directors' report regarding compensation pursuant to Chapter 8, Section 53 a of the Swedish Companies Act, [Appendix 3](#).

**§ 13**

Beslutade stämman i enlighet med styrelsens förslag om riktlinjer för ersättning till ledande befattningshavare, Bilaga 4.

The meeting resolved to adopt the guidelines for remuneration to management in accordance with the proposal by the Board, Appendix 4.

§ 14

Beslutade stämman att anta styrelsens förslag till bemyndigande för styrelsen att besluta om att förvärva och överlåta egna aktier, Bilaga 5. Det noterades att beslutet biträtts av aktieägare representerande minst två tredjedelar av såväl de avgivna rösterna som de vid årsstämman företrädde aktierna.

The meeting resolved to adopt the proposal from the Board for authorization of the Board to resolve on the acquisition and transfer of the company's shares, Appendix 5. It was noted that the decision was supported by shareholders representing at least two thirds of the votes cast as well as the shares represented at the Annual General Meeting.

§ 15

Beslutade stämman att anta styrelsens förslag till incitamentsprogram med tillhörande säkringsåtgärder, Bilaga 6.

The meeting resolved to adopt the proposal from the Board for the implementation of an incentive scheme, including hedging measures, Appendix 6.

§ 16

Beslutade stämman att anta styrelsens förslag till långsiktigt incitamentsprogram (LTI 2021/2023) med tillhörande säkringsåtgärder, Bilaga 7.

The meeting resolved to adopt the proposal from the Board for the implementation of a long-term incentive program (LTI 2021/2023), including hedging measures, Appendix 7.

Vid protokollet:

Secretary:

Frida Rosenholm

Justeras:

Approved:

Marie Ehrling

Charlotte Kyller

Axel Mårtensson

Postal votes - final outcome (26§ 2020:198)

	A - 10 votes	B - 1 vote	Total
Present shares	17 142 600	175 391 246	192 533 846
Present votes	171 426 000,0	175 391 246,0	346 817 246,0
Issued share capital	17 142 600	347 916 297	365 058 897

	Votes			Shares			% of given votes			% present shares			% of issued share capital		
	For	Against	Not voted	For	Against	Not voted	For	Against	Not voted	For	Against	Not voted	For	Against	No vot./rep.
1 - Election of Chairman of the Meeting															
	345 172 434,0	1,0	1 644 811,0	190 889 034	1	1 644 811	100,000%	0,000%	0,474%	99,146%	0,000%	0,854%	52,290%	0,000%	47,710%
2 - Approval of the voting list															
	345 181 035,0	0,0	1 636 211,0	190 897 635	0	1 636 211	100,000%	0,000%	0,472%	99,150%	0,000%	0,850%	52,292%	0,000%	47,708%
3 - Approval of the agenda															
	345 182 466,0	0,0	1 634 780,0	190 899 066	0	1 634 780	100,000%	0,000%	0,471%	99,151%	0,000%	0,849%	52,293%	0,000%	47,707%
4.1 - Election of one or two person(s) to approve the minutes															
	345 182 435,0	0,0	1 634 811,0	190 899 035	0	1 634 811	100,000%	0,000%	0,471%	99,151%	0,000%	0,849%	52,293%	0,000%	47,707%
4.2 - Election of one or two person(s) to approve the minutes															
	345 182 034,0	400,0	1 634 812,0	190 898 634	400	1 634 812	100,000%	0,000%	0,471%	99,151%	0,000%	0,849%	52,293%	0,000%	47,707%
5 - Determination of compliance with the rules of convocation															
	345 182 466,0	0,0	1 634 780,0	190 899 066	0	1 634 780	100,000%	0,000%	0,471%	99,151%	0,000%	0,849%	52,293%	0,000%	47,707%
7a - Resolution regarding adoption of the Statement of Income and the Balance Sheet and the Consolidated Statement of Income and the Consolidated Balance Sheet as per 31 December 2020															
	346 708 488,0	24 298,0	84 460,0	192 425 088	24 298	84 460	99,993%	0,007%	0,024%	99,944%	0,013%	0,044%	52,711%	0,007%	47,283%
7b - Resolution regarding appropriation of the company's profit according to the adopted Balance Sheet															
	346 817 214,0	1,0	31,0	192 533 814	1	31	100,000%	0,000%	0,000%	100,000%	0,000%	0,000%	52,740%	0,000%	47,260%
7c - Resolution regarding record date for dividend															
	346 817 215,0	0,0	31,0	192 533 815	0	31	100,000%	0,000%	0,000%	100,000%	0,000%	0,000%	52,740%	0,000%	47,260%
7d.1 - Resolution regarding discharge of the Board of Directors and the President from liability for the financial year 2020 / Ingrid Bonde															
	346 593 916,0	55 791,0	167 539,0	192 310 516	55 791	167 539	99,984%	0,016%	0,048%	99,884%	0,029%	0,087%	52,679%	0,015%	47,305%
7d.2 - Resolution regarding discharge of the Board of Directors and the President from liability for the financial year 2020 /John Brandon															
	346 593 516,0	56 191,0	167 539,0	192 310 116	56 191	167 539	99,984%	0,016%	0,048%	99,884%	0,029%	0,087%	52,679%	0,015%	47,305%
7d.3 - Resolution regarding discharge of the Board of Directors and the President from liability for the financial year 2020 / Anders Böös															
	346 593 516,0	56 191,0	167 539,0	192 310 116	56 191	167 539	99,984%	0,016%	0,048%	99,884%	0,029%	0,087%	52,679%	0,015%	47,305%
7d.4 - Resolution regarding discharge of the Board of Directors and the President from liability for the financial year 2020 / Fredrik Cappelen															
	344 308 989,0	2 292 802,0	215 455,0	190 025 589	2 292 802	215 455	99,338%	0,662%	0,062%	98,697%	1,191%	0,112%	52,053%	0,628%	47,319%
7d.5 - Resolution regarding discharge of the Board of Directors and the President from liability for the financial year 2020 / Carl Douglas															
	346 592 655,0	57 052,0	167 539,0	192 309 255	57 052	167 539	99,984%	0,016%	0,048%	99,883%	0,030%	0,087%	52,679%	0,016%	47,305%
7d.6 - Resolution regarding discharge of the Board of Directors and the President from liability for the financial year 2020 /Marie Ehrling															
	346 583 916,0	55 791,0	177 539,0	192 300 516	55 791	177 539	99,984%	0,016%	0,051%	99,879%	0,029%	0,092%	52,677%	0,015%	47,308%

7d.7 - Resolution regarding discharge of the Board of Directors and the President from liability for the financial year 2020 / Sofia Schörling Högberg	344 309 389,0	2 292 402,0	215 455,0	190 025 989	2 292 402	215 455	99,339%	0,661%	0,062%	98,697%	1,191%	0,112%	52,054%	0,628%	47,319%
7d.8 - Resolution regarding discharge of the Board of Directors and the President from liability for the financial year 2020 / Dick Seger	346 593 485,0	56 191,0	167 570,0	192 310 085	56 191	167 570	99,984%	0,016%	0,048%	99,884%	0,029%	0,087%	52,679%	0,015%	47,305%
7d.9 - Resolution regarding discharge of the Board of Directors and the President from liability for the financial year 2020 / Magnus Ahlqvist	346 593 516,0	56 191,0	167 539,0	192 310 116	56 191	167 539	99,984%	0,016%	0,048%	99,884%	0,029%	0,087%	52,679%	0,015%	47,305%
8 - Determination of the number of Board members	346 747 446,0	66 900,0	2 900,0	192 464 046	66 900	2 900	99,981%	0,019%	0,001%	99,964%	0,035%	0,002%	52,721%	0,018%	47,260%
9.a - Fees to the Board members	346 795 738,0	19 608,0	1 900,0	192 512 338	19 608	1 900	99,994%	0,006%	0,001%	99,989%	0,010%	0,001%	52,735%	0,005%	47,260%
9.b - Fees to the auditors	345 301 692,0	1 198 595,0	316 959,0	191 018 292	1 198 595	316 959	99,654%	0,346%	0,091%	99,213%	0,623%	0,165%	52,325%	0,328%	47,346%
10.a - Election of Board members	317 520 339,0	28 911 073,0	385 834,0	163 236 939	28 911 073	385 834	91,655%	8,345%	0,111%	84,784%	15,016%	0,200%	44,715%	7,920%	47,365%
10.b - Election of the Chair of the Board	317 830 615,0	28 341 278,0	645 353,0	163 547 215	28 341 278	645 353	91,813%	8,187%	0,186%	84,945%	14,720%	0,335%	44,800%	7,763%	47,436%
11 - Election of auditors	344 176 023,0	2 324 233,0	316 990,0	189 892 623	2 324 233	316 990	99,329%	0,671%	0,091%	98,628%	1,207%	0,165%	52,017%	0,637%	47,346%
12 - Approval of Remuneration Report	340 350 830,0	6 117 362,0	349 054,0	186 067 430	6 117 362	349 054	98,234%	1,766%	0,101%	96,641%	3,177%	0,181%	50,969%	1,676%	47,355%
13 - Determination of guidelines for remuneration to senior management	341 249 227,0	5 236 163,0	331 856,0	186 965 827	5 236 163	331 856	98,489%	1,511%	0,096%	97,108%	2,720%	0,172%	51,215%	1,434%	47,350%
14 - Resolution regarding a proposal for authorization of the Board to resolve on acquisition and transfer of the company's own shares	342 960 471,0	3 789 875,0	66 900,0	188 677 071	3 789 875	66 900	98,907%	1,093%	0,019%	97,997%	1,968%	0,035%	51,684%	1,038%	47,278%
15 - Resolutions regarding the implementation of an incentive scheme, including hedging measures by way of a share swap agreement	345 641 805,0	1 173 941,0	1 500,0	191 358 405	1 173 941	1 500	99,662%	0,338%	0,000%	99,389%	0,610%	0,001%	52,419%	0,322%	47,260%
16 - Resolution regarding the implementation of a long-term incentive program (LTI 2021/2023)	305 662 006,0	40 672 907,0	482 333,0	151 378 606	40 672 907	482 333	88,256%	11,744%	0,139%	78,624%	21,125%	0,251%	41,467%	11,141%	47,392%

Remuneration report

2020



INTRODUCTION

This report describes how the applicable guidelines for remuneration to the individuals who are included in the Group Management of Securitas (the “senior management employees”) were implemented in 2020. The report also provides information on remuneration to the President and CEO, and a summary of the company’s outstanding share-related and share price-related incentive plans. The report has been prepared in accordance with the Swedish Companies Act and the Rules on Remuneration of the Board and Executive Management and on Incentive Programmes issued by the Swedish Corporate Governance Board.

Further information on remuneration to the senior management employees is available in note 9 of the Annual Report 2020. Information on the work of the remuneration committee in 2020 is set out in the corporate governance report available on pages 42–64 of the Annual Report 2020.

Remuneration to the Board of Directors is not covered by this report. Such remuneration is resolved annually by the Annual General Meeting and disclosed in note 9 of the Annual Report 2020.

KEY DEVELOPMENTS 2020

The President and CEO summarizes Securitas’ overall performance in the CEO statement on page 6 in the Annual Report 2020.

SECURITAS’ REMUNERATION GUIDELINES

A prerequisite for the successful implementation of Securitas’ business strategy and safeguarding of its long-term interests, including its sustainability, is that the company can recruit and retain qualified personnel. To this end, the company must offer competitive remuneration. The company’s remuneration guidelines enable the company to offer executives a competitive total remuneration. Under the remuneration guidelines, executive remuneration shall be on market terms and may consist of the following components: fixed basic salary, variable cash remuneration, pension benefits and other benefits. Variable cash remuneration shall be awarded based on the outcome of clearly measurable performance-based targets that are set as close to the local business as possible and aim for long-term profitability of Securitas. The performance-based targets may for example relate to EBITA, EPS

and/or cash flow within each senior management employee’s area of responsibility (group or division). Furthermore, the performance-based targets are intended to contribute to Securitas’ business strategy and long-term interests, including its sustainability, by, among other things, promoting the senior management employee’s long-term development within Securitas and reconciling the shareholders’ interests with the employee’s interests.

The guidelines are found in note 9 of the Annual Report 2020. During 2020, Securitas has complied with the applicable remuneration guidelines adopted by the general meeting. No deviations from the guidelines have been decided and no derogations from the procedure for implementation of the guidelines have been made. The auditor’s report regarding the company’s compliance with the guidelines is available on <https://www.securitas.com/en/corporate-governance/>. No remuneration has been reclaimed. In addition to remuneration covered by the remuneration guidelines, the annual general meetings of the company have resolved to implement share-related incentive plans.

Total President and CEO remuneration in 2020 (kSEK)

Name and position	Base salary ¹	Other benefits ²	One-year variable ³	Multi-year variable ⁴	Extra-ordinary items	Pension expense	Total remuneration	Proportion of fixed and variable remuneration
Magnus Ahlqvist (President and CEO)	15 253	152	3 604	2 378	n/a	4 505	25 892	77/23

¹ Including holiday pay KSEK 253.

² Including life insurance, medical insurance and company car.

³ Relating to cash paid out in 2020 for one-year variable remuneration relating to 2019 (KSEK 3 604).

⁴ Relating to shares vested in 2020 relating to share-based incentive for 2018 (18 274 shares with a fair value of SEK 130.14 per share on vesting day, KSEK 2 378). Shares vested include 483 shares as compensation in lieu of cash dividend during the vesting period.

SHARE-BASED REMUNERATION

Outstanding share-related and share price-related incentive plans

Securitas has implemented share-related incentive plans. Every year since 2010, the Annual General Meeting has resolved on share related incentive schemes including approximately 2,600 employees within the Group. The outcome of these incentive schemes relates to how the criteria for awarding variable cash remuneration are satisfied and thus they are distinctly linked to Securitas' business strategy, long-term interests and sustainability.

Furthermore, the Annual General Meetings 2019 and 2020 resolved on long-term incentive programs (LTI 2019/2021 and LTI 2020/2022, together the "LTI Programs") including the CEO, other members of the Group Management and certain other key employees. The LTI Programs are intended to work as an alternative incentive solution to the aforementioned incentive scheme and includes approximately up to 80 employees within Securitas. The outcome of the LTI Programs are based on the annual development of Securitas' earnings per share. The LTI Programs are conditional upon the participant's own investment

and holding periods of several years. For every Securitas series B share purchased or nominated within the scope of the LTI Programs, the company will grant so called performance awards free of charge. The number of performance awards that will entitle participants to receive Series B shares in the company depends on the annual development of Securitas' earnings per share, compared to minimum and maximum target levels as defined by the Board of Directors, during the measurement period (LTI 2019/2021: 1 January 2019–31 December 2021, LTI 2020/2022: 1 January 2020–31 December 2022) where each year during the measurement period is compared to the previous year. The outcome is calculated yearly, whereby one third of the performance awards is measured against the outcome for the first year, one third is measured against the outcome for the second year and one third is measured against the outcome for the third year. If the minimum level is not reached for the relevant year, each performance award pertaining to that year will entitle participants to receive zero Series B shares, whereas if the maximum level is reached, each performance award pertaining to the relevant year will entitle participants to receive

one Series B share. If the outcome falls between the minimum level and the maximum level, participants' entitlement to Series B shares will be calculated linearly between zero and one series B share per performance award. The participants are divided in three categories and will be granted five (President and CEO), four (Group management) or three (other participants) performance awards for each nominated share. The share-related incentive plans have been resolved by the general meeting and are therefore excluded from the remuneration guidelines. More information on Securitas' incentive plans is available on Securitas' website securitas.com, section Corporate Governance – Remuneration to Senior Management.

Under LTI 2019/2021 and LTI 2020/2022 the President and CEO has received so called performance awards corresponding to a maximum award of 60,410 and 94,775 series B shares, respectively, subject to the above mentioned annual development of Securitas' earnings per share. The below table sets out the number series B shares awarded/vested etc. as applicable, on the basis of the annual development of Securitas' earnings per share during 2019 and 2020.

Share award plans (President and CEO)

Main conditions						Information regarding the reported financial year ¹						
						Opening balance	During the year			Closing balance		
Name	Name of plan	Performance period	Share award date	Share vesting period	End of retention period ²	Shares held at beginning of year	Shares awarded 2020	Shares vested 2020	Subject to performance condition	Awarded and unvested at year-end	Subject to retention period ²	
Magnus Ahlqvist (President and CEO)	LTI 2019/2021 ³	2019	2020-02-06	2022-02-28	–	0	2 197 ⁶	0	0	2 197	–	
		2020	2021-02-03	2022-02-28	–	0	0	0	0	0	–	
		2021	N/A ⁵	2022-02-28	–	–	–	–	20 137	–	–	
		2019–2021	Multiple	2022-02-28	–	0	2 197	0	20 137	2 197	–	
		LTI 2020/2022 ⁴	2020	2021-02-03	2023-02-28	–	0	0	0	0	0	–
	2021		N/A ⁵	2023-02-28	–	–	–	–	31 591	–	–	
	2022		N/A ⁵	2023-02-28	–	–	–	–	31 592	–	–	
	2020–2022	Multiple	2023-02-28	–	0	0	0	63 183	0	–		
TOTAL						0	2 197	0	83 320	2 197	–	

¹ Personally invested shares, in which the President and CEO has invested to become eligible to participate in the plans, are not included in the table.

² End of retention period coincides with vesting date.

³ Under LTI 2019/2021 the CEO has received so called performance awards corresponding to a maximum award of 60 410 series B shares, subject to performance condition.

⁴ Under LTI 2020/2022 the CEO has received so called performance awards corresponding to a maximum award of 94 775 series B shares, subject to performance condition.

⁵ Share award date in February the year following the performance period to be determined.

⁶ Based on earnings per share adjusted for items affecting comparability in 2019. Value KSEK 326 based on the closing price for series B shares on the award date.

Share options issued by major shareholders (CEO)

In addition to the above outstanding share-related and share price-related incentive plans described above, the President and CEO holds 200 000 share options regarding acquisition of Securitas series B-shares,

issued by Melker Schörling AB and Investment AB Latour.

APPLICATION OF PERFORMANCE CRITERIA

Short-term as well as long-term incentives for the President and CEO include clearly measurable

performance-based targets that aim for long-term profitability of the Group. The performance targets that are required to achieve maximum bonus are based on development of real change in earnings per share adjusted for items affecting comparability.

Performance of the President and CEO in the reported financial year: variable cash remuneration

Name	Description of the criteria related to the remuneration component	Relative weighting of the performance criteria	Measured performance	Actual award KSEK
Magnus Ahlqvist (President and CEO)	Real change in Earnings Per Share adjusted for Items Affecting Comparability. Target 0–5 % real change.	100 %	–12 %	0

For the President and CEO Magnus Ahlqvist the variable short-term cash compensation relating to the 2020 performance amounted to KSEK 0.

Performance of the President and CEO in the reported financial year: share-based incentives

Name	Name of plan	Description of the criteria related to the remuneration component	Relative weighting of the performance criteria	Measured performance	Actual award KSEK ¹
Magnus Ahlqvist (President and CEO)	LTI 2019/2021	Real change in Earnings Per Share adjusted for Items Affecting Comparability. Target 1–7 % real change.	100 %	–12 %	0
	LTI 2020/2022	Real change in Earnings Per Share adjusted for Items Affecting Comparability. Target 1–7 % real change.	100 %	–12 %	0

¹ Under LTI 2019/2021 a maximum of 20 137 shares can be awarded per year 2019, 2020 and 2021 or in total 60 410 shares. The grant date value according to IFRS2 corresponds to SEK 161.40 per share. During 2020 no new shares were awarded as the performance criteria were not met and the cost was thus KSEK 0. Under LTI 2020/2022 a maximum of 31 592 shares can be awarded per year 2020, 2021 and 2022 or in total 94 775 shares. The grant date value according to IFRS2 corresponds to SEK 118.70 per share. During 2020 no new shares were awarded as the performance criteria were not met and the cost was thus KSEK 0.

COMPARATIVE INFORMATION ON THE CHANGE OF REMUNERATION AND COMPANY PERFORMANCE**Change of remuneration and company performance over the last two reported financial years (RFY) (kSEK)**

Name	2020	2019	Change	Change, %
Magnus Ahlqvist (President and CEO), KSEK	25 892	23 550	2 342	10
Group Operating result, real change %	–10	3	–13	– ²
Group EPS, real change %	–23	6	–29	– ²
Group EPS adjusted for IAC, real change %	–12	–1	–11	– ²
Average remuneration full time equivalent basis for employees of the parent company, KSEK ¹	1 349	1 378	–29	–2

¹ Full time equivalents are adjusted for staff joining and staff leaving and retiring and is based on salary plus benefits, pension and variable salary. Members of Group Management employed by the parent company have been excluded.

² Change in column given as percentage points and thus not calculated in percent except for average remuneration.

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The Board of Directors' proposal on guidelines for remuneration to senior management

Scope

The Board of Directors proposes that the Annual General Meeting 2021 adopts the following guidelines for remuneration to the individuals who are included in the Group Management of Securitas (the “**senior management employees**”).

The guidelines shall apply to agreements entered into after the Annual General Meeting 2021, and to changes made in existing agreements after the Annual General Meeting 2021. These guidelines do not apply to any remuneration decided or approved by the general meeting.

Promotion of Securitas' business strategy, long-term interests and sustainability etc.

In short, Securitas business strategy is to offer protective services that integrate all areas of Securitas' competence. Together with the customers, Securitas develop optimal and cost-efficient solutions that are suited for the customers' needs. This brings added value to the customers and results in stronger, more long-term customer relationships and improved profitability. In order to attract and keep competent senior management employees, Securitas shall offer a competitive total remuneration that is in line with the market conditions on the relevant market for each senior management employee. Thereby, the ambition is to ensure that Securitas has the leading team in the security services industry, which is expected to contribute to Securitas' business strategy and long-term interests, including its sustainability. More information on Securitas' business strategy is available on Securitas' website securitas.com, section About us – Our strategy.

Securitas has implemented share-related incentive plans. Every year since 2010, the Annual General Meeting has resolved on share related incentive schemes including approximately 2,600 employees within the Group. The outcome of these incentive schemes relates to how the criteria for awarding variable cash remuneration are satisfied and thus they are distinctly linked to Securitas' business strategy, long-term interests and sustainability. Furthermore, the Annual General Meetings 2019 and 2020 resolved on long-term incentive programs (LTI 2019/2021 and LTI 2020/2022, together the “**LTI Programs**”) including the CEO, other members of the Group Management and certain other key employees which are intended to work as an alternative incentive solution to the aforementioned incentive scheme and includes approximately up to 80 employees within Securitas. The outcome of the LTI Programs are based on the annual development of Securitas' earnings per share. The LTI Programs are conditional upon the participant's own investment and holding periods of several years. The share-related incentive plans have been resolved by the general meeting and are therefore excluded from these guidelines. The share-related incentive plans proposed by the Board of Directors and submitted to the Annual General Meeting 2021 for approval are excluded for the same reason. More information on Securitas' incentive plans is available on Securitas' website securitas.com, section Corporate Governance – Remuneration to Senior Management.

Types of remuneration

The total remuneration to senior management shall consist of a fixed basic salary, variable cash remuneration, pension benefits and other benefits. Additionally, the general meeting may – irrespective of these guidelines – resolve on, among other things, share-related or share price-related remuneration.

The fixed basic salary shall be competitive and reflect each senior management employee's responsibility and performance. The variable cash remuneration shall amount to a maximum of 85 percent of the fixed basic salary for the President and CEO and a maximum of 60-200 percent of the fixed basic salary for other senior management employees.

The senior management employees shall be subject to defined contribution pension plans for which insurance premiums are transferred from the individual's total cash remuneration and paid by the company during the term of employment. In exceptional cases, the value of such insurance premiums can instead be paid as part of the cash remuneration to a senior management employee. Variable cash



remuneration shall qualify for pension benefits to the extent required by mandatory collective agreement provisions. Insurance premiums may amount to not more than 35 percent of the fixed basic salary.

Other benefits, such as company car, life insurance, special health insurance or occupational health service shall be provided to the extent this is considered customary for senior management employees holding equivalent positions on the labor market where the senior management employee is active. Premiums and other costs relating to such benefits may amount to not more than 15 percent of the fixed basic salary.

For employments governed by rules other than Swedish, pension benefits and other benefits may be duly adjusted for compliance with mandatory rules or local practice, taking into account, to the extent possible, the overall purpose of these guidelines.

Criteria for awarding variable cash remuneration

Variable cash remuneration shall be awarded based on the outcome of clearly measurable performance-based targets that are set as close to the local business as possible and aim for long-term profitability of Securitas. The performance-based targets may for example relate to EBITA, EPS and/or cash flow within each senior management employee's area of responsibility (group or division). Furthermore, the performance-based targets are intended to contribute to Securitas' business strategy and long-term interests, including its sustainability, by, among other things, promoting the senior management employee's long-term development within Securitas and reconciling the shareholders' interests with the employee's interests.

The Remuneration Committee shall, for the Board of Directors, prepare, monitor and evaluate matters regarding variable cash remuneration to the senior management. Ahead of each measurement period for the criteria for awarding variable cash remuneration, which can be one or several years, 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. After a measurement period has ended, it shall be determined to which extent the criteria have been satisfied. Evaluations regarding fulfilment of financial targets shall be based on established financial information for the relevant period.

Variable cash remuneration can be paid after the measurement period has ended or be subject to deferred payment. If payment of variable cash remuneration has been effected on grounds later proven to be obviously inaccurate, Securitas shall, to the extent legally possible, have the possibility to reclaim such paid remuneration.

Termination of employment

At dismissal, the notice period for senior management employees shall not exceed twelve months, with a right to redundancy payment equivalent to a maximum of 100 percent of the fixed basic salary for a period not exceeding twelve months after the end of the notice period. At resignation by a senior management employee, the notice period shall amount to a maximum of six months without a right to redundancy payment.

Additionally, remuneration may be paid for non-compete and non-solicitation undertakings in accordance with mandatory rules or local practice. The remuneration shall be based on the fixed cash salary at the time of termination of employment and be paid during the time the non-compete or the non-solicitation undertaking applies, however not for more than 24 months following termination of employment.

Salary and employment conditions for employees

In the preparation of the Board of Directors' proposal for these guidelines, salary and employment conditions for employees of the company have been taken into account by including information on the employees' total income, 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 senior management. The Board of Directors shall prepare a proposal for new guidelines at least every fourth year and submit it to the 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 for the senior management, the application of the guidelines for remuneration to senior management as well as the current remuneration structures and compensation levels in Securitas. The members of the Remuneration Committee are independent of the company and its senior management. The CEO and other members of the senior management 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 the guidelines

The Board 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 Securitas long-term interests, including its sustainability, or to ensure Securitas 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.

Stockholm in March 2021
The Board of Directors
SECURITAS AB (publ)



Proposal for Authorization of the Board to Resolve on Acquisition and Transfer of the Company's Shares

The Board proposes that the Annual General Meeting for 2021 authorizes the Board to resolve upon acquisition of the company's own shares of Series B according to the following terms: (i) acquisition of shares may take place on Nasdaq Stockholm, (ii) acquisition of shares may take place on one or several occasions during the time up to the Annual General Meeting for 2022, (iii) acquisition of shares may only be made so that the shares held by the company at any point in time does not exceed ten (10) per cent of all shares in the company, (iv) acquisition of shares shall be made at a price which falls within the prevailing price interval registered at each point in time, meaning the interval between the highest purchase price and the lowest selling price, (v) payment for acquired shares shall be made in cash, and (vi) the Board should be authorized to decide upon any additional terms for the acquisition.

Furthermore, the Board proposes that the Annual General Meeting for 2021 authorizes the Board to resolve upon transfer of the company's own shares of Series B according to the following terms: (i) transfer of shares may take place on Nasdaq Stockholm or in connection with acquisition of companies or businesses, on market terms, (ii) transfer of shares may take place on one or several occasions during the time up to the Annual General Meeting 2022, (iii) the maximum number of shares to be transferred may not exceed the number of shares held by the company at the time of the Board's resolution, (iv) transfer of shares shall be made at a price which falls within the prevailing price interval registered at each point in time, meaning the interval between the highest purchase price and the lowest selling price, (v) payment for transferred shares may be made in other forms than cash, and (vi) the Board should be authorized to decide upon any additional terms for the transfer. The authorization includes the right to resolve on deviation of the preferential rights of shareholders.

The purpose of the proposed authorizations is to (a) allow the Board to adjust the company's capital structure, to contribute to shareholder value, (b) be able to exploit attractive acquisition opportunities by fully or partly financing future acquisitions with the company's own shares, and (c) ensure the company's undertakings in respect of share-related or share-based incentive programs (other than delivery of shares to participants of incentive programs), including covering social security costs. If the Board of Directors decides to adjust the company's capital structure in accordance with (a) above, the Board of Directors intends to propose that the company's share capital shall be decreased through share reduction of the repurchased shares.

The Board has presented a motivated statement pursuant to Chapter 19, Section 22 of the Swedish Companies Act. The statement is available at the company and on the company's website www.securitas.com/agm2021.

A decision by the Annual General Meeting on the proposal according to this item must be supported by shareholders representing at least two thirds of the votes cast as well as the shares present at the Annual General Meeting in order for the proposal to be adopted.

Stockholm in March 2021
the Board of Directors
SECURITAS AB (publ)

Proposal of the Board of Directors of Securitas AB for the implementation of an incentive scheme

Background and motives

For the past eleven years, the Annual General Meeting has adopted a share related incentive scheme for the Securitas Group. The Board notes that the program is now well established throughout the organization and is delivering the expected results. Since the implementation of the program in 2010, approximately 3,300 employees have received shares through the program. In keeping with the Board's communicated intention when the previous programs were proposed, the Board therefore proposes that a similar incentive scheme be adopted by the Annual General Meeting in 2021.

The motive for the proposal is the Board's intention to continue with the redesigned bonus structure to enable the Group to have Securitas' top managers as shareholders, thus strengthening the employee ownership in Securitas' future success and development to the benefit of all shareholders. The Board is of the opinion that these benefits may be achieved by continuing to provide a share related part in the existing performance-based cash bonus schemes. It is the assessment of the Board that the scheme will also increase the Group's attractiveness as an employer.

The proposal principally entails that 1/3 of any annual bonus earned under the performance-based cash bonus schemes would be converted into a right to receive shares, with delayed allotment and subject to continued employment. The implementation of the share-based incentive scheme in 2010, which has been renewed annually since then, was based on the then existing bonus structure of the Group. The vesting period is less than three years. Since the program replaces an immediate cash bonus pay-out and is not granted in addition to already existing bonus rights, the Board deems that the two-year period from the commencement of the program until the release of the shares is well motivated and reasonable in order to achieve the purpose of the program.

The detailed contents of the proposed incentive schemes are described below. In order to implement the scheme in an efficient and cost-effective way, it is also proposed that the Annual General Meeting approves that Securitas enter into a so-called swap agreement with a bank/third party.

In light of the proposed conditions, the contemplated size of the scheme and other circumstances, the Board is of the view that the proposed incentive scheme is well balanced and advantageous to Securitas and its shareholders.

The Board intends to recur with proposals for incentive schemes in accordance with the principles here proposed also before AGMs after 2021.

A. Incentive Scheme

The Board proposes that the Annual General Meeting resolves on the implementation of a share and cash bonus scheme in Securitas, in accordance with the following main principles (the "Incentive Scheme").

1. Approximately 2,500 employees will be included in the Incentive Scheme.
2. Employees participating in the Incentive Scheme will be entitled to receive a part of the yearly bonus in the form of shares in Securitas, provided that certain predetermined and measurable performance targets are met.
3. The principles established under the previous incentive scheme, shall continue to apply. The principles include clearly measurable, performance-based targets that are set as close to the local business as possible and aim for long term profitability of the Group. The performance targets vary depending on the position of the employee but



are as a principle based on year-on-year improvement of the operating result ("EBITA") in the area of responsibility. In principle all operative personnel at relevant levels in all regions also have targets based on improvement of cash flow. For the employees of the parent company, the performance is measured based on year-on-year improvement of earnings per share ("EPS"). The performance improvement compared to last year's actual, which is required to achieve maximum bonus, varies for different entities throughout the Group.

4. Provided that the applicable performance criteria are met, the annual bonus outcome will be determined at the outset of 2022 and will, subject to sections A5 and A6 below, be payable as follows.
 - (i) 2/3 of the bonus will be paid in cash at the outset of 2022; and
 - (ii) 1/3 of the bonus will be paid in shares of series B in Securitas AB (the "Bonus Shares") at the outset of 2023. The number of shares to which each participant will be entitled shall be determined by the ratio between the available bonus and the average share price at which the shares are purchased (such purchase to be made during the first quarter of 2022 in accordance with applicable regulations).
5. Distribution of Bonus Shares according to section 4 (ii) above will only occur if the total accrued bonus amounts to at least EUR 6,000. If the total bonus is less than EUR 6,000, the whole bonus amount will instead be paid out in cash at the outset of 2022 in accordance with section 4 (i) above.
6. Distribution of Bonus Shares according to section 4 (ii) above is conditioned upon the employee remaining employed by Securitas as of the last day of February of 2023, except where an employee has left his/her employment due to retirement, death or long term disability, in which case the employee shall have a continued right to receive Bonus Shares.
7. Prior to the distribution of Bonus Shares in accordance with section 4 (ii) above, the participants will neither be registered as shareholders nor have any shareholder rights (e.g. voting rights or rights to dividend) connected to the Bonus Shares. At distribution of the Bonus Shares in accordance with section 4 (ii) above, the employee shall however be entitled to additional shares up to a value corresponding to any dividend decided per share corresponding to the total number of Bonus Shares during the period from payment of the cash bonus in accordance with section 4 (i) until distribution of the Bonus Shares, adjusted to the closest number of whole shares that can be purchased for the dividend for each participant.
8. The number of Bonus Shares that can be received may be subject to recalculation due to share issues, splits, reverse splits and similar dispositions.
9. The Board shall be entitled to resolve on a reduction of the distribution of Bonus Shares if distribution in accordance with the above conditions – considering Securitas' result and financial position, other circumstances regarding the Group's development and the conditions on the stock market – would be clearly unreasonable.
10. Participation in the Incentive Scheme presumes that such participation is lawful and that such participation in Securitas' opinion can take place with reasonable administrative costs and economic efforts. The Board shall be entitled to implement an alternative incentive solution for employees in such countries where participation in the Incentive Scheme is not advisable, which alternative solution shall, as far as practically possible, correspond to the terms of the Incentive Scheme.



11. The Board shall be responsible for the particulars and the handling of the Incentive Scheme within the frame of the above principal guidelines and shall also be entitled to make such minor adjustments which may prove necessary due to legal or administrative circumstances.
12. Participants in the Incentive Scheme will not be entitled to participate in the LTI 2021/2023.

B. Costs of the Incentive Scheme. Hedging measures

Except for costs related to the swap agreement, as described below, the Incentive Scheme is not expected to cause any costs in addition to already existing costs related to the existing bonus programs.

Similar to previous years, it is proposed that the financial exposure of the Incentive Scheme be hedged by the entry of Securitas into a share swap agreement with a third party, whereby the third party in its own name shall acquire and transfer shares in the company to employees participating in the scheme. The cost for the swap is estimated at SEK 700,000 assuming the same bonus amount as last year.

The proposals according to (A) and (B) above shall be adopted as one single resolution and must be supported by shareholders representing more than half of the votes cast, or, in case of equal voting, by the opinion supported by the Chairman of the AGM.

Quota of total number of shares and effects on important key ratios

The Incentive Scheme is estimated to comprise 1,100,000 shares (based on the outcome 2020 adjusted to present number of entitled employees and an estimated share price of SEK 145), which is equivalent to 0.3 per cent of the total number of issued shares and 0.21 per cent of the total number of votes in Securitas.

In view of the proposed swap agreement, there will be no impact on the earnings per share, other than the increased costs that the Incentive Scheme could cause.

Preparation of the proposal

The above proposal for the Incentive Scheme has been prepared by the Board and the Remuneration Committee in consultation with major shareholders. No senior executive, who may be included in the Incentive Scheme, has participated in decisions on the framing of the scheme.

Stockholm in March 2021
the Board of Directors
SECURITAS AB (publ)

Proposal of the Board of Directors of Securitas AB for the implementation of a long-term incentive program directed to the CEO, other members of Group management and certain other key employees (LTI 2021/2023)

Summary of the program

The Annual General Meetings 2019 and 2020 resolved on long-term incentive programs for the CEO, other members of Group management and certain other key employees within the Securitas Group (LTI 2019/2021 and LTI 2020/2022, together the "LTI Programs"). Along the lines of the LTI Programs, the Board of Directors proposes that the Annual General Meeting resolves to implement a long-term incentive program for the CEO, other members of Group management and certain other key employees within the Securitas Group ("LTI 2021/2023"). For the qualifying participants, LTI 2021/2023 is intended to be an alternative to Incentive Scheme 2021 (see the notice convening the Annual General Meeting for further information about Incentive Scheme 2021) and the participants of LTI 2021/2023 will not be entitled to participate in Incentive Scheme 2021. The main principles for LTI 2021/2023 are set out below.

LTI 2021/2023 is proposed to include approximately 70 employees including the CEO, other members of Group management and certain other key employees within the Securitas Group. In order to participate in LTI 2021/2023 the participants will have to invest in Series B shares in Securitas at market price or nominate series B shares already vested under previous incentive schemes. For every Series B share purchased or nominated within the scope of LTI 2021/2023, the company will grant so called performance awards free of charge in accordance with the terms stipulated below.

The rationale for the proposal

The purpose of LTI 2021/2023 is to create a strong long-term incentive for top executives of the Group, strengthen the Group's ability to retain and recruit top executives, provide competitive remuneration, and to align the interests of the shareholders with the interests of the executives concerned by enabling the participants to become substantial shareholders in the company. Through a share-based incentive program, the employees' remuneration is tied to the company's future earnings and value growth. In light of the above, the Board of Directors believes that the implementation of LTI 2021/2023 will have a positive effect on the long-term value growth of the Group and consequently that LTI 2021/2023 is beneficial to both the shareholders and the company.

Personally invested shares

In order to participate in LTI 2021/2023, the participants will, with the exceptions stated below, during the period from 21 May 2021 up to and including 4 June 2021 (the "Investment Period") have to either (i) purchase Series B shares in Securitas in the market and nominate such shares to LTI 2021/2023, or (ii) nominate Series B shares already vested under previous incentive schemes to LTI 2021/2023 ("Personally Invested Shares").

The value of a participant's Personally Invested Shares shall be based on the market price for the company's Series B share and shall correspond to minimum 5 per cent (all participants) and maximum 15 per cent (the CEO), 12.5 per cent (other members of Group management) or 10 per cent (other participants), respectively, of the participant's base salary.

If the participant has access to inside information and therefore is prevented from purchasing Personally Invested Shares during the Investment Period, the Board of Directors shall be entitled to extend or postpone the Investment Period in individual cases, but no later than to the next Annual General Meeting. The Board of Directors shall further, in individual cases, be entitled to accept shares acquired prior to the



Investment Period, but not earlier than 1 January 2021, and/or shares acquired through e.g. a pension insurance as Personally Invested Shares, where the participant, in the Board of Directors' opinion, has valid reasons for nominating such shares to LTI 2021/2023.

Participants in LTI 2021/2023 and allocation

LTI 2021/2023 is proposed to include approximately 70 senior executives and key employees within the Securitas Group, divided in three categories.

Category 1

For each Personally Invested Share by the CEO of the Group under LTI 2021/2023, the company will grant five performance awards to the CEO.

Category 2

For each Personally Invested Share by another member of Group management (currently thirteen individuals) under LTI 2021/2023, the relevant individual will be awarded four performance awards.

Category 3

For each Personally Invested Share by another participant (approximately 56 individuals) under LTI 2021/2023, the relevant individual will be awarded three performance awards.

Performance condition

The number of performance awards that will entitle participants to receive Series B shares in the company depends on the annual development of Securitas' earnings per share¹, compared to minimum and maximum target levels as defined by the Board of Directors, during the measurement period 1 January 2021 – 31 December 2023, where each year during the measurement period is compared to the previous year. The outcome is calculated yearly, whereby one third of the performance awards is measured against the outcome for 2021, one third is measured against the outcome for 2022 and one third is measured against the outcome for 2023.

If the minimum level is not reached for the relevant year, each performance award pertaining to that year will entitle participants to receive zero Series B shares, whereas if the maximum level is reached, each performance award pertaining to the relevant year will entitle participants to receive one Series B share. If the outcome falls between the minimum level and the maximum level, participants' entitlement to Series B shares will be calculated linearly between zero and one series B share per performance award. The Board of Directors intends to present the fulfilment of the performance-based condition in the Annual Report for the financial year 2023.

Other conditions

In addition to the above conditions, the following shall apply for the performance awards.

- The performance awards shall be granted free of charge after the end of the Investment Period.
- Each performance award entitles the holder to receive one Series B share free of charge (subject to the performance condition set out above) three years after allotment of the award (the "Vesting Period"), provided that the holder, with some exceptions, is still employed by the Securitas Group as per the last day of February 2024 and has maintained the full amount of Personally Invested Shares purchased or nominated under LTI 2021/2023 during the entire Vesting Period.
- To make the participants' interest equal with the shareholders', the company will compensate the participants for distributed dividend during the Vesting Period by increasing the number of Series B shares that each performance award may entitle the participant to receive after the Vesting Period.

¹ Earnings per share is defined as the company's earnings per share after tax and dilution, excluding items affecting comparability approved by the Board of Directors and currency effects.



- The number of Series B shares that each performance award may entitle the participant to receive may be subject to recalculation due to share issues, splits, reverse splits and similar dispositions.
- The performance awards are non-transferable and may not be pledged.
- The performance awards can be granted by the company or any other company within the Group.

Preparation and administration

The Board of Directors shall be responsible for preparing the detailed terms and conditions of LTI 2021/2023 in accordance with the mentioned terms and guidelines. To this end, the Board of Directors shall be entitled to make adjustments to meet foreign regulations or market conditions. The Board of Directors may also make other adjustments if significant changes in the Securitas Group, or its operating environment, would result in a situation where the decided terms and conditions for LTI 2021/2023 no longer are appropriate. Such adjustments include a right for the Board of Directors to resolve on a reduction of the number of Series B shares that the performance awards would entitle a participant to receive, if the number of Series B shares that a participant would be entitled to – considering Securitas' result and financial position, other circumstances regarding the Group's development and the conditions on the stock market – would be clearly unreasonable.

Furthermore, in the event that the Board of Directors considers that the delivery of shares under LTI 2021/2023 cannot be achieved at reasonable cost, with reasonable administrative efforts or due to specific market conditions, participants may instead be offered a cash settlement.

Participation in LTI 2021/2023 also presumes that such participation is lawful and that such participation in Securitas' opinion can take place with reasonable administrative costs and economic efforts. The Board of Directors shall be entitled to implement an alternative incentive solution for employees in such countries where participation in LTI 2021/2023 is not advisable, which alternative solution shall, as far as practically possible, correspond to the terms of the LTI 2021/2023.

Scope and cost of the program

LTI 2021/2023 may, if the share price for the company's Series B share remains the same during the program's term, result in a maximum amount corresponding to 75 per cent (CEO), 50 per cent (other members of Group management) or 30 per cent (other participants), respectively, of the participants annual base salary (excluding social security costs). Such outcome is subject to the number of Personally Invested Shares being maximized, meaning that the value of the participant's Personally Invested Shares corresponds to 15 per cent (the CEO), 12.5 per cent (other members of Group management) or 10 per cent (other participants), respectively, of the participants annual base salary, that the participant maintains the full amount of Personally Invested Shares during the entire Vesting Period, and that the participant, with some exceptions, still is employed as per the last day of February 2024, and that the performance based condition has been fully achieved.

The maximum number of Series B shares that a participant may nominate as Personally Invested Shares, and thus the total number of performance awards that may be allotted, shall be based on the market price for the company's Series B share. The total number of issued shares in the company amounts to 365,058,897 shares.

Based on the assumption that the share price for the company's Series B share amounts to SEK 145, LTI 2021/2023 will, in accordance with the principles and assumptions set out above, comprise maximum 543,614 Series B shares in total, which corresponds to approximately 0.15 per cent of the total number of issued shares in the company and 0.1 per cent of the total number of votes in the company.

The costs for LTI 2021/2023 should be expensed as personnel costs over the Vesting Period. Provided that the performance-based condition is fully achieved, the cost for LTI 2021/2023 before tax is, in accordance with the principles and assumptions set out above, estimated to approximately SEK 78.8 million, allocated over the Vesting Period. Estimated social security costs and financing costs are included in such amount.



The Board of Directors proposes the Annual General Meeting to resolve to authorize the Board of Directors to resolve on repurchase of shares in the company and to transfer such shares on a regulated market to cover social security costs and financing costs associated with LTI 2021/2023 (see the notice convening the Annual General Meeting for further information about the proposal).

The costs for LTI 2021/2023 are expected to have marginal effect on key ratios of the Securitas Group.

The Board of Directors deems that the positive effects on earnings that are expected to result from increased share ownership among senior management and key employees, which may be further increased through LTI 2021/2023, outweighs the costs related to LTI 2021/2023.

All estimates are based on at each time applicable foreign exchange rates according to Reuters. Information on previous incentive schemes for 2019 and 2020 and the LTI Programs can be found in the Annual Report 2020, Notes 9 and 12.

Delivery of shares under LTI 2021/2023

To ensure the delivery of Series B shares under LTI 2021/2023, the company may enter into a share-swap agreement with a third party, whereby the third party in its own name shall acquire and transfer Series B shares in the company to employees participating in LTI 2021/2023. The cost for the swap is estimated at a maximum of SEK 600,000 assuming that the performance-based condition is fully achieved.

Any share-swap agreement for LTI 2021/2023 will be a separate share-swap agreement from the agreement entered into in respect of Incentive Scheme 2021 (see the notice convening the Annual General Meeting for further information about the Incentive Scheme 2021).

Preparation of the proposal

LTI 2021/2023 has been initiated by the Board of Directors and the Remuneration Committee of Securitas in consultation with major shareholders and has been structured in consultation with external advisers based on an evaluation of previous incentive schemes. LTI 2021/2023 has been prepared by the Remuneration Committee and reviewed at meetings of the Board of Directors.

Stockholm in March 2021
the Board of Directors
SECURITAS AB (publ)